

Notice to Unitholders



RE: NOTICE OF AMENDMENT TO THE PREFERRED PRICING PROGRAM - HOUSEHOLD ACCOUNT GROUPING FORM

This Notice is to inform you that starting on January 4, 2021, Desjardins Investments Inc. (« DI »), the manager of the Desjardins Funds is planning to revise some parameters of the Desjardins Funds Preferred Pricing Program - Household Management Fee Rebate (the "Preferred Pricing Program"). The planned changes to the Preferred Pricing Program are described in detail below.

All current participants of the Preferred Pricing Program will continue to benefit from their management fee rebates. These changes may result in more Management Fee Rebates for current participants to the Preferred Pricing Program and may allow new eligible participants to join the program.

AMENDMENT TO THE PREFERRED PRICING PROGRAM

DI plans to revise certain parameters of the Preferred Pricing Program in order to :

- Broaden the program's eligibility criteria to allow a greater number of unitholders to benefit from the Preferred Pricing Program:
 - allow as participant any person who is a first-degree child of the main investor (even if they are not occupants of the same residence as the main investor);
 - allow as participant any management company that is more than 50% owned by one or more participants.

DI has changed the name of the program to Desjardins Funds Management Fee Family Rebate in order to reflect the broader eligibility criteria. The Family Grouping Form of the Preferred Pricing Program has also been amended to reflect these changes.

These changes will be effective as of January 4, 2021 and reflect DI's commitment to offer investment products that are constantly evolving.

DI reserves the right to defer implementation of the changes described above to a later date.

BENEFITS OF THE AMENDMENT TO THE PREFERRED PRICING PROGRAM

DI deems the revision of the Preferred Pricing Program will be advantageous to the eligible unitholders for the following reasons :

- By increasing the number of unitholders who will benefit from the Preferred Pricing Program;
- By maintaining the benefits offered by Desjardins Funds, such as, professional portfolio management and asset allocation services (with respect to Investment Solutions).

NATURE AND IMPACT OF THE AMENDMENT TO THE PREFERRED PRICING PROGRAM

Starting on January 4, 2021, the program's revised eligibility criteria will become effective. **These changes require no action on your part.**

All current participants of the Preferred Pricing Program will continue to benefit from the management fee rebates in accordance with the terms and conditions of the program.

However, some participants may consider the program's revised eligibility criteria as an opportunity for:

- Adding a new participant to their existing group, subject to compliance with eligibility requirements provided for in the Family Grouping Form;
- Creating a new group, subject to compliance with eligibility requirements, by completing a new Family Grouping Form.

Please contact your representative for more information regarding the Preferred Pricing Program revised eligibility criteria.

NOTICE TO UNITHOLDERS

INCOME TAX CONSIDERATIONS

Changes to the Preferred Pricing Program will not have any direct tax consequences to Unitholders, whether held in a registered or non-registered account. However, the management fee rebates you receive may qualify as income or a return of capital for tax purposes. As a result, some changes may result in minor indirect tax consequences for unitholders of units held in a non-registered account.

Please refer to the *Income Tax Considerations for Investors* section of the Desjardins Funds' prospectus or consult your tax advisor or representative for more information

QUESTIONS?

If you have any questions, contact your representative or call Desjardins Funds Customer Service at 1-866-666-1280, Monday and Tuesday from 8:00 a.m. to 6:30 p.m., Wednesday and Thursday from 8:00 a.m. to 7:00 p.m. and Friday from 8:00 a.m. to 5:00 p.m.

The Prospectus and the Fund Facts of the Portfolios are available on the Desjardins Funds website at desjardinsfunds.com.

If you no longer hold Units of a Desjardins Fund, please disregard this Notice.

Dated October 30, 2020

**DESJARDINS INVESTMENTS INC.
MANAGER OF THE DESJARDINS FUNDS**

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