

COMMON QUESTIONS FROM THE WEBINAR

Below, please find a list of the common questions asked during our webinar. Should you want further clarification, please send us an email at contact@embark.ca.

Who is being transferred to the Embark Student Plan or Embark Select Conservative Plan.

All Flex First Plans and Family Single Student Plans will be transferred to an Embark Plan.

When will I be able to activate my new Embark account?

You'll be able to activate your new Embark account on July 4, 2024. We will be sending you an email with steps on how to do this. You will also be able to find instructions on how to activate your account on our website.

What will I need to activate my new account?

You will need **your** social insurance number and a piece of government issued identification (e.g. Drivers License, Passport).

Why do I need to activate my new account?

For security purposes, we need to ensure it's you that's able to access and manage your plan on our new platform.

Will my agreement number(s) change as a result of the transfer?

No, your agreement number(s) will stay the same.

I haven't updated anything in a while. Do I need to do anything for the transfer to occur?

We'll ask you to update your personal and financial profile information including a review of your risk profile when you activate your account, which you can do beginning July 4, 2024. This is so that we can stay in touch and serve you better.

What's the difference between the Embark Student Plan and Embark Select Conservative Plan?

The difference between the Embark Student Plan and the Embark Select Conservative Plan is their investment strategies. Everything else is the same.



The Embark Student Plan uses a glidepath investment strategy. It focuses on trying to grow your savings with more exposure to equities when your child is young. As your child gets older, the plan progressively becomes more conservative to try and protect what you've built.

The Embark Select Conservative Plan is for low risk, more conservative investors. It invests the money you've saved into a portfolio of roughly 75% fixed income funds and 25% equities funds to try and preserve your savings while providing some investment growth.

Both plans move your savings into a Graduation plan focused on preserving your savings around the time your child turns 18, when they will likely need the savings for post-secondary studies.

Will I have to create a risk profile for each of my plans?

Yes, you will have to. This is to ensure that your funds are invested based on your unique preferences per child and plan.

What will my child's asset allocation be if I'm moved into the Embark Student Plan?

The way your child's savings is invested depends on their age. The plan gradually shifts its asset mix from an emphasis on equity funds in its early years to an emphasis on fixed income funds as your child grows older.

The charts below give you a snapshot of the plan's investments on March 31, 2024. The plan's investments and asset allocation may change.

Series Name	Beneficiary Birth Year	Target Fixed Income Allocation 2024	Target Equity Allocation 2024
Embark 2044	2024-2026	10.0%	90.0%
Embark 2041	2021-2023	10.0%	90.0%
Embark 2038	2018-2020	17.5%	82.5%
Embark 2035	2015-2017	25.0%	75.0%
Embark 2032	2012-2014	38.5%	61.5%
Embark 2029	2009-2011	55.0%	45.0%
Embark 2026	2006-2008	72.5%	27.5%
Embark Graduation	2005 or prior	90.0%	10.0%



Do my child's funds stay in the Graduation cohort once they reach that point?

Yes, in order to try and protect what you've saved, your savings are held in the Embark Student Plan (Graduation) series once your child reaches the age they'll likely need them.

How will it be decided if I'm moved into the Embark Student Plan or Embark Select Conservative Plan?

Your plan will be initially transferred to the Embark Student Plan or Embark Select Conservative Plan based upon your customer profile and what is considered most suitable for you.

When you activate your account on or after July 4, 2024, you will be asked to update your risk profile. Depending on your risk profile result, you will either be placed in the Embark Student Plan or Embark Select Conservative Plan based upon your appetite as well as your capacity for investment risk.

If I have two children in the same family plan, how will the money be invested?

Each child's savings will be invested separately based upon their age and where they fall on the glidepath investment strategy. To learn more about how each of your child's savings will be invested, please see "What will my child's asset allocation be if I'm moved into the Embark Student Plan?".

Can I have multiple plans?

Yes, you can choose to hold multiple RESPs with us. You will be able to see all of your plans on one dashboard when you activate your new online account with us.

Is there a cost to convert my plan to a family plan?

No, there is not.

Can I add more of my children to my RESP?

Yes, you can. Once you activate your account on July 4th, you'll be able to add children to your plan and start saving for them too. You can also always call us at 1-800-363-7377 and we'll help add your children to your plan.



Can one of my children be added to my family plan, even if they're currently in post-secondary school?

Yes, you can add them to a family plan so long as they're a sibling by blood or adoption and are under the age of 21.

If my child doesn't end up using all of their money or if they don't end up going to school, can my other child use the funds instead?

Yes, they can. In a family plan, all funds can be shared between beneficiaries. The only exception to this is grants. You can share Canadian Education Savings Grants between children provided each doesn't exceed their \$7,200 maximum limit. The Canada Learning Bond cannot be transferred among beneficiaries.

If I need to withdraw money prior to July, how do I do it?

To withdraw funds before you activate your new Embark account, you can either log in to your current secure online account at <https://legacy.embark.ca> or call us at 1-800-363-7377.

Is there a limit to how many times you can make a withdrawal from an RESP?

There is no limit to how many times you can make a withdrawal. There is, however, a limit of how much income and grants you can withdraw at any given time within the first 13-weeks of study and if your child is a part-time student. To learn more about these rules, please visit: <https://www.embark.ca/making-withdrawals>

What types of post-secondary programs can my RESP be applied towards?

An RESP can be applied to any qualifying post-secondary program from Employment and Social Development Canada's list of [designated educational institutions](#) or [certified institutions](#). This includes most universities, colleges and many trade schools. The program must also qualify as a part-time or full-time course.

RESPs can also be used for international study. For grants and income to be able to be withdrawn, the international course must last for at least 13 weeks for any course offered outside of a university. For international universities, the program must last at least 3 weeks.



Can you keep saving for a child when they enter post-secondary school?

Yes, you definitely can. You can continue contributing to an RESP up until the end of the 31st year of its 35-year lifetime. For family plans, you can continue contributing to a beneficiary's savings until their 31st birthday.

Can I add more funds to my new RESP plan?

Yes, you can always choose to add more, create a regular deposit schedule or change a pre-existing one whenever you want. This is all available online once you've activated your new account.

What happens to my RESP if my child does not go to school?

You can always keep an RESP open for up to 35-years. If you're positive your child will not be attending school, you can change beneficiaries if you hold an individual plan. The funds will be available for your other children in a family plan. Grant restrictions may apply in both cases. You can also transfer your funds to your registered retirement savings plan (RRSP) if you have the contribution room.

Finally, you can choose to withdraw your income as part of an Accumulated Income Payment. These types of payments are subject to significant taxation. The grants you've accumulated will be returned to the government under this scenario. Contributions will not be taxed.

What do I need to make a withdrawal on the new Embark platform?

All you will need is a verification of enrolment form and some basic information about your child's program. You will also need to verify your banking information.

How do I learn more about withdrawals?

Please feel free to review more about how to make a withdrawal here: <https://www.embark.ca/making-withdrawals>. We will also be hosting a variety of withdrawal webinars throughout the next three months. Subscribers who are close to potentially withdrawing for post-secondary education will receive an invite via email.

If you have any questions about withdrawals, you can also contact us to learn more.



What happens if I don't like the new plan. Can I keep my existing plan?

As part of the subscriber vote to upgrade and transfer your plans, [we received a resounding proportion of votes in favour of making the change](#). This change is an upgrade to your existing registered education savings plan, giving you more tools, a tailored investment strategy and more control over your RESP.

If you have any questions about what the changes mean to you, please contact us. We're very happy to go over everything and explore your options with you.

Will I have to update my banking information to withdraw funds?

In order to withdraw your funds, we will ensure that you confirm your bank account information. This will make sure that we're sending your funds to the account you've selected.

Are there any changes to the fees we pay as a result of this transfer?

The management expense fee for the Embark Plans is 1.65% annually as described in its prospectus. As part of the plan transfer, Flex First Plans and Family Single Student Plans will each receive a management fee rebate.

Those plans transferring from the Flex First Plans receive a lifetime management fee rebate of 1.16%. This means that, as of January 1, 2024, they pay an effective management fee of 0.49% after the rebate.

Those with Family Single Student Plans will receive a management fee rebate of 0.66% until at least January 1, 2026. This means they'll pay an effective management fee of 0.99% after rebate until at least January 1, 2026.

More information on the management fee rebate can be found in the Information Circulars available at www.embark.ca/vote.

Does the fee rebate apply to the money I start saving after the transfer?

Yes, the fee rebate applies to all existing and future contributions to your transferred plan(s) throughout its duration, even the money you move in from other RESPs outside of Embark.





Will you transfer over the exact amount I had in my current RESP to my new Embark Plan?

Yes, we will transfer everything over to your new Embark Plan(s). After the transfer has occurred, you'll receive a final statement of account outlining the closing balance of your former plan and what was transferred over.

What's the difference between Embark and a bank?

Education savings and planning is all we do. We are constantly innovating and improving the way we can help you save for your children. With us, you get access to industry-leading digital resources and tools to help you plan and save.

Who manages the investments?

The Embark Plans are managed by Embark in partnership with our portfolio manager, BMO Asset Management Inc. To learn more about how the plan is constructed, please refer to its prospectus: [Embark Student Plan](#) | [Embark Select Conservative Plan](#)

If I want to talk to someone who can I call?

You can always reach us at contact@embark.ca or by phone via 1-800-363-7377.

