

MANAGEMENT REPORT OF FUND PERFORMANCE
NATIXIS CANADIAN PREFERRED SHARE REGISTERED FUND
(FORMERLY NEXGEN CANADIAN PREFERRED SHARE 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 or SEDAR at 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 Preferred Share 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 Preferred Share 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 Objective 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 relate 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 pursue a steady flow of income primarily through investment in Canadian preferred shares.

The portfolio sub-advisor of the Tax Class Fund, J. Zechner Associates Inc. (the "Sub-Advisor"), will consider the credit quality of preferred share issuers, the attributes of individual preferred share issues and the expected direction of dividend yields. The Sub-Advisor will seek to invest in preferred shares that provide attractive value relative to available preferred share types, issuers and issues. The Sub-advisor will also consider the relative attractiveness of preferred shares to other fixed income alternatives.

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 increased during the period from \$64,230,000 to \$79,554,000. This increase was a result of a combination of net sales and positive return on investments.

The Series A of the Fund returned 7.7% compared to a 8.7% return on its benchmark, the S&P/TSX Preferred Share 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 is invested in a diversified portfolio of preferred shares. Rate reset preferred shares made up the largest portion of the portfolio, with perpetual issues comprising much of the remainder.

Canadian preferred shares experienced very strong results in the first quarter, outperforming other asset classes such as investment grade bonds, Canadian and U.S. equities, and high yield bonds. Unlike other securities, preferred shares were immune from the volatility arising from the changeover in U.S. administrations. In part, the strong performance of preferred shares reflected investors' ongoing search for attractive yield combined with limited new issue supply. In addition to investors purchasing outstanding, individual issues, preferred share ETF trading volumes hit all-time records. The sub-advisor believed, though, that much of the ETF activity did not reflect simple buying of the asset class; rather, it was hedging of structured notes linked to the preferred share market.

The structured notes were created by several banks and sold primarily through their respective wealth management divisions, although some institutions may also have participated. Many of the notes were auto-callable, principal-at-risk products linked to the performance of the BMO Laddered Rate Reset ETF, ZPR. The structure is essentially a package of bank debt combined with a series of digital call options on ZPR. When a bank sells one of these notes it is short the options and hedges that exposure with purchases of ZPR. If new units of ZPR must be created, that will result in buying of each of the component series of preferred shares held in the ETF. If ZPR subsequently increases in value, the bank will need to buy additional units to maintain its hedge.

The volume sold of this style of structured notes appeared to have made an increase in the value of ZPR a self-fulfilling prophecy; when the notes are sold, the bank must buy ZPR to hedge its exposure, putting upward pressure on the price of ZPR, which forces the bank to buy even more of the ETF. As additional series of these structured notes are sold, that creates even

MANAGEMENT REPORT OF FUND PERFORMANCE
NATIXIS CANADIAN PREFERRED SHARE REGISTERED FUND
(FORMERLY NEXGEN CANADIAN PREFERRED SHARE REGISTERED FUND)

For the period ended June 30, 2017

more upward pressure on the ETF. The risk, of course, is what happens if ZPR falls in value. Such a decline might be triggered by some of these notes being auto-called, triggering the unwinding of underlying hedges (i.e. selling of ZPR), or perhaps simply by a correction in the preferred share market. Either way, the structured notes have added a layer of potential volatility and risk to the market.

In the first quarter, ZPR increased in size from \$1.6 billion to just over \$2.0 billion, primarily due to creation of new units. Because this exchange traded fund holds only rate reset preferred shares, that type of preferred experienced particularly strong demand in the period.

Following a robust start to the year in the first quarter, the Canadian preferred share market consolidated in the second quarter. Share prices declined in both April and May before rebounding in June. The early weakness appeared to reflect a reduction in demand from structured note hedging. The subsequent rebound was caused by rising bond yields that led to increased interest in rate reset shares, but growth in preferred share Exchange Traded Funds (ETFs) was also a factor. Approximately \$260 million of new deposits flowed into the largest ETFs, with the BMO Laddered Rate Reset ETF receiving \$144 million and the Horizons Active Preferred Share ETF receiving \$56 million in June.

A key development for Canadian markets in June was an abrupt policy shift by the Bank of Canada. After two years of defending its 2015 rate reductions and deflecting blame for the resultant housing bubbles in Vancouver and Toronto, the Bank of Canada's Senior Deputy Governor, Carolyn Wilkins, gave a speech on June 12th that strongly hinted the Bank was considering raising interest rates. She said the economy no longer required the current extraordinary stimulus. Bond yields, particularly for shorter maturities, moved sharply higher over the balance of the month as investors discounted the possibility of a rate increase as soon as the Bank's July 12th meeting. The yield on 5-year Canada Bonds rose 42 basis points in the month, to the highest level since prior to the Bank's first surprise rate reduction in January 2015. The jump in bond yields prompted a rally in rate reset preferred shares, particularly those issues scheduled to rollover in the next year, because their respective dividend rates would now be reset off a higher base.

The proportion of the fund held in rate reset issues rose to 55% from 51% six months earlier, compared to the index weight of 78% and the market weight of 72%. Perpetual issues made up 36% of the portfolio versus 19% in the index and 22% of the market. Cash comprised 5% of the fund, higher than target due to illiquid conditions in the market.

Recent Developments

The growth in institutional participation in the preferred share market that has occurred over the last couple of years is unlikely to reverse any time soon. With supply somewhat limited by the relatively few issuers utilizing preferred shares, the increased demand by institutional investors bodes well for preferred share performance. Preferred shares remain cheap versus bonds issued from the same companies, even before the tax advantages of dividends versus interest are considered. While preferred shares are economically sensitive (they do not perform well in recessions), the sub-advisor believes economic growth will remain positive in the next 12 to 18 months. Consequently, the sub-advisor is bullish on preferred shares and believes they should play an ongoing role in investors' diversified portfolios.

In recent months, rate reset issues have outperformed other sectors of the preferred share market. In part, this reflected the rise in the 5-year Canada Bond yield from record low levels of roughly 1.10% to about 1.50%. Barring more than two rate increases by the Bank of Canada in the second half of the year, the potential for 5-year bond yields to continue to increase seems limited. As a result, the support for rate reset shares from rising bond yields may wane. An additional risk for rate reset issues is the potential unwinding of the structured note hedging that occurred in the fall of 2016. Many of the notes that were issued at that time and linked to the performance of the BMO ETF, ZPR, were auto-callable if the ETF experienced a positive return. With rate reset share prices higher than that period, the notes are likely to be redeemed and ZPR holdings sold to terminate the hedge positions of the originating banks. As the ETF is sold, it will put downward pressure on individual preferred share prices.

Change of Securities Offerings

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 |
| 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.

MANAGEMENT REPORT OF FUND PERFORMANCE
NATIXIS CANADIAN PREFERRED SHARE REGISTERED FUND
(FORMERLY NEXGEN CANADIAN PREFERRED SHARE REGISTERED FUND)

For the period ended June 30, 2017

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.

The related party fees charged are as follows:

| | June 30, 2017 | June 30, 2016 |
|---|---------------|---------------|
| Management fees | 276,806 | 204,300 |
| Administrative services provided by the Manager | 24,844 | 15,546 |
| Fund expenses absorbed by the Manager | (83,595) | (71,162) |

Management Fees and Series Description

The Fund currently offers three series of units: Series A, Series F 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 Series I shares 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.

| Series | As a Percentage of Management Fees | | |
|---------------------------------|------------------------------------|-------------------------|--|
| | Management Fee (%) | Dealer Compensation (%) | General Administration, Investment Advice and Profit (%) |
| Series A, Deferred and Low Load | 1.00 | 21 | 79 |
| Regular | 1.00 | 50 | 50 |
| Series F | 0.50 | 0 | 100 |

***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.*

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 or 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 or SEDAR at www.sedar.com.

| Top 25 Holdings | %* | Sector Allocation | %* |
|--------------------------|-----|-------------------|------|
| Cash & Cash Equivalents^ | 5.0 | Financials | 46.8 |

MANAGEMENT REPORT OF FUND PERFORMANCE

NATIXIS CANADIAN PREFERRED SHARE REGISTERED FUND

(FORMERLY NEXGEN CANADIAN PREFERRED SHARE REGISTERED FUND)

For the period ended June 30, 2017

| | | | |
|--|-----|----------------------------|--------------|
| Canadian Imperial Bank of Commerce 4.40% Series 45 Pfd. | 4.9 | Energy | 23.9 |
| AltaGas Ltd. 4.75% Series G Pfd. | 4.8 | Utilities | 16.4 |
| Algonquin Power & Utilities Corp. 5.00% Series D Pfd. | 4.8 | Cash & Cash Equivalents^ | 5.0 |
| TransCanada Corporation 4.25% Series 9 Pfd. | 4.6 | Consumer Staples | 3.4 |
| Brookfield Asset Management, Inc. Cl. A 4.90% Series 37 Pfd. | 4.4 | Telecommunication Services | 3.2 |
| Pembina Pipeline Corporation Cl. A 5.00% Series 5 Pfd. | 3.9 | Consumer Discretionary | 1.3 |
| Enbridge, Inc. 4.40% Series 11 Pfd. | 3.7 | Total Equities | <u>100.0</u> |
| Westcoast Energy, Inc. 5.60% Series 8 Pfd. | 3.5 | | |
| Husky Energy, Inc. 4.50% Series 3 Pfd. | 3.0 | | |
| BCE, Inc. 4.25% Series AQ Pfd. | 3.0 | | |
| Canadian Utilities Limited 4.90% Series BB Pfd. | 2.9 | | |
| Co-operators General Insurance Company Cl. E 5.00% Series C Pfd. | 2.9 | | |
| Fairfax Financial Holdings Limited 4.67% Series K Pfd. | 2.9 | | |
| Element Financial Corporation 6.50% Series G Pfd. | 2.6 | | |
| Fortis, Inc. 4.75% Series J Pfd. | 2.6 | | |
| Royal Bank of Canada 4.90% Series W Pfd. | 2.6 | | |
| George Weston Limited 4.75% Series V Pfd. | 2.4 | | |
| National Bank of Canada 4.10% Series 30 Pfd. | 2.3 | | |
| Power Financial Corporation 5.10% Series L Pfd. | 2.1 | | |
| Fairfax Financial Holdings Limited 3.62% Series D Pfd. | 2.0 | | |
| Veresen, Inc. 4.40% Series A Pfd. | 2.0 | | |
| Great-West Lifeco, Inc. 5.25% Series S Pfd. | 1.9 | | |
| IGM Financial, Inc. 5.90% Series B Pfd. | 1.8 | | |
| Element Fleet Management, Corp. 6.60% Series A Pfd. | 1.6 | | |

** 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

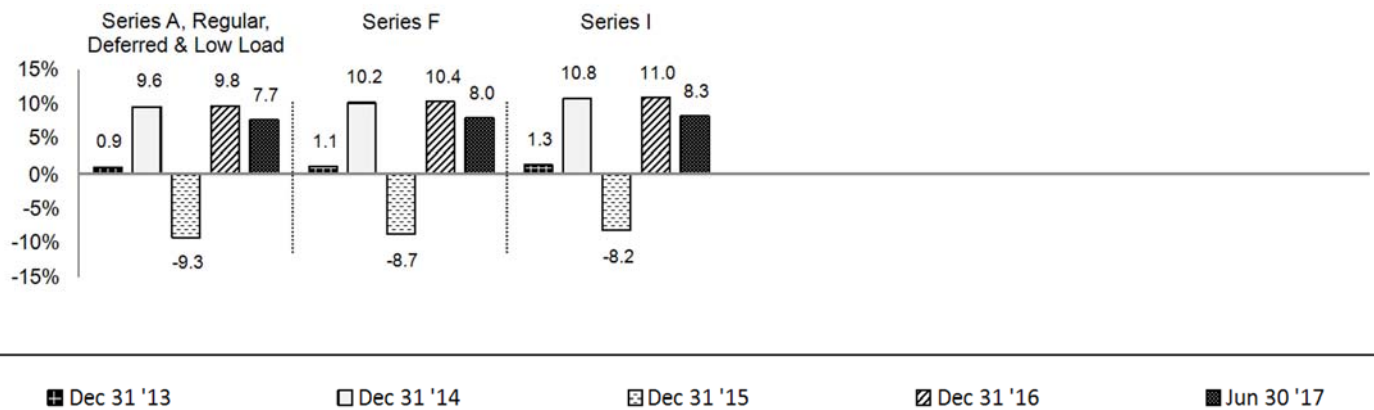
The past performance shows historical performance of each series of units of the Fund. This information is provided to show the past performance only and does not necessarily indicate how the Fund will perform in the future. The past performance information assumes that all distributions were reinvested 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.

Effective on June 9, 2017, the annual management fee applicable to all of the sales options of the Series A units of the Fund was lowered by up to 25 basis points.

This change could have affected the performance of the Fund had it been in effect throughout the performance measurement periods presented.

Year-by-Year Returns

The following chart illustrates the annual performance of each series of units of the Fund since its retail inception date - August 26, 2013. *Performance of Series A reflects the past performance of the Deferred Load Series.* 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.



MANAGEMENT REPORT OF FUND PERFORMANCE
NATIXIS CANADIAN PREFERRED SHARE REGISTERED FUND
(FORMERLY NEXGEN CANADIAN PREFERRED SHARE REGISTERED FUND)

For the period ended June 30, 2017

Financial Highlights[†]

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 (\$) ¹

| | Series A, Deferred and Low Load Series | | | | | Regular | | | | |
|--|--|---------------|---------------|---------------|---------------|--------------|---------------|---------------|---------------|---------------|
| | 30-Jun-17 | 31-Dec-16 | 31-Dec-15 | 31-Dec-14 | 31-Dec-13 | 30-Jun-17 | 31-Dec-16 | 31-Dec-15 | 31-Dec-14 | 31-Dec-13 |
| Net assets, beginning of period | 10.27 | 9.97 | 11.01 | 10.09 | 10.00 | 10.37 | 10.04 | 11.06 | 10.08 | 10.00 |
| Increase (decrease) from operations: | | | | | | | | | | |
| Total revenue | 0.10 | 0.61 | 0.39 | 0.88 | 0.07 | 0.10 | 0.67 | 0.42 | 0.77 | 0.07 |
| Total expenses (excluding distributions) | - | - | - | - | - | - | - | - | - | - |
| Realized gains (losses) for the period | - | (0.03) | (0.04) | - | - | - | (0.03) | (0.05) | - | - |
| Unrealized gains (losses) for the period | 0.68 | 0.23 | (1.51) | 0.01 | (0.25) | 0.68 | 0.34 | (1.45) | 0.12 | (0.23) |
| Total increase (decrease) from operations² | 0.78 | 0.81 | (1.16) | 0.89 | (0.18) | 0.78 | 0.98 | (1.08) | 0.89 | (0.16) |
| Distributions: | | | | | | | | | | |
| From net investment income (excluding dividends) | - | (0.63) | (0.15) | (0.13) | (0.03) | - | (0.64) | (0.15) | (0.13) | (0.03) |
| From dividends | - | - | (0.16) | (0.44) | - | - | - | (0.17) | (0.43) | - |
| From capital gains | - | - | - | - | - | - | - | - | - | - |
| Return of capital | - | - | - | - | (0.01) | 0.12 | - | - | - | (0.01) |
| Total distributions³ | - | (0.63) | (0.31) | (0.57) | (0.04) | 0.12 | (0.64) | (0.32) | (0.56) | (0.04) |
| Net assets, end of period⁴ | 11.05 | 10.27 | 9.97 | 11.06 | 10.08 | 11.05 | 10.37 | 10.04 | 11.01 | 10.09 |

| | Series F | | | | | Series I | | | | |
|--|--------------|---------------|---------------|---------------|---------------|--------------|---------------|---------------|---------------|---------------|
| | 30-Jun-17 | 31-Dec-16 | 31-Dec-15 | 31-Dec-14 | 31-Dec-13 | 30-Jun-17 | 31-Dec-16 | 31-Dec-15 | 31-Dec-14 | 31-Dec-13 |
| Net assets, beginning of period | 10.56 | 10.17 | 11.14 | 10.11 | 10.00 | 10.76 | 10.30 | 11.22 | 10.13 | 10.00 |
| Increase (decrease) from operations: | | | | | | | | | | |
| Total revenue | 0.10 | 0.74 | 0.42 | 1.08 | 0.07 | 0.10 | 0.69 | 0.37 | 0.66 | 0.07 |
| Total expenses (excluding distributions) | - | - | - | - | - | - | - | - | - | - |
| Realized gains (losses) for the period | - | (0.03) | (0.05) | - | - | - | (0.03) | (0.04) | - | - |
| Unrealized gains (losses) for the period | 0.71 | 0.38 | (1.42) | (0.18) | (0.14) | 0.80 | 0.47 | (1.26) | 0.46 | 0.06 |
| Total increase (decrease) from operations² | 0.81 | 1.09 | (1.05) | 0.90 | (0.07) | 0.90 | 1.13 | (0.93) | 1.12 | 0.13 |
| Distributions: | | | | | | | | | | |
| From net investment income (excluding dividends) | - | (0.65) | (0.15) | (0.13) | (0.03) | - | (0.66) | (0.16) | (0.13) | (0.03) |
| From dividends | - | - | (0.17) | (0.44) | - | - | - | (0.17) | (0.44) | - |
| From capital gains | - | - | - | - | - | - | - | - | - | - |
| Return of capital | - | - | - | - | (0.01) | - | - | - | - | (0.01) |
| Total distributions³ | - | (0.65) | (0.32) | (0.57) | (0.04) | - | (0.66) | (0.33) | (0.57) | (0.04) |
| Net assets, end of period⁴ | 11.41 | 10.56 | 10.17 | 11.14 | 10.11 | 11.65 | 10.76 | 10.30 | 11.22 | 10.13 |

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

MANAGEMENT REPORT OF FUND PERFORMANCE
NATIXIS CANADIAN PREFERRED SHARE REGISTERED FUND
(FORMERLY NEXGEN CANADIAN PREFERRED SHARE REGISTERED FUND)

For the period ended June 30, 2017

Ratios and Supplemental Data ¹

| | Series A, Deferred and Low Load Series | | | | | Regular Series | | | | |
|---|--|-----------|-----------|-----------|-----------|----------------|------------|------------|-----------|-----------|
| | 30-Jun-17 | 31-Dec-16 | 31-Dec-15 | 31-Dec-14 | 31-Dec-13 | 30-Jun-17 | 31-Dec-16 | 31-Dec-15 | 31-Dec-14 | 31-Dec-13 |
| Total net asset value (\$) | 5,011,401 | 4,597,544 | 5,654,633 | 8,985,172 | 1,777,888 | 22,552,844 | 19,316,512 | 17,537,128 | 3,282,317 | 2,172,418 |
| Number of units outstanding | 453,398 | 447,523 | 567,279 | 812,242 | 176,346 | 2,040,391 | 1,862,154 | 1,746,917 | 297,995 | 215,278 |
| Management expense ratio (%) ² | 1.49 | 1.54 | 1.56 | 1.25 | 1.58 | 1.27 | 1.28 | 1.27 | 1.58 | 1.30 |
| Management expense ratio before waivers or absorptions (%) ² | 1.72 | 1.78 | 1.83 | 1.77 | 3.49 | 1.50 | 1.52 | 1.55 | 2.10 | 3.21 |
| Trading expense ratio (%) ³ | 0.14 | 0.07 | 0.21 | 0.11 | 0.32 | 0.14 | 0.07 | 0.21 | 0.11 | 0.32 |
| Portfolio turnover rate (%) ⁴ | 22.60 | 28.61 | 49.69 | 33.05 | 14.46 | 22.60 | 28.61 | 49.69 | 33.05 | 14.46 |
| Net asset value per unit (\$) | 11.05 | 10.27 | 9.97 | 11.06 | 10.08 | 11.05 | 10.37 | 10.04 | 11.01 | 10.09 |

| | Series F | | | | | Series I | | | | |
|---|------------|------------|------------|------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 30-Jun-17 | 31-Dec-16 | 31-Dec-15 | 31-Dec-14 | 31-Dec-13 | 30-Jun-17 | 31-Dec-16 | 31-Dec-15 | 31-Dec-14 | 31-Dec-13 |
| Total net asset value (\$) | 51,478,827 | 39,842,146 | 27,588,557 | 10,219,650 | 1,411,155 | 511,067 | 473,854 | 430,735 | 473,767 | 37,982 |
| Number of units outstanding | 4,512,584 | 3,772,232 | 2,713,958 | 917,402 | 139,586 | 43,851 | 44,046 | 41,828 | 42,214 | 3,750 |
| Management expense ratio (%) ² | 0.72 | 0.73 | 0.72 | 0.73 | 0.74 | 0.11 | 0.17 | 0.17 | 0.17 | 0.18 |
| Management expense ratio before waivers or absorptions (%) ² | 0.95 | 0.97 | 1.00 | 1.25 | 2.65 | 0.34 | 0.41 | 0.45 | 0.69 | 2.08 |
| Trading expense ratio (%) ³ | 0.14 | 0.07 | 0.21 | 0.11 | 0.32 | 0.14 | 0.07 | 0.21 | 0.11 | 0.32 |
| Portfolio turnover rate (%) ⁴ | 22.60 | 28.61 | 49.69 | 33.05 | 14.46 | 22.60 | 28.61 | 49.69 | 33.05 | 14.46 |
| Net asset value per unit (\$) | 11.41 | 10.56 | 10.17 | 11.14 | 10.11 | 11.65 | 10.76 | 10.30 | 11.22 | 10.13 |

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

Financial Highlights

* 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, ending Net Assets per unit have been changed to reflect the adoption of IFRS, if applicable. As at June 30, 2017 there was no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Net Assets Per Unit footnotes

- ¹ 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.
- ² Net assets and distributions are based on the actual amount of units at the relevant time. The increase (decrease) from operations is based on the weighted average number of units outstanding over the financial period.
- ³ 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

- ¹ The information is provided as at June 30, 2017 and December 31 of the years shown.
- ² 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.
- ³ 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.
- ⁴ 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.