




Embark Student Foundation
(Formerly Knowledge First Foundation)

Special Meeting of Subscribers of the Flex First Plan ("Flex First")

to be held at 11:00 AM EST
on December 12, 2023

MANAGEMENT INFORMATION CIRCULAR



The Embark Student Foundation¹ Board of Directors has approved the proposed plan changes for the Flex First Plan and recommends that customers vote in favour of the resolution attached as Schedule "A" (the "Transfer Resolution") of the accompanying Information Circular.

¹ Formerly Knowledge First Foundation



Your **vote** is important

What you need to know.

The Embark Student Foundation's Board of Directors is holding a vote to wind-up and transfer all Flex First Plans to the Embark Student Plan¹.



Make the most of your education savings.

VOTE YES.

The **Board of Directors** of the Embark Student Foundation is recommending you support and vote in favour of this change.

Here's how this benefits you:

Upgrading to the new Embark Student Plan gives you **an enhanced plan at a lower cost.**

We've taken what was great about your Flex First Plan and made it even better. With the Embark Student Plan, you can make the most of your education savings with more benefits and insights than ever before. You'll get a tailored investment approach built around your child. You'll be able to track and manage your savings, anytime, anywhere, and you'll get industry-leading tools to confidently plan for the future.

An investment that automatically changes, designed around your child.

With the Embark Student Plan, your plan's investments are tailored to your child's age and time to post-secondary education.

When your child is young, and time is on your side, the plan focuses on growing your savings, with more exposure to equities. As your child grows older, the plan automatically changes to become more conservative, adding more fixed income and cash, to protect your savings from market downturns when you may need the money for your child's education.

TARGET ASSET ALLOCATIONS

■ Equities ■ Fixed Income, Cash and Money Market



Pay less for more.

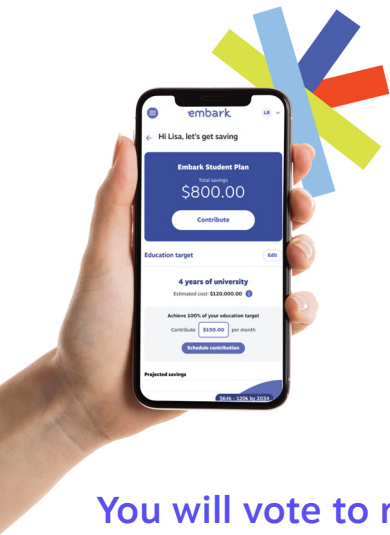
A "Yes" to transfer to the Embark Student Plan, is a vote to enjoy a lifetime management fee rebate of 1.16%.

This means you'll get all of the amazing benefits of the **new plan for 0.49%²**. The best news is, this is a far lower management fee than the 1.49% you currently pay for Flex First. **You will also receive this rebate for any additional funds you contribute or transfer into your Embark Student Plan moving forward!**

Consolidate your savings.

The Embark Student Plan can be converted into a family plan³, allowing you to save for all your children in **one RESP**.

Not only does this make life much easier by letting you track and manage your savings in one plan, you can actually divide the money you've saved between your children based on their needs.



Digital tools to help you make the best decisions.

The Embark Student Plan uses our industry-leading digital platform to help you visualize what you're saving for.

- Forecast how much your child's education will cost, and what you'll be able to pay for
- Track your savings and growth on a daily basis
- Enjoy a personalized digital experience that gives you more flexibility and control
- Add funds, new children and subscribers, online
- Get alerts and track when you receive grants
- Easily access your money and withdraw funds when the time comes

You will vote to receive the following features and benefits:

	Flex First Plan	Embark Student Plan
Investment features & benefits		
Investments automatically adjust with your child's age and time to school	✗	✓
Growth-focused investments when child is young	✗	✓
Investments protected from market downturn as you near withdrawal	✗	✓
Management fee	1.49%	0.49% after lifetime fee rebate²
Account statement frequency	Annually	Quarterly
Options for investors based on risk profile ¹	✗	✓
Plan features & benefits		
Product type	Contract-based with deposit schedule obligations	Investment-based, contributions fully flexible for your needs and schedule
Plan type	Individual (One contract per child)	Family Plan available ³ (One plan per family)
Full self-serve capabilities for more control and flexibility	✗	✓
Option to consolidate and share among children	✗	✓
Simplified and optimized withdrawal process	✗	✓
Digital features & benefits		
Forecast education costs and family budget	✗	✓
View returns daily; track and manage savings at your fingertips	✗	✓
Edit and add children, subscribers and savings	✗	✓
Get alerts and forecasts on your savings goals	✗	✓

For more information on the Embark Student Plan and vote, please visit www.embark.ca/flexfirstvote



¹ When a favourable vote is received to the Transfer Resolution, the Embark Student Foundation will direct the Manager to invest the transferred assets into the appropriate Embark Plan, either the Embark Student Plan or the Embark Select Conservative Plan, according to your risk tolerance and preferences and the age of your beneficiary (as described in the Suitability of Your Plan section of the Management Information Circular).

² The management fee of the Embark Student Plan is 1.65%. When a majority of customers vote "Yes" to the Transfer Resolution, you will receive a lifetime management fee rebate of 1.16%. This fee rebate will take effect on December 31, 2023, and will be shown on your Flex First statement of account, and subsequently on your Embark Student Plan account, as a fee rebate.

³ Each of your Flex First individual plans will be converted into an individual Embark Student Plan. You have the option to consolidate all of your individual plans into one family plan to better manage and share your savings between your children. For the family plan option, each beneficiary must be related to you, either by blood or adoption. They may be your children, stepchildren, grandchildren, brothers, or sisters.

NOTICE OF SPECIAL MEETING OF SUBSCRIBERS OF THE FLEX FIRST PLAN

NOTICE IS HEREBY GIVEN that a special meeting of the subscribers (the “**Special Meeting**”) of the Flex First Plan¹ will be held on **December 12, 2023** at **11:00 a.m.** (EST) by way of virtual live meeting as well as in-person at Embark’s head office at 50 Burnhamthorpe Rd W. Suite 1000, Mississauga, ON L5B 4A5 for the following purposes:

- to approve the transfer resolutions as set out in **Schedule “A”** to the Management Information Circular; and
- to transact such other business as may properly come before the Special Meeting or any adjournment thereof.

Customers and duly appointed proxyholders wishing to attend the Special Meeting may choose from a range of options:

1. Attend the Special meeting in-person at Embark’s head office.
2. Attend the Special Meeting by logging into the live virtual meeting using the details provided herein.

If you are attending the Special Meeting in-person and voting by proxy, proxies must be given to the Chairperson of the Special Meeting on the day of the Special Meeting before the meeting starts.

Customers who cannot attend the Special Meeting in-person are able to attend by logging into the virtual live meeting or by appointing a proxyholder to attend the Special Meeting virtually by going to <https://meetnow.global/M4S9V6M> where they can participate, vote, or ask questions during the Special Meeting.

To streamline the virtual meeting process, Embark Student Foundation encourages all Customers to vote in advance of the Special Meeting using the voting instruction form or the form of proxy set out in the materials accompanying the Management Information Circular.

¹ Refer to the Amended and Restated Prospectus dated June 26, 2023.

IMPORTANT:

If it is not your intention to attend the Special Meeting in-person or virtually, you can vote in advance of the Special Meeting by proxy. To vote by proxy in advance of the Special Meeting, you can choose one of the following methods:



Online

through a secure website:

Go to www.investorvote.com and enter the **Control Number** provided in the left-hand corner of the enclosed Proxy Form. You will be directed to a dedicated website describing your voting options and giving you the ability to vote. To vote with a smartphone, scan the QR code on the Proxy Form.



By Phone:

Vote by calling
1-866-723-VOTE (8683)
entering the
Control Number
provided in the left-hand
corner of the enclosed
Proxy Form and following
the interactive prompts; or



By Mail:

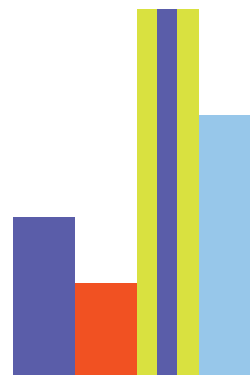
Cast your vote on
the Proxy Form that
was mailed to you;
sign, date and return
the form in the
provided Business
Reply Envelope.

For your proxy vote to count at the Special Meeting, your vote must be cast online or by phone or received by mail at Computershare Proxy Department, 1354 West Beaver Creek, P.O. Box 300, Richmond Hill, Ontario, L4B 4R5, **by 11:00 a.m. EST on Friday, December 8, 2023.**

DATED at Mississauga, Ontario
the 19th of September 2023

**BY ORDER OF THE BOARD OF DIRECTORS OF EMBARK STUDENT FOUNDATION,
SPONSOR OF THE FLEX FIRST PLAN**

"Andrea Bolger, Chair"



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MANAGEMENT INFORMATION CIRCULAR

PART ONE – VOTING INFORMATION

SOLICITATION OF PROXIES

This management information circular (“**Information Circular**”) is being sent to subscribers (“**Customers**”) of the Flex First Plan by Embark Student Foundation (“**Embark Foundation**”), the sponsor of the Flex First Plan, in connection with the solicitation of proxies to be used at a Special Meeting of the Flex First Plan to be held on **December 12, 2023** starting at **11:00 a.m.** EST (the “**Meeting Date**”) for the reasons set out in this Information Circular and notice calling the Special Meeting.

While the Special Meeting will be held in person and virtually, any Special Meeting adjournments may be held virtually or in person by Embark Student Corp.¹ (the “**Manager**”), whose office is located at 50 Burnhamthorpe Road West, Suite 1000, Mississauga, Ontario, L5B 4A5. The Manager is an affiliate of the Embark Foundation and will bear the costs of conducting the Special Meeting including soliciting proxies for the Special Meeting. Proxies may be submitted by mail, and the directors, officers and employees of the Embark Foundation may solicit proxies personally, by mail, phone or online.

Computershare Investor Services Inc. (“**Computershare**”) has been retained to assist in connection with the Embark Foundation’s communication with Customers. Except as otherwise stated, the information contained in this Information Circular is given as of **October 16, 2023** (“**Record Date**”).

Customers and their duly appointed proxyholders may attend and vote at the virtual meeting. The proxy form you received in your Notice Package (defined below in next section) describes how you can participate and vote at the Special Meeting. Customers who wish to appoint a third-party proxyholder to represent them at the virtual meeting must submit a copy of their legal proxy to Computershare.

NOTICE AND ACCESS

The Manager, on behalf of the Embark Foundation, has elected to deliver the materials in respect of the Special Meeting pursuant to the notice and access provisions (“**Notice and Access**”) of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*. Notice and Access is a set of rules that reduces the volume of materials that must be physically mailed to Customers. This allows the Embark Foundation to deliver meeting materials to Customers electronically by providing Customers with access to these materials online.

In accordance with Notice and Access, a letter including voting instructions and proxy form (together, the “**Notice Package**”) has been mailed to all Customers, on or about November 1, 2023, informing them that this Information Circular is available online and explaining how this Information Circular may be accessed. The Notice Package also outlines relevant dates and matters to be discussed at the Special Meeting.

¹ Formerly Knowledge First Financial Inc.

The Notice of Meeting and Information Circular (collectively, the “**Proxy-Related Materials**”) have been made available online to Customers at www.embark.ca/flexfirstvote and under the Flex First Plans’ Issuer Profile on SEDAR+ (the System for delivery Document Analysis and Retrieval) at www.sedarplus.ca.

Customers will not receive a paper copy of this Information Circular unless they contact the Manager after it is posted, in which case the Manager will mail this Information Circular to the Customer within three business days of any request provided the request is made prior to the Special Meeting. Customers wishing to receive paper copies of the Proxy-Related Materials can request same from the Manager by calling 1-800-363-7377 or by e-mailing vote@embark.ca. The Manager must receive your request prior to **5:00 p.m. (EST) on Tuesday, November 21, 2023**, to ensure you will receive paper copies of the Proxy-Related Materials in advance of the deadline to submit your vote.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the Proxy Form included in the Notice Package are officers of the Manager. **A Customer has the right to appoint a person (who need not be a Customer) other than the persons specified in such Proxy Form to attend and act for and on behalf of such Customer at the Special Meeting. Such right may be exercised by striking out the names of the persons specified in the Proxy Form, inserting the name of the person to be appointed in the blank space so provided, signing the Proxy Form and returning it in the Business Reply Envelope enclosed in the Notice Package.** To be voted at the Special Meeting, proxies must be received by Computershare or records of online voting received not later than **11:00 a.m. EST on Friday, December 8, 2023**, or any postponement or adjournment thereof, or deposited with the Chairperson of the Special Meeting on the day of the Special Meeting, or any adjournment thereof, prior to the start of the meeting. Alternatively, proxies may be accepted online, via a secure website, or by phone by such time.

A Customer who executes and returns the Proxy Form may revoke it:

- i. by delivering a written notice, signed by the Customer (or by his or her attorney authorized in writing) to the place, and by the time, specified herein for the delivery of proxies.
- ii. by delivering the written notice to the Chairperson of the Special Meeting on the day of the Special Meeting, or any adjournment thereof, prior to the start of the meeting; or
- iii. in any other manner permitted by law.

VOTING OF PROXIES

If the person named on the Proxy Form specifies a choice to vote for or against the resolution attached as **Schedule “A”** (the “**Transfer Resolution**”), the proxy will be voted accordingly. Except as indicated below, where no direction is given by a Customer submitting a proxy, the persons named in the Proxy Form will vote in favour of the Transfer Resolution. The Proxy Form confers discretionary authority upon the persons named on the Proxy Form with respect to amendments or variations to the matters identified in this Information Circular and with respect to other matters which may properly come before the Special Meeting in respect of which the proxy is granted or any adjournments of such

Special Meeting. As of the date of this Information Circular, the Embark Foundation knows of no such amendments, variations or other matters to come before the Special Meeting.

You can vote your proxy in advance of the Special Meeting as follows:

(A) Online, via secure website –

You can vote online by going to www.investorvote.com and following the instructions on the screen or scanning the QR code provided on your Proxy Form. You will need your 15-digit **Control Number** which is noted on your Proxy Form.

(B) by Phone –

You can vote by phone by calling 1-866-732-VOTE (8683) (toll free in Canada and the United States) from a touch-tone phone and follow the voting instructions. You will need your 15-digit **Control Number** which is noted on your Proxy Form. Please note that if you vote by phone, you cannot appoint anyone other than the persons named in the Proxy Form as your proxyholder.

(C) by Mail –

You can complete, sign and date your Proxy Form and return it in the Business Reply Envelope included with the Notice Package.

(D) by Hand Delivery –

You can complete, sign and date your Proxy Form and return it to the offices of Computershare at: Computershare Trust Company of Canada Proxy Department 8th Floor, 100 University Avenue Toronto, Ontario, M5J 2Y1.

MEETING QUORUM AND ADJOURNMENTS

If at least three (3) Customers attend the Special Meeting in person or by proxy vote, this shall constitute a quorum for the Special Meeting. If a quorum is present at the opening of the meeting, the meeting may start, even if a quorum is not present throughout the whole meeting. If a quorum is not present at the opening of the meeting, the meeting will be adjourned to another time and place, but no other business may be transacted. The Customers present at the adjourned meeting, whatever their number, will form a quorum. If the Special Meeting is adjourned for less than thirty-five (35) business days, it is not necessary to give notice of the adjourned meeting, other than by announcement at the original Special Meeting that was adjourned. If the Special Meeting is adjourned for more than thirty-five (35) business days, notice of the adjourned meeting shall be mailed or delivered by the Manager to Customers at their address appearing in the register of Subscribers not less than five (5) or more than twenty (20) business days before the adjourned meeting.

RECORD DATE

October 16, 2023, is the record date for the determination of Customers entitled to receive notice of the Special Meeting.

As at the Record Date, the **Flex First Plan** had approximately 68,433 Customers that were parties to an active Education Savings Plan Contract and which contract reflects a certain asset value represented by plan units ("**Plan Unit(s)**"). Holders of Plan Unit(s) are entitled to vote at the Special Meeting.

Each Customer is entitled to vote in respect of the Plan Units held by them on matters coming before the Special Meeting using the Proxy Form. If there are two Customers who hold Plan Unit(s) jointly, any one of them present or represented by proxy at the Special Meeting may, in the absence of the other, vote in respect thereof, but if both are present or represented by proxy they shall vote once together in respect of the Plan Unit(s) held jointly.

As at the Record Date, to the knowledge of the Embark Foundation, no person or company owned beneficially, directly or indirectly, or exercised control or direction over, more than 10% of the outstanding units of the Flex First Plan.

PART TWO – BUSINESS OF THE MEETING

INTRODUCTION

The Embark Foundation, a Canadian not-for-profit corporation, is the sponsor of the Flex First Plan. The Flex First Plan is an education savings plan, established in 2012, to allow families to save for their children's post-secondary education. The Flex First Plan is established under an amended and restated trust agreement between the Embark Foundation and The Bank of Nova Scotia Trust Company dated as of November 1, 2018 (the "**Trust Agreement**").

Sales of the Flex First Plan started in 2012 and were continually offered until February 27, 2023. Customers enrolled in the Flex First Plan by completing an enrolment application form and other documents, which, upon approval, established an agreement for the Customer (the "**Customer Agreement**"). Each Customer Agreement is governed by the Education Savings Plan Contract ("**ESP Contract**"), representing the contract between the Customer and the Embark Foundation.

Eligible Customers

The following Customers will be identified as "**Eligible Customers**" as at the Record Date:

1. Customers who are enrolled in the Flex First Plan and who are making and are fully up to date on all scheduled contributions for their Customer Agreement(s) and whose beneficiaries have not entered into post-secondary education.
2. Customers who are enrolled in the Flex First Plan and whose beneficiaries have entered into post-secondary education for which a Loyalty Bonus has been made.
3. Customers who are enrolled in the Flex First Plan whose Customer Agreements may be in default, as defined in the ESP Contract, but who continue to hold Plan Units in the Flex First Plan.

To further clarify, any Customer whose Customer Agreement, in accordance with the terms of the ESP Contract, has withdrawn from the Flex First Plan and cancelled his or her Customer Agreement prior to the Record Date, will not be considered an Eligible Customer.

On the Transfer Date, for Eligible Customers, the amount of their net contributions, government grants and accumulated Grant and Contribution Income, will be transferred to a new Embark Plan Education Assistance Agreement ("**EAA**") in the Customer's name.

BACKGROUND

The Embark Student Plan and the Embark Select Conservative Plan (each, the "**Embark Plan(s)**") are, similar to the Flex First Plan, each an individual Registered Education Savings Plan ("**RESP**"). An individual plan is a type of RESP where Customers contribute to the Plan, the Embark Foundation applies for any available government grants on behalf of the Customer, and the Plan earns and accumulates income on contributions (net of fees) and grants over the life of their RESP.

When the student is ready to attend post-secondary education, the student applies for and receives educational assistance payments ("**EAPs**") (as per the Income Tax Act (*Canada*))

(the “**Tax Act**”) rules) consisting of all or part of the grants, grant income and contribution income within the Customer Agreement. Any accumulated grant and contribution income that the student does not withdraw as an EAP is available for the Customer to withdraw as an accumulated income payment (“**AIP**”), in accordance with the Tax Act.

The amount of the EAPs from a Flex First Plan, which includes income on your contributions, grants and grant income, will depend on how much your plan earns and whether the student attends a qualifying post-secondary education program, which gives the student access to these amounts. **The Embark Plans, as individual plans, contain no terms or restrictions that prevent students from receiving the maximum amount of EAPs to which the student is eligible.**

A Flex First Plan does not provide Customers with a different investment mix as your child grows, so the investment risk remains the same for the life of the plan. **The Embark Student Plan invests using a glide path age-based investment approach. Under this approach, the mix of investments of your Plan is tailored to each child, and will automatically adjust as a beneficiary ages, with a focus on growth when the child is young, then becoming more conservative with an emphasis on fixed income securities as the beneficiary approaches requiring the funds for post-secondary, in an attempt to preserve savings in the event of a market downturn.**

A Flex First Plan has a loyalty bonus feature, which is subject to conditions specified in the prospectus, that may be paid at the time the beneficiary starts eligible post-secondary studies. The amount of loyalty bonus accumulated on behalf of the plan will depend on the contributions and sales charges paid to the plan. **Loyalty bonus payments are not guaranteed and is dependent on a Flex First Plan meeting the eligibility requirements.**

PROPOSED PLAN CHANGES

The transfer of the assets to the Embark Plans, the entering into Education Assistance Agreements for the Embark Plans and the termination of the Trust Agreement (the “**Proposed Changes**”) would become effective on **July 1, 2024**, or such other date as may be determined by the Embark Foundation in its sole discretion (the “**Transfer Date**”).

The Embark Foundation recommends that Customers: vote to amend the ESP Contract on December 31, 2023; vote in favour of the transfer of the Flex First Plan to the appropriate Embark Plan on the Transfer Date and thereafter terminate the Trust Agreement. You will vote to approve the following changes:

- Amend the ESP Contract to apply the lifetime management fee rebate of 1.16% and remove the return of eligible enrolment fees and loyalty bonus features. The rebate will be first applied to the Flex First Plan management fee and thereafter to the **Embark Student Plan** and to **Embark Select Conservative Plan (each plan individually and collectively referred to in this document as “Embark Plan(s))**.

- Allow the Embark Foundation to transfer the assets of the Flex First Plan to the Embark Plans. The Embark Plans are education savings plans sponsored by the Embark Foundation.¹
- Allow the Embark Foundation to direct the Manager to invest the transferred assets into the appropriate Embark Plan², according to your risk tolerance and preferences and the age of your beneficiary (as described in the *Suitability of Your Plan* section below).
- Allow the Embark Foundation to enter into an Education Assistance Agreement (“**EAA**”) for the appropriate Embark Plan and terminate the ESP Contract for each Customer;
- Allow the Embark Foundation to provide all plan documentation and correspondence through full digital delivery; and
- To permit the wind up of the Flex First Plan and terminate the Trust Agreement.

Implementation of the Proposed Changes

The Proposed Changes would become effective on the Transfer Date.

The Embark Foundation recommends you vote **FOR** the Proposed Changes as described in the Transfer Resolution attached hereto as **Schedule “A”**. If the Transfer Resolution is passed, the Embark Foundation is targeting to complete the Proposed Changes by the Transfer Date, however, the completion of these matters may be delayed, modified or abandoned in the sole discretion of the Embark Foundation.

Please refer to Schedule “A” Transfer Resolution for additional details.

Impact of the Proposed Changes

- **The Embark Foundation believes that Customers will realize benefits because of the Proposed Changes which include the following Embark Plan benefits:**
 - Lifetime management fee rebate of 1.16%. This fee rebate will take effect on December 31, 2023 and be applied to the Flex First Plan management fee and thereafter will be applied to the management expense fee set out in the then current Embark Plans prospectus for the duration of the Embark Plan’s existence.
 - **The lifetime management fee rebate applies to all contributions including eligible contributions resulting from assets transferred into the Embark Plans from another institution.**
 - Elimination of both the uncertainty of receiving the loyalty bonus feature, and the return of enrolment fee feature, on December 31, 2023.
 - For Embark Student Plan, Customers benefit from a glidepath approach to investing which takes a long-term investment approach that seeks to match the age of the beneficiaries and their expected date to attend post-secondary education with an appropriate investment asset mix.

¹ Please refer the current Embark Student Plan prospectus filed under the profile “Embark Student Plan” on the SEDAR+ website at <https://www.sedarplus.ca/>. The Embark Select Conservative Plan prospectus can be found under the profile “Embark Select Conservative Plan” on the SEDAR+ website at <https://www.sedarplus.ca/>

² Refer to the Amended and Restated Prospectus dated June 26, 2023.

- Access to a best-in-class digital plan management system with enhanced features and tools superior to those available to Flex First Plan Customers. This digital platform is available 24 hours a day, 365 days a year providing an improved experience and value-added services which include:
 - Dual Authentication Secure sign-in feature.
 - Projected Savings calculator using variable, user selected, estimated rates of return.
 - Summary of grants received to date.
 - Add a Beneficiary / Add a Co-Subscriber features.
- Convenience of having all plan documentation and correspondence delivered digitally.
- Better service and guidance to customers as a result of the enhanced digital capabilities, a dedicated Product team and the Education Savings Centre (ESC).
- Ability to consolidate all Embark Plans assets to one scholarship plan at no additional cost and all plans benefiting from the same lifetime management fee rebate. This enables all your RESP plans to be consolidated and share savings among your children according to their educational needs. This consolidation contributes strongly to operational efficiencies leading to improved plan administration and customer service.
- Ability to continue to earn and accumulate income on asset balances *for the remaining life of the Education Assistance Agreement* (up to 35 years from the year the Customer initially enrolled in the plan).
- Customers can request any and all remaining income in their Education Assistance Agreement (not just grant income) as an AIP in the event the student does not enroll in a qualifying post-secondary education program (subject to *Tax Act* regulations); and
- Flexibility to start and stop contributions without risk or penalty.

The impact of the transfer of assets from a Flex First Plan to the Embark Plan as shown by beneficiary age cohorts is set out in Schedule "B". Please refer to your most recent Statement of Account for your individual plan asset values.

Lifetime Management Fee Rebate, Removal of Loyalty Bonus and Return of Enrolment Fee Features

On December 12, 2023, you will vote to amend the ESP Contract effective December 31, 2023, to receive a lifetime management fee rebate of 1.16% which will replace the current Flex First loyalty bonus and return of enrolment fee. This rebate will be first applied to the Flex First management fee and subsequently to the Embark Plan management fee following the Proposed Changes. The ESP Contract amendments will result in loss of all loyalty bonus you may have accumulated in your Flex First plan and no enrolment fee will be returned or paid to you.

The Embark Student Foundation believes that the lifetime management fee rebate of 1.16% will compensate for the loss of the loyalty bonus and enrolment fee refund payments, while removing the uncertainty of receiving these, and because the management fee rebate is guaranteed for the life of your Embark Plan, you will always pay a 1.16% lower management fee.

The loyalty bonus feature is a payment that is calculated based on a percentage of net contributions and is calculated the year before your beneficiary turns 18 years old and has been accepted and enrolled in post-secondary education. The loyalty bonus percentage will be no less than 0.66%, per year, expressed as a monthly nominal annualized rate, or 0.66% divided by 12, per month.

The return of enrolment fee feature offers a portion of the enrolment fee that you have paid to be returned under certain conditions should you wish to cancel your plan, transfer your plan to another RESP or make a request to reduce your plan's total contribution goal.

Suitability of Your Plan

The Manager makes ongoing efforts to provide investment recommendations which are suitable, with respect to the management of your RESP Plan. We take into consideration the personal and financial information we have collected about you at account opening as well as updates, thereafter, including your investment objectives and risk profile.

The Manager puts Customers' best interests first and has determined that the most suitable approach to the transfer of Flex First Plan to either the Embark Student Plan or the Embark Select Conservative Plan (each, the "**Embark Plan(s)**") on the Transfer Date will be as follows.

On the **Determination Date**, on or about **May 31, 2024**, your Flex First Plan will be assessed to determine its **Risk Profile** as reflected in the customer information file (refer to **Schedule "C"**). Your **Risk Profile** combined with your beneficiaries' age and time to post-secondary education will determine the suitable Embark Plan to which your Flex First Plan assets will be transferred on the Transfer Date.

Transfer to Embark Select Conservative Plan

- **Low Risk:** If at the **Determination Date**, your **Risk Profile** is Low Risk (as defined in **Schedule "C"**), your plan assets will be transferred to the **Embark Select Conservative Plan**.

Transfer to Embark Student Plan

- **Low-Medium Risk:** If at the **Determination Date**, your **Risk Profile** is Low-Medium Risk (as defined in **Schedule "C"**), your plan assets will be transferred to the **Embark Student Plan**.
- **Medium Risk:** If at the **Determination Date**, your **Risk Profile** is Medium Risk (as defined in **Schedule "C"**), your plan assets will be transferred to the **Embark Student Plan**.
- **Medium-High Risk:** If at the **Determination Date**, your **Risk Profile** is Medium-High Risk (as defined in **Schedule "C"**), your plan assets will be transferred to the **Embark Student Plan**.
- **High Risk:** If at the **Determination Date**, your **Risk Profile** is High Risk (as defined in **Schedule "C"**), your plan assets will be transferred to the **Embark Student Plan**.

Please call our Customer Success Centre before the Determination Date if there are any changes to your personal details, financial circumstances, investment objectives or risk tolerance (also referred to as Know Your Customer information). This will allow us to assist you in modifying your RESP, as necessary. Making sure your Know Your Customer information is up to date will ensure your plan assets are transferred to the plan most suitable to you.

At any time, should you have any questions or concerns regarding your Plan, please contact our Customer Success Centre at 1-800-363-7377 or contact@embark.ca.

PART THREE – ADDITIONAL INFORMATION

Additional information regarding the Flex First Plan is contained in the ESP Contract, a copy of which is available at www.embark.ca. Customers may review the annual audited financial statements of the Flex First Plans, on the Flex First Plans Issuer Profile on the SEDAR+ website at www.sedarplus.ca. The Embark Student Plan prospectus is filed under the profile “Embark Student Plan” on the SEDAR+ website. The Embark Select Conservative Plan prospectus can be found under the profile “Embark Select Conservative Plan” on the SEDAR+ website.

Copies of these documents may also be obtained by e-mail at contact@embark.ca, by telephone at 1-800-363-7377 or by mail at 50 Burnhamthorpe Road West, Suite 1000, Mississauga, Ontario, L5B 4A5.

AUTHORIZATION BY ELIGIBLE CUSTOMERS

To carry out the Proposed Changes, Eligible Customers must approve the Transfer Resolution set out in Schedule “A”, which requires a vote ‘FOR’ by a majority of the votes cast at the Special Meeting (either in person or by sending a proxy form).

RECOMMENDATION REGARDING THE PROPOSED PLAN CHANGES

For the reasons set out in this Information Circular, the Embark Foundation recommends that Customers vote in favour of the Transfer Resolution, as set out in Schedule “A” of this Information Circular.

Should a majority of Customers vote against the Transfer Resolution, the ESP Contract will not be amended and the proposed transfer of assets from the Flex First Plan to the Embark Plans will not occur.

RECOMMENDATION OF THE INDEPENDENT REVIEW COMMITTEE

The Independent Review Committee (“**IRC**”) established for the Flex First Plan under National Instrument 81-107 – *Independent Review Committee for Investment Funds* has reviewed the Proposed Changes and, after making reasonable inquiry, has concluded that, if approved by Customers, the Proposed Changes would achieve a fair and reasonable result for the Flex First Plan. The IRC has come to this conclusion based on the information provided to the IRC by the Manager, and the information set out in this document generally and the reasons given by the Embark Foundation as set out in this Information Circular.

INCOME TAX CONSIDERATIONS REGARDING THE PROPOSED CHANGES

The following is a summary of the principal Canadian federal income tax considerations that are generally applicable to individuals who are resident in Canada. This summary is based upon the current provisions of the Tax Act and the regulations thereunder (the “**Tax Regulations**”), all specific proposals to amend the Tax Act and the Tax Regulations publicly

announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof and the Embark Foundation's understanding of the current published administrative and assessing practices of the Canada Revenue Agency (the "**CRA**"). The summary does not otherwise consider or anticipate any changes in law, whether by judicial, governmental or legislative action or decision, or changes in the administrative practices of the CRA, nor does it consider provincial, territorial or foreign income tax legislation or consequences.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice generally or to any Customer of the Flex First Plan. Accordingly, Flex First Plan Customers should consult with their own tax advisers as to their income tax situation.

Tax Consequences of the Transfer

No amount will be included in computing the income of any person as a result of the transfer of Plan Assets from the Flex First Plan to an Embark Plan.

Tax Consequences of Investing in Embark Plans

Please refer to the Prospectus for the Embark Plan filed under the profile 'Embark Student Plan' or 'Embark Select Conservative Plan' on the SEDAR+ website at www.sedarplus.ca.

OTHER INFORMATION

Auditors

KPMG LLP are the auditors of the Flex First Plan, the Embark Student Plan and the Embark Select Conservative Plan, as well as the Embark Student Corp. and the Embark Student Foundation.

Interest of Insiders in the Proposed Changes

The Manager provides management services, including but not limited to Investment Fund Management services, to the Flex First Plan and Embark Plans. If the Proposed Changes are approved, the Manager will continue to provide management services to the Embark Plans and the Embark Select Conservative Plan and receive administration fees as described in the respective Embark Plan EAA and prospectus. During the past completed financial year ended December 31, 2022 the Manager received \$6,550,175.50 in management fees from the Flex First Plans.

CERTIFICATE

The contents of this Information Circular and its distribution have been approved by the Board of Directors of the Embark Foundation as sponsor of the Flex First Plan.

DATED at Mississauga, Ontario, the 19th day of September 2023.

**BY ORDER OF THE BOARD OF DIRECTORS OF EMBARK STUDENT FOUNDATION,
SPONSOR OF THE FLEX FIRST PLAN AND EMBARK PLANS**

"Andrea Bolger, Chair"

SCHEDULE "A"

TRANSFER RESOLUTION

FORM OF RESOLUTION OF THE FLEX FIRST PLAN TRANSFER TO THE EMBARK PLANS (Embark Student Plan or Embark Select Conservative Plan)

BE IT RESOLVED THAT:

1. The Embark Student Foundation (the "**Embark Foundation**") be authorized to amend, as necessary in its sole discretion, the Flex First Plan Education Savings Plan Contract (the "**ESP Contract**"), attached as a schedule to the Amended and Restated Trust Agreement between the Embark Foundation and Bank of Nova Scotia Trust Company dated as of November 1, 2018, for the Flex First Plan (the "**Trust Agreement**"), to
 - a. implement the lifetime management fee rebate of 1.16%, described in the Information Circular, to take effect on December 31, 2023 to be applied to the Flex First Plan management fee and thereafter to be applied to the Embark Plans;
 - b. remove the loyalty bonus and return of enrolment fee features, to take effect on December 31, 2023;
 - c. grant the Embark Foundation the discretion to transfer (the "**Transfer**") the assets from the Flex First Plan to the appropriate Embark Plan on the Transfer Date (as described in the Suitability of Your Plan section in the Information Circular);
 - d. allow the Embark Foundation to terminate the ESP Contract; and
 - e. allow the Embark Foundation to enter into an Education Assistance Agreement for the appropriate Embark Plan (as described in the Suitability of Your Plan section in the Information Circular) on behalf of each Flex First Plan Customer.
2. The Embark Foundation be authorized to amend the Trust Agreement, as it deems necessary, to permit the transfer of assets held pursuant to the Trust Agreement to the appropriate Embark Plan (as described in the **Suitability of Your Plan** section in the Information Circular).
3. The Embark Foundation be authorized to terminate the Trust Agreement, if necessary.
4. The Embark Foundation be authorized, in its discretion, to elect not to proceed with any of the ESP Contract amendment, Transfer, termination of the ESP Contract the Trust Agreement; and
5. Any director or officer of Embark Foundation, the Manager, be and is hereby authorized to prepare, execute and deliver any and all other documents and instruments and to take all such steps as may be necessary or desirable to give effect to the foregoing resolutions.

SCHEDULE "B"

EXAMPLES OF VALUE PROFILES FOR EXISTING FLEX FIRST PLAN HOLDERS AT VARIOUS STAGES

For Eligible Customers these tables show you the impact of the Proposed Plan Changes under various market performance scenarios. These estimates are intended to provide a proxy for hypothetical beneficiaries at various stages (ages) along the post-secondary savings path.

Scenario¹: Glidepath Strategy Protects in Volatile Markets

Fixed Income Market Return	1.5%	All Years
Equity Market Return	5%	Years 1 - 15
Equity Market Return	-5%	Years 16 - 18

Scenario: Bear Market in Later years

Year Plan Transferred to Embark	Value of Embark Student Plan at Age 18	Value of Flex First Plan at age 18 (including Loyalty Bonus)	Benefit to Moving to Embark
3	\$25,651	\$23,126	\$2,525
6	\$25,235	\$23,126	\$2,109
9	\$24,559	\$23,126	\$1,432
12	\$23,821	\$23,126	\$695
15	\$23,203	\$23,126	\$77

This Scenario is based on a situation in which the majority of the years (years 1 to 15), the markets perform positively and the last few years approaching post secondary education (years 16 to 18), they have a negative equity ("stocks") performance.

This scenario demonstrates that subscribers in all age groups would be better off voting in favour of the proposed asset transfer and being invested in the Embark Student Plan because their investments are protected specially when they are approaching post-secondary education which they would not have if they stayed in Flex First.

For subscribers who have beneficiaries 15 years or older, investment in the Embark Student Plan offers a more conservative path in the last few years prior to post-secondary education to help preserve the savings you have built. In comparison the Flex First Plan would offer more aggressive growth in a positive market but does not offer the same preservation as you get closer to needing funds for your child's education, which is detrimental if markets returns are negative when you are approaching withdrawal.

¹ The above scenario is not guaranteed and is for illustrative purposes only.

Scenario¹: Steady State Market Favours Flex First only in Limited Circumstances

Fixed Income Market Return	1.5%	All Years
Equity Market Return	5%	All Years

Scenario: 5% Equity Growth all years			
Year Plan Transferred to Embark	Value of Embark Student Plan at Age 18	Value of Flex First Plan at age 18 (including Loyalty Bonus)	Benefit to Moving to Embark
3	\$27,679	\$25,685	\$1,995
6	\$27,228	\$25,685	\$1,544
9	\$26,493	\$25,685	\$809
12	\$25,692	\$25,685	\$8
15	\$25,021	\$25,685	-\$663

This Scenario is based on a situation in which equity markets will perform positively with a return of 5% per year for the full 18 years of the plan until the beneficiary reaches post-secondary studies.

This demonstrates that but for a very small subset of subscribers, most subscribers would be better off voting in favour of the proposed asset transfer and being invested in the Embark Student Plan.

For subscribers who have beneficiaries 15 years or older, investment in the Embark Student Plan offers a more conservative path in the last few years prior to post-secondary education to help preserve the savings you have built. In comparison the Flex First Plan would offer more aggressive growth in a positive market but does not offer the same preservation as you get closer to needing funds for your child's education.

For Customers of the Flex First Plan with beneficiaries aged 15 or older, voting against the proposed changes outlined in the Transfer Resolution is to assume Equity ("Stock") markets will perform well over the next few years. This assumption cannot be guaranteed and can present risk due to exposure in equity markets.

Assumptions and Typical Customer Profile

- In each scenario we assume an 18-year savings path to the beginning of post-secondary studies for the beneficiary.
- We assume an asset management expense ratio of 1.49% for the Flex First Plan and a 0.49% asset management expense ratio for the Embark Student Plan.
- We assume an average total contribution goal for subscribers of \$19,800 and an average annual RESP contribution per year of \$1,100.
- Enrolment fees paid for the Flex First Plan are assumed at 9.5%.
- We assume two different market performance scenarios, the first where equities ("stocks") grow at 5% in all years and the second where equities perform poorly in later years as the student approaches post-secondary education.

¹ The above scenario is not guaranteed and is for illustrative purposes only.

SCHEDULE "C"

RISK PROFILE:

In consideration of customer's overall personal and financial circumstances including liquidity needs, debts, income and assets, risk profile is described as the lower of the customer's **risk tolerance** and **risk capacity**.

RISK TOLERANCE:

High: The subscriber(s) is(are) generally growth-oriented and is(are) willing to accept a high degree of volatility and significant short-term fluctuations in portfolio value in exchange for potentially higher long-term returns. The investor understands that although they have indicated a high tolerance for risk this (these) Plan(s) is(are) low-medium risk investments.

What would you invest in?

For investment plans with a level of risk that is typically associated with investment in stocks and that may concentrate their investments in specific regions or specific sectors of the economy where there is a substantial risk of loss (e.g., resource, precious metals).

Medium-High: The subscriber(s) is(are) comfortable accepting a medium to high level of investment volatility as they seek higher long-term returns. The investor(s) is(are) comfortable with short- and medium-term fluctuations in exchange for long-term investment appreciation.

What would you invest in?

For investment plans with a level of risk that is typically associated with investments in stocks and that may concentrate their investments in small-to-mid capitalization companies, specific regions, or specific sectors of the economy.

Medium: The subscriber(s) is(are) willing to accept a moderate level of volatility within their investments and is(are) generally seeking a moderate level of growth over a longer period of time.

What would you invest in?

For investment plans with a level of risk that is typically associated with investments in stocks and that are diversified among several large-capitalization Canadian and/or international companies.

Low-Medium: The subscriber(s) is(are) comfortable accepting a low to medium level of volatility to seek some degree of growth or income from their investments.

What would you invest in?

For investment plans with a level of risk that is typically associated with investments in well diversified balanced funds which combine stocks and bonds.

Low: The subscriber(s) is(are) seeking a low level of volatility within their investments and is(are) willing to accept lower returns for greater safety of capital. Investments which offer greater safety of capital may offer lower returns which may not keep pace with inflation which may lead to the loss of purchasing power over the long run.

What would you invest in?

For investment plans with a level of risk that is typically associated with investments in money market investments and/or certain types of lower risk fixed-income investments.

RISK CAPACITY:

High: The subscriber(s) is(are) capable of losing capital and therefore can afford to take risks and accepting a high degree of volatility and significant short-term fluctuations in portfolio value in exchange for potentially higher long-term returns. The investor understands that although they have indicated the capacity to take risks and the ability to lose capital, these plans are low-medium risk investments.

What would you invest in?

For investment plans with a level of risk that is typically associated with investment in stocks and that may concentrate their investments in specific regions or specific sectors of the economy where there is a substantial risk of loss (e.g., resource, precious metals).

Medium-High: The subscriber(s) is(are) capable of accepting a medium to high level of volatility within their investments, which may lead to a possible loss of capital and therefore, it is appropriate to seek a higher level of growth over a longer period.

What would you invest in?

For investment plans with a level of risk that is typically associated with investments in stocks and that may concentrate their investments in small-to-mid capitalization companies, specific regions, or specific sectors of the economy.

Medium: The subscriber(s) is(are) capable of accepting a moderate level of volatility and/or a loss of capital within their investments and therefore, it is appropriate to seek a moderate level of growth over a longer period.

What would you invest in?

For investment plans with a level of risk that is typically associated with investments in stocks and that are diversified among several large-capitalization Canadian and/or international companies.

Low-Medium: The subscriber(s) is(are) capable of accepting a low to medium level of volatility and/or a loss of capital within their investments and therefore, it is appropriate to seek a conservative level of growth and income while accepting lower returns over a longer period.

What would you invest in?

For investment plans with a level of risk that is typically associated with investments in well diversified balanced funds which combine stocks and bonds.

Low: The subscriber(s) is(are) only capable of withstanding a low level of volatility and/or a loss of capital within their investments and therefore, it is appropriate to accept lower returns for greater safety of capital. Such investors still face the risk that their investment returns may not keep pace with inflation which may lead to the loss of purchasing power over the long run.

What would you invest in?

For investment plans with a level of risk that is typically associated with investments in money market funds and/or certain types of lower risk fixed-income funds.