

MANAGEMENT REPORT OF FUND PERFORMANCE  
**NATIXIS CANADIAN DIVIDEND REGISTERED FUND**  
**(FORMERLY NEXGEN CANADIAN DIVIDEND REGISTERED FUND)**

For the period ended June 30, 2017

*This interim management report of fund performance contains financial highlights, but does not contain either the interim financial report or annual financial statements of the investment fund. You can get a copy of the interim financial report or annual financial statements at your request, and at no cost, by calling us toll free at 1-866-378-7119, by writing to us at NGAM Canada LP (the "Manager"), 145 King Street West, Suite 1500, Toronto, ON., M5H 1J8, or by visiting our website at [ngam.natixis.ca](http://ngam.natixis.ca) or SEDAR at [www.sedar.com](http://www.sedar.com). Securityholders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.*

#### **A NOTE ON FORWARD-LOOKING STATEMENTS**

*This report may contain forward-looking statements about the Fund, including its strategy, expected performance and conditions. Forward-looking statements are statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects", "anticipates", "plans", "believes", "estimates" or negative versions thereof and similar expressions. In addition, any statement that may be concerning future performance, strategies or prospects, and possible future Fund action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about the Fund and economic factors.*

*Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by the Fund. Any number of important factors could contribute to these digressions, including, but not limited to, general economic, political and market factors, interest and foreign exchange rates, capital markets, business competition, technological changes, changes in government regulations, unexpected judicial or regulatory proceedings and catastrophic events.*

*We stress that the above-mentioned list is not exhaustive. We encourage you to consider these and other factors carefully before making any investment decisions and we urge you to avoid placing undue reliance on forward-looking statements. Further, you should be aware of the fact that the Fund has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise.*

## **Management Discussion of Fund Performance**

The Natixis Canadian Dividend Registered Fund (the "Fund") will seek to achieve the investment objective through the investment of substantially all of its portfolio assets in the non-publicly offered debt and shares of the Inter-Fund of the Natixis Canadian Dividend Class (the "Tax Class Fund"). Accordingly, the Management Discussion of Fund Performance that follows represents generally that of the Tax Class Fund with the exception of the sections titled Investment Objectives and Strategies, Risk, Financial Highlights, Management Fees and Series Description and Past Performance which are specific to the Fund. Within the section titled Results of Operations, the net asset value and performance figures discussed also relate specifically to the Fund. For information specific to the Tax Class Fund please refer to the Management Report of Fund Performance of the Tax Class Fund.

### ***Investment Objective and Strategies***

The investment objective of the Fund is to provide a combination of current cash flow and long-term capital growth primarily through investment in a diversified portfolio of Canadian equity securities.

Effective March 6, 2017 the Tax Class Fund has appointed Cidel Asset Management Inc. ("Cidel") as the Sub Advisor of the Fund.

Cidel Asset Management Inc. ("Cidel"), the sub advisor, follows a core value/income investment style for this Fund. Cidel's stock selection process consists of quantitative screening, fundamental company, economic and market analysis. The Fund seeks out primarily dividend paying Canadian companies with consideration given to company fundamentals in areas which typically include valuation, balance sheet strength, future earnings prospects, earnings volatility, dividend yield and/or dividend growth potential. Portfolio turnover is expected to be moderate to high, which may result in increased transaction expenses and the realization of capital gains.

The Fund may invest up to 50% of the cost of its net assets in foreign securities. The Fund may also use derivatives for hedging and non-hedging purposes and may engage in short selling. The Fund may engage in securities lending, repurchase and reverse repurchase transactions to earn additional income for the Fund.

### ***Risk***

No changes affecting the overall level of risk associated with investing in the Fund were made during the period. The risks of this Fund remain as discussed in the Fund's most recent simplified prospectus or any amendments and fund facts.

### ***Results of Operations***

The Fund's net asset value decreased during the period from \$6,386,000 to \$5,427,000. This decrease was the result of net redemptions offset by positive return on investments.

The Series A of the Fund returned 1.7% compared to a 0.7% return on its benchmark, the S&P/TSX Composite Total Return Index (the "Benchmark"), from which fees and expenses are not deducted. See the section titled "Past Performance" for a detailed summary of the performance of the Fund.

The Fund's holdings in the Materials and Industrials sectors were key contributors to the portfolio's performance while its underexposure to the Energy sector continued to create positive relative performance. CCL Industries and Stella-Jones Inc., both in the Materials sector, were the best two performing stocks. Stella-Jones' stock price reacted well to an improvement in the outlook for the railway tie market while the addition of CCL to the S&P/TSX 60 Index created additional demand for the stock. Of note is the closing of the CST Brands acquisition by Alimentation Couche Tard. Couche Tard has established itself as a successful global consolidator and we expect the acquisition of CST Brands to continue this trend. From a dividend growth perspective, eight companies held in the portfolio increased their dividends during the second quarter. We did not make any strategic changes to the portfolio during the quarter.

### ***Recent Developments***

We expect to see synchronized and improving global economic growth, which argues for improving corporate profits and rising equity markets. Canada is now expected to turn in the strongest GDP growth among the G7 countries for 2017. Even though inflation is still muted, both the Fed and the Bank of Canada are on a path to increase interest rates, likely hoping to

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build some ammunition for the next recession. The level of political uncertainty is still high and the NAFTA renegotiation could potentially heighten the level of rhetoric. Overall, our unwavering focus on the long-term fundamental characteristics of the companies we invest in should continue to serve investors well and enable the portfolio to provide solid returns as well as withstand market difficulties. We view the recent under performance of the Canadian equity market coupled with solid economic data as an opportunity to invest in Canadian equities as we will likely see the Canadian market play catch up to the rest of the world.

#### *Change of Securities Offerings*

Effective May 9, 2017, the securities of Ultra High Net Worth Series are no longer available for purchase.

Investors may continue to own these securities, redeem their investment, or switch their investment to securities of the Fund or another Natixis Fund that is available for purchase and for which they qualify.

Effective June 12, 2017, the securities of Regular Front End Load, Deferred Load and Low Load series are no longer available for purchase.

Effective June 12, 2017, commenced offering securities of Series A.

On July 18, 2017 all the assets attributable to Regular Front End Load, Deferred Load and Low Load were re-designated to Series A.

#### *Fund Series Name Changes*

Effective June 9, 2017, the Fund renamed the following Series:

Previous Name	New Name
Regular F Series	Series F
High Net Worth Front End Load Series	Series H
High Net Worth F Series	Series HF
Ultra High Net Worth Series	Series U
Institutional Front End Load Series	Series I

#### *Related Party Transactions*

NGAM Canada LP (the "Manager") provides investment management, distribution and administrative services to the Fund. These services are provided in the normal course of operations and are recorded at the amount of consideration agreed to by the Manager and the Fund. National Instrument 81-107 requires the Fund, to establish an independent review committee ("IRC") to whom the Fund must refer all conflict of interest matters for review or approval. NI 81-107 also imposes obligations upon the Manager to establish written policies and procedures for dealing with conflict of interest matters, maintain records in respect of these matters, and provide assistance to the IRC in carrying out its functions.

#### *Management Fees*

NGAM Canada LP is the manager of the Fund. In consideration for the investment advisory services provided, the Manager receives a monthly management fee based on the daily average net assets of each series of the Fund, other than Series I. From its management fees, the Manager pays the cost of portfolio manager compensation, and sales and trailing commissions to dealers who distribute securities of the Fund. In consideration for other administrative services provided, the Manager may also charge an administrative fee to the Funds.

From time to time, the Manager may reduce the effective management fee payable by some unitholders by reducing the management fee it charges to the Fund, directing the Fund to make management fee distributions to these unitholders, or by rebating these fees back to the Fund in amounts equal to the management fee reduction. Management fee distributions are automatically reinvested in additional units of the Fund and are accounted for as distributions for financial statement purposes.

#### *Fund Operating Expenses*

Each Fund is responsible for the payment of all operating expenses including, but not limited to, taxes, accounting fees, legal fees, audit fees, trustee fees, IRC fees, custodial fees, administrative costs, investor servicing costs, broker commissions, interest and bank charges, and costs of reports and prospectuses. In consideration for other administrative services provided, the Manager may also charge an administrative fee to the Funds. The Manager allocates to the Fund certain overhead costs which are directly related to the operation of the Fund (excluding marketing and sales). Those overhead costs would include a portion of the Manager's IT computer software, systems and staff salaries, facilities, insurance (property and liability only), depreciation on fixed assets, data and telephone, printing, office and other general administrative costs.

Operating expenses are attributed to a Fund, or a Fund's series. Common operating expenses of the Funds may be allocated among each fund based on the average number of securityholders or the average daily net asset value of that fund, or other methods of allocation that the Manager deems appropriate, depending on the type of operating expenses being allocated.

#### *Expenses Absorbed*

The Manager may waive or absorb a portion of the management fees or operating expenses for certain funds. The decision to absorb these expenses is reviewed periodically and determined at the discretion of the Manager, without notice to unitholders.

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The related party fees charged are as follows:

	June 30, 2017	June 30, 2016
Management fees	59,321	66,701
Administrative services provided by the Manager	7,391	4,695
Fund expenses absorbed by the Manager	(25,263)	(25,380)

## Management Fees and Series Description

The Fund currently offers five series of units: Series A, Series F, Series H, Series HF and Series I. The following securities are no longer available for purchase: Series U, Regular Front End Load and Deferred and Low Load.

Management fees differ among the Fund's series of units. The Fund pays the Manager an aggregate management fee. Management fees for the Series I units are negotiated and paid directly by the investor, not by the Fund. From its management fees, the Manager pays the costs of portfolio manager compensation, and sales and trailing commissions to dealers who distribute securities of the Fund.

### As a Percentage of Management Fees

Series	Management Fee (%)	Dealer Compensation (%)	General Administration, Investment Advice and Profit (%)
Series A, Regular, Deferred and Low Load	2.00	35	65
Series F	1.00	0	100
Series H	1.75	57	43
Series HF	0.75	0	100
Series U	1.50	50	50

*\*\*For Series I [Units/Shares (revise as applicable)], separate Series I fees are negotiated and paid by each Series I investor. The combined management, administrative and any service fees charged for Series I Units will not exceed the management fee charged for Series A Units.*

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**Summary of Investment Portfolio** at June 30, 2017

The Fund invests directly in the Tax Managed Fund. The top 25 largest holdings by percentage of net asset value and sector allocation of this fund are listed below. The prospectus and other information about the Tax Managed Fund is available at [ngam.natixis.ca](http://ngam.natixis.ca) or [www.sedar.com](http://www.sedar.com).

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund. You may obtain monthly updates to the Fund's holdings free of charge by calling us toll free at 1-866-378-7119 or by writing us at NGAM Canada LP, 145 King Street West, Suite 1500, Toronto, ON, M5H 1J8 or by visiting our website at [ngam.natixis.ca](http://ngam.natixis.ca) or SEDAR at [www.sedar.com](http://www.sedar.com).

<b>Top 25 Holdings</b>	<b>%*</b>	<b>Sector Allocation</b>	<b>%*</b>
Canadian National Railway Company	4.4	Financials	28.6
CCL Industries, Inc. Cl. B	4.0	Industrials	19.7
Royal Bank of Canada	3.9	Energy	11.4
The Bank of Nova Scotia	3.8	Consumer Discretionary	10.8
Fortis, Inc.	3.8	Consumer Staples	10.5
Toromont Industries, Ltd.	3.6	Telecommunication Services	6.8
Richelieu Hardware, Ltd.	3.6	Materials	6.8
National Bank of Canada	3.6	Utilities	3.8
Rogers Communications, Inc. Cl. B	3.5	Cash & Cash Equivalents^	1.6
Bank of Montreal	3.5	Total	100.0
Canadian Tire Corporation, Limited Cl. A	3.4		
TELUS Corporation	3.3		
Intact Financial Corporation	3.2		
Saputo, Inc.	3.1		
Canadian Imperial Bank of Commerce	3.1		
Cineplex, Inc.	2.9		
Stella-Jones, Inc.	2.8		
Great-West Lifeco, Inc.	2.8		
Metro, Inc.	2.7		
Thomson Reuters Corporation	2.7		
Vermilion Energy, Inc.	2.6		
TransCanada Corporation	2.6		
Shaw Communications, Inc. Cl. B	2.6		
New Flyer Industries, Inc.	2.5		
Loblaw Companies Limited	2.3		

\*Based on Transactional NAV in which securities are priced at market closing prices on June 30, 2017.

^Including other working capital.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund. Updates are available quarterly.

## Past Performance

The past performance shows historical performance of each series of units of the Fund. This information is provided to show the past performance only and does not necessarily indicate how the Fund will perform in the future. The past performance information assumes that all distributions were reinvested in additional units of the same series of the Fund. The past performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance.

On November 30, 2012, NexGen Canadian Large Cap Registered Fund, after obtaining all necessary approvals, was merged into the Fund.

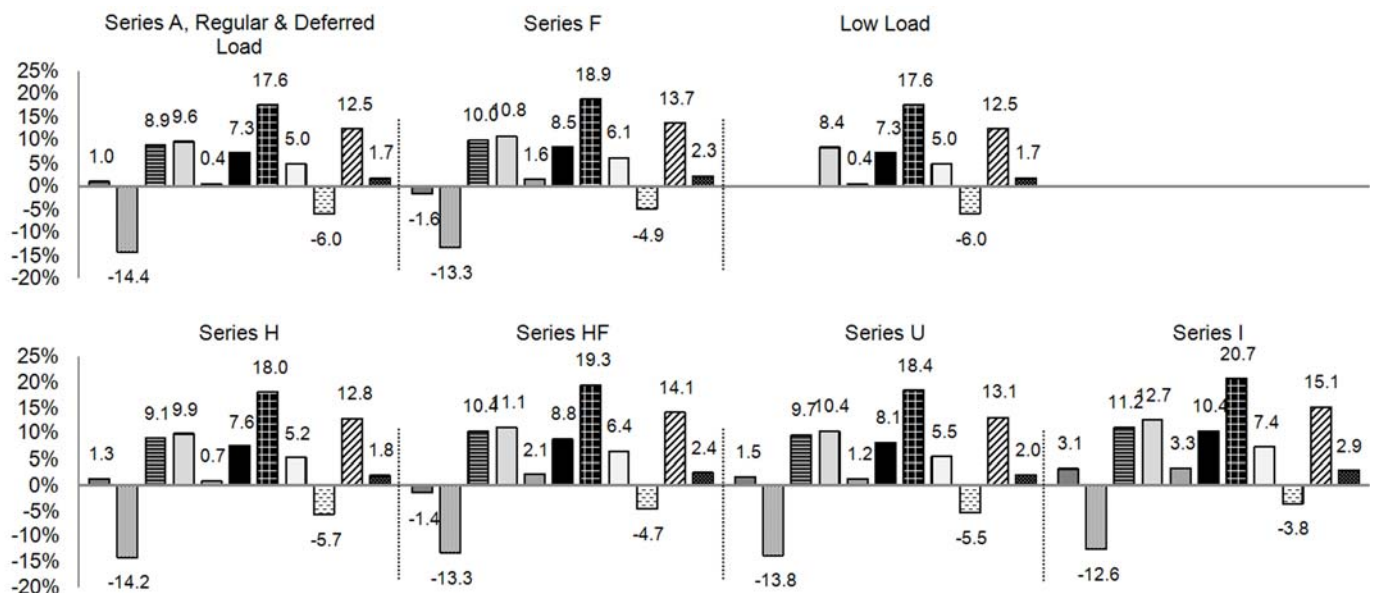
On June 5, 2015, NexGen North American Large Cap Registered Fund, after obtaining all necessary approvals, was merged into the Fund.

On March 21, 2017, Cidel was appointed as the sub-advisor the Fund.

These changes could have affected the performance of the Fund had they been in effect throughout the performance measurement periods presented.

## Year-by-Year Returns

The following charts illustrate the annual performance of each series of shares of the Fund for the lesser of a) ten most recently completed financial years; b) since the inception date. The charts show, in percentage terms, how much an investment made on the first day of each financial period would have increased or decreased by the last day of each financial period. *Performance of Series A reflects the past performance of the Regular Front End Load Series. Performance for Series F and Series HF for 2007 covers the period from July 1 to December 31, 2007. Performance for the Low Load Series for 2010 covers the period from March 8 to December 31, 2010.*



■ Dec 31 '07 ■ Dec 31 '08 ■ Dec 31 '09 □ Dec 31 '10 ■ Dec 31 '11 ■ Dec 31 '12 ■ Dec 31 '13 □ Dec 31 '14 ■ Dec 31 '15 ■ Dec 31 '16 ■ Jun 30 '17

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## Financial Highlights<sup>†</sup>

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for each of the year or period ending dates indicated.

### Net Assets Per Unit (\$) <sup>1</sup>

	Series A, Regular, Deferred and Low Load Series						Series F					
	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
<b>Net assets, beginning of period</b>	10.99	10.87	11.56	11.01	9.36	8.73	11.23	10.98	11.55	10.89	9.16	8.44
Increase (decrease) from operations:												
Total revenue	0.11	1.15	0.33	0.29	0.19	0.18	0.11	1.16	0.35	0.33	0.19	0.17
Total expenses (excluding distributions)	-	-	-	-	-	-	-	-	-	-	-	-
Realized gains (losses) for the period	0.01	(0.01)	0.24	0.12	0.50	0.21	0.01	(0.01)	0.24	0.13	0.28	0.25
Unrealized gains (losses) for the period	0.08	0.13	(1.22)	0.09	1.02	0.25	0.19	0.10	(1.17)	(0.15)	1.37	0.33
<b>Total increase (decrease) from operations <sup>2</sup></b>	0.20	1.27	(0.65)	0.50	1.71	0.64	0.31	1.25	(0.58)	0.31	1.84	0.75
Distributions:												
From net investment income (excluding dividends)	-	(0.22)	(0.24)	(0.22)	(0.16)	(0.16)	-	(0.23)	(0.25)	(0.22)	(0.15)	(0.15)
From dividends	-	(1.01)	(0.13)	(0.06)	-	-	-	(1.03)	(0.13)	(0.06)	-	-
From capital gains	-	-	(0.03)	-	(0.32)	(0.73)	-	-	(0.03)	-	(0.31)	(0.71)
Return of capital	-	-	-	-	(0.02)	-	-	-	-	-	(0.01)	-
<b>Total distributions <sup>3</sup></b>	-	(1.23)	(0.40)	(0.28)	(0.50)	(0.89)	-	(1.26)	(0.41)	(0.28)	(0.47)	(0.86)
<b>Net assets, end of period *</b>	11.17	10.99	10.87	11.56	11.01	9.36	11.48	11.23	10.98	11.55	10.89	9.16

	Series H						Series HF					
	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
<b>Net assets, beginning of period</b>	10.24	10.10	10.71	10.18	8.63	8.02	11.39	11.11	11.65	10.95	9.18	8.43
Increase (decrease) from operations:												
Total revenue	0.10	0.94	0.32	0.27	0.18	0.16	0.11	0.90	0.34	0.32	0.19	0.18
Total expenses (excluding distributions)	-	-	-	-	-	-	-	-	-	-	-	-
Realized gains (losses) for the period	0.01	(0.02)	0.20	0.11	0.28	0.20	0.01	-	0.22	0.13	0.44	(0.04)
Unrealized gains (losses) for the period	0.13	0.27	(1.23)	0.01	1.51	0.26	0.14	0.29	(1.17)	(0.01)	1.27	1.46
<b>Total increase (decrease) from operations <sup>2</sup></b>	0.24	1.19	(0.71)	0.39	1.97	0.62	0.26	1.19	(0.61)	0.44	1.90	1.60
Distributions:												
From net investment income (excluding dividends)	-	(0.21)	(0.23)	(0.21)	(0.14)	(0.14)	-	(0.23)	(0.25)	(0.22)	(0.15)	(0.15)
From dividends	-	(0.94)	(0.12)	(0.06)	-	-	-	(1.05)	(0.13)	(0.06)	-	-
From capital gains	-	-	(0.03)	-	(0.29)	(0.67)	-	-	(0.03)	-	(0.31)	(0.71)
Return of capital	-	-	-	-	(0.01)	-	-	-	-	-	(0.02)	-
<b>Total distributions <sup>3</sup></b>	-	(1.15)	(0.38)	(0.27)	(0.44)	(0.81)	-	(1.28)	(0.41)	(0.28)	(0.48)	(0.86)
<b>Net assets, end of period *</b>	10.43	10.24	10.10	10.71	10.18	8.63	11.66	11.39	11.11	11.65	10.95	9.18

	Series U						Series I					
	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
<b>Net assets, beginning of period</b>	11.01	10.83	11.46	10.86	9.17	8.48	12.30	11.89	12.35	11.50	9.53	8.63
Increase (decrease) from operations:												
Total revenue	0.11	1.21	0.42	0.24	0.19	0.18	0.12	1.35	0.48	0.24	0.20	0.19
Total expenses (excluding distributions)	-	-	-	-	-	-	-	-	-	-	-	-
Realized gains (losses) for the period	0.01	-	0.12	0.11	0.53	0.08	0.01	-	0.11	0.13	0.55	0.09
Unrealized gains (losses) for the period	0.12	0.12	(1.98)	0.35	0.97	1.03	0.22	0.43	(2.16)	0.56	1.23	2.64
<b>Total increase (decrease) from operations <sup>2</sup></b>	0.24	1.33	(1.44)	0.70	1.69	1.29	0.35	1.78	(1.57)	0.93	1.98	2.92
Distributions:												
From net investment income (excluding dividends)	-	(0.22)	(0.24)	(0.22)	(0.15)	(0.15)	-	(0.25)	(0.27)	(0.24)	(0.16)	(0.16)
From dividends	-	(1.01)	(0.13)	(0.06)	-	-	-	(1.13)	(0.14)	(0.07)	-	-
From capital gains	-	-	(0.03)	-	(0.31)	(0.71)	-	-	(0.03)	-	(0.33)	(0.74)
Return of capital	-	-	-	-	(0.01)	-	-	-	-	-	(0.02)	-
<b>Total distributions <sup>3</sup></b>	-	(1.23)	(0.40)	(0.28)	(0.47)	(0.86)	-	(1.38)	(0.44)	(0.31)	(0.51)	(0.90)
<b>Net assets, end of period *</b>	11.23	11.01	10.83	11.46	10.86	9.17	12.65	12.30	11.89	12.35	11.50	9.53

Please refer to the footnotes on the last page of this document.

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Ratios and Supplemental Data <sup>1</sup>

	Series A, Regular, Deferred and Low Load Series						Series F					
	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
Total net asset value (\$) <sup>2</sup>	4,047,092	4,707,183	5,143,733	7,030,413	5,849,829	3,872,309	453,611	581,293	721,385	843,878	305,145	80,165
Number of units outstanding	362,188	428,470	473,420	608,319	531,192	413,649	39,511	51,779	65,687	73,038	28,020	8,754
Management expense ratio (%) <sup>3</sup>	2.45	2.45	2.45	2.47	2.76	2.83	1.35	1.35	1.35	1.37	1.67	1.72
Management expense ratio before waivers or absorptions (%) <sup>3</sup>	3.32	3.16	2.95	3.04	3.32	3.17	2.22	2.06	1.85	1.94	2.23	2.06
Trading expense ratio (%) <sup>4</sup>	0.44	0.08	0.14	0.14	0.26	0.55	0.44	0.08	0.14	0.14	0.26	0.55
Portfolio turnover rate (%) <sup>5</sup>	85.45	36.88	81.06	112.46	169.22	233.95	85.45	36.88	81.06	112.46	169.22	233.95
Net asset value per unit (\$) <sup>2</sup>	11.17	10.99	10.87	11.56	11.01	9.36	11.48	11.23	10.98	11.55	10.89	9.16

	Series H						Series HF					
	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
Total net asset value (\$) <sup>2</sup>	584,135	777,786	1,103,284	1,042,314	692,253	160,397	194,840	165,835	259,512	319,582	137,593	77,986
Number of units outstanding	56,028	75,975	109,243	97,284	67,978	18,595	16,707	14,564	23,363	27,423	12,563	8,500
Management expense ratio (%) <sup>3</sup>	2.20	2.19	2.19	2.21	2.38	2.57	1.05	1.07	1.07	1.08	1.29	1.34
Management expense ratio before waivers or absorptions (%) <sup>3</sup>	3.06	2.90	2.69	2.78	2.94	2.91	1.92	1.79	1.57	1.65	1.85	1.68
Trading expense ratio (%) <sup>4</sup>	0.44	0.08	0.14	0.14	0.26	0.55	0.44	0.08	0.14	0.14	0.26	0.55
Portfolio turnover rate (%) <sup>5</sup>	85.45	36.88	81.06	112.46	169.22	233.95	85.45	36.88	81.06	112.46	169.22	233.95
Net asset value per unit (\$) <sup>2</sup>	10.43	10.24	10.10	10.71	10.18	8.63	11.66	11.39	11.11	11.65	10.95	9.18

	Series U						Series I					
	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
Total net asset value (\$) <sup>2</sup>	94,734	102,757	98,676	11,195	49,812	42,052	52,522	51,057	44,365	936	46,767	38,736
Number of units outstanding	8,436	9,331	9,108	977	4,585	4,585	4,151	4,151	3,731	76	4,066	4,066
Management expense ratio (%) <sup>3</sup>	1.92	1.92	1.91	1.94	2.07	2.09	0.17	0.17	0.17	0.17	0.16	0.16
Management expense ratio before waivers or absorptions (%) <sup>3</sup>	2.79	2.63	2.41	2.51	2.63	2.43	1.04	0.88	0.67	0.74	0.72	0.50
Trading expense ratio (%) <sup>4</sup>	0.44	0.08	0.14	0.14	0.26	0.55	0.44	0.08	0.14	0.14	0.26	0.55
Portfolio turnover rate (%) <sup>5</sup>	85.45	36.88	81.06	112.46	169.22	233.95	85.45	36.88	81.06	112.46	169.22	233.95
Net asset value per unit (\$) <sup>2</sup>	11.23	11.01	10.83	11.46	10.86	9.17	12.65	12.30	11.89	12.35	11.50	9.53

Please refer to the footnotes on the last page of this document.

## Financial Highlights

<sup>†</sup> For financial periods beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in compliance with International Financial Reporting Standards ("IFRS"). For the comparative 2013 financial period, beginning and ending Net Assets per unit have been changed to reflect the adoption of IFRS, and for financial periods preceding January 1, 2013, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). Net Assets per unit, for the periods prior to January 1, 2013, are calculated in accordance with GAAP, and Net Asset Value in the Ratios and Supplemental Data table is presented based on that used for transactional purposes. All other calculations for the purposes of this MRFP are made using Net Asset Value. As at June 30, 2017 there was no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

## Net Assets Per Unit footnotes

- <sup>1</sup> This information is derived from the Fund's audited annual financial statements as at December 31 of the years shown and the interim statements as at June 30, 2017. The net assets per unit for periods preceding January 1, 2013 presented in the financial statements may differ from the net asset value calculated for fund pricing purposes as a result of adopting the requirements under Section 3855 of the CICA Handbook, Financial Instruments – Recognition and Measurement.
  - <sup>2</sup> Net assets and distributions are based on the actual amount of units outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of units outstanding over the financial period.
  - <sup>3</sup> Distributions were reinvested in additional units of the Fund, unless the investor requested payment in cash.
- \* This is not a reconciliation of the beginning and ending net assets per unit as the increase (decrease) from operations data is based on the weighted average number of units during the period rather than actual unit amounts at the relevant time.

## Ratios and Supplemental Data footnotes

- <sup>1</sup> The information is provided as at June 30, 2017 and December 31 of the years shown.
- <sup>2</sup> Total Net Asset Value and Net Asset Value per unit for periods preceding January 1, 2013, are presented based on transactional NAV which may differ from amounts in the financial statements as a result of adopting the requirements under Section 3855 of the CICA Handbook, Financial Instruments – Recognition and Measurement.
- <sup>3</sup> The management expense ratio (MER) is calculated in accordance with National Instrument 81-106 and is based on total expenses (excluding distributions, commissions, portfolio transaction costs and forward fees as applicable) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. In a period where a series is established, the management fee ratio is annualized from the date of inception to the end of the period.  
  
The Manager may authorize a reduction in the management fees and/or operating expense rates generally for certain investors of the Fund who pay or incur distribution or other expenses normally paid by the Fund or the Manager. In this case, if the Manager reduces or rebates a portion of the management fee, the Fund or the Manager pays an amount equal to the reduction either as a distribution or as a direct rebate. The MER does not take this type of reduction into account.  
  
The Manager may temporarily reduce or absorb all or any portion of the management fee and/or operating expenses of the Fund and can terminate the reduction or absorption at any time. The Manager expects to continue to absorb these fees or expenses until such time as the Fund is of sufficient size to reasonably absorb all fees and expenses.
- <sup>4</sup> The Fund invests in shares and debt of the Tax Managed Fund and does not directly incur portfolio transaction costs. The trading expense ratio represents total commissions and other portfolio transaction costs of the underlying Tax Managed Fund expressed as an annualized percentage of the daily average Transactional NAV of the Tax Managed Fund during the period.
- <sup>5</sup> The Fund's portfolio turnover rate is represented by its proportionate share of that of the Tax Managed Fund. The Tax Managed Fund's portfolio turnover rate indicates how the portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Tax Managed Fund buying and selling all of the securities in its portfolio once in the course of the period. Typically, the higher a fund's portfolio turnover rate, the greater the trading costs payable by a fund. There is not necessarily a relationship between a high turnover rate and the performance of a fund.