



facts

Bond Fund

Investment Objective

The investment objective of the Bond Fund is to provide modest long-term capital growth with a risk of occasional short-term losses. This Fund allows Plan members to adjust the amount of their pension funds invested in fixed income investments (bonds) if they wish to do so.

Investment Strategy

The Bond Fund is a modest risk/return investment. The Fund is invested mainly in Canadian fixed income securities and is diversified by manager, style and sector. The Fund uses both active and passive managers. The active manager attempts to add value to the Fund's benchmark, the Dex Universe Bond Index, by applying multiple strategies. The passive manager attempts to closely track the Fund's benchmark.

Who Should Invest

The Bond Fund is suitable for members who wish to adjust the amount of their pension funds allocated to fixed income investments. Older members who are near retirement may wish to increase their allocation to fixed income investments in order to reduce risk. Younger members who are not near retirement may wish to reduce their allocation to fixed income investments in the hope of increasing their potential long-term average return by taking on more risk. Investing only in bonds is not recommended for younger members still looking for long-term growth.

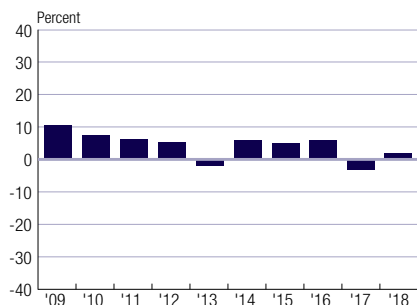
Risk/Return

Over the long term, fixed income investments are expected to earn lower returns than equity investments. Bonds are also expected to suffer less frequent and less severe short-term losses than equities. Members who invest in the Bond Fund are exposed to interest rate risk, inflation risk, credit risk, liquidity risk, currency risk, derivatives risk and market risk.

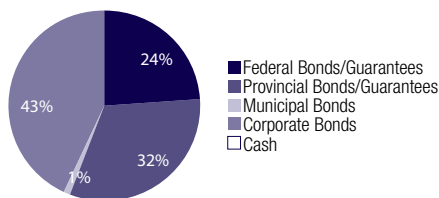
Benchmark

The Bond Fund's benchmark is the Dex Universe Bond Index. The sector allocation of the index as of Dec. 31, 2017 is approximately 37% Federal Bonds and Guarantees, 28% Corporate Bonds, 33% Provincial Bonds and Guarantees, 1.9% Municipal Bonds and 0.1% Cash.

Annual Returns to Sept. 30, 2018* (Benchmark prior to 2011)



Asset Mix (Actual^)



^ as of Dec. 31, 2017

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Investment Managers

For an overview of the investment managers responsible for this Fund, check the Investment Options Matrix.

Income & Expense

Interest, gains and losses within the Fund accrue to the members invested in the Fund. The Fund's investment and administration expenses are paid by deduction from the Fund.

Management Expense Ratio

Investment management fees for bond investments are typically lower than fees paid for equity investments. The Bond Fund has a management expense ratio (MER) of approximately 0.22%.

Investment Instructions

You are permitted to allocate your accumulated pension funds and any future contributions among the investment options offered by the Plan by completing an Investment Instructions form. Investment instructions are not effective until a properly completed form, accompanied by any required fees, is received at the Plan's office.

The accumulated pension funds and future contributions of members who chose not to provide investment instructions to the Plan are automatically invested in the Balanced Fund by default. No form or fee is required.

RETURN HISTORY Annualized Returns to Sept. 30, 2018

	1 Year	3 Year	5 Year	10 year
Benchmark	1.66%	1.60%	3.26%	4.44%
Bond Fund**	2.19%	1.70%	3.31%	n/a

* Past performance does not guarantee future results.

** The Bond Fund was created in January 2011. Therefore, not all historical Fund returns are available.



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