

*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.com](http://ngam.natixis.com) 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**

### **Investment Objective and Strategies**

The investment objective of the NexGen Canadian Cash Tax Managed Fund (the "Fund" or the "Tax Managed Fund") is to pursue a steady flow of income while preserving capital primarily through investment in short term Canadian fixed income securities. J. Zechner Associates Inc. ("Zechner" or the "Sub-Advisor"), the sub-advisor to the Fund, employs investment strategies which analyze the expected direction of interest rates, the relative value between various terms to maturity and individual issues in managing the Fund.

### **Results of Operations**

The Fund's net asset value decreased during the period from \$10,041,599 to \$8,281,000. This decrease was a result of net redemptions.

The Regular Series of the Fund returned 0.2% compared to a 0.2% return on its benchmark, the FTSE TMX Canada 30 Day T-Bill 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 Bank of Canada left its trend-setting interest rates unchanged during the first six months of 2016. The Bank indicated that it was waiting for details of the promised fiscal stimulus package from the new federal government before deciding on the need for additional monetary stimulus. As well, it appeared that the Bank did not want to cause further declines in the exchange rate. The federal budget did deliver the expected fiscal stimulus which should increase Canadian growth later in 2016 and in 2017.

The lack of activity by the Bank of Canada meant money market yields traded in a narrow range during the first half of 2016. During the period, the sub-advisor purchased 2-year floating rate notes from CIBC and Manulife Bank. The two FRN's paid interest equivalent to 3-month Bankers Acceptances plus 66 and 60 basis points, respectively. As a result, the two securities improved the average yield of the fund.

### **Recent Developments**

While the Bank of Canada is unlikely to raise interest rates for the foreseeable future, it is also unlikely to cut rates. As a result, fund returns are not expected to change meaningfully. Additional FRN holdings are unlikely at this time because of securities regulations limiting the average term to maturity of the fund.

### **Change of Securities Offerings**

Effective June 15, 2016, the securities of the Ultra High Net Worth series is no longer available for purchase, except by investors who own securities of such series as at June 15, 2016, who are permitted to switch their securities of this series from one NexGen Fund or Natixis Fund for securities of the same series of another NexGen Fund or Natixis Fund.

### **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 the Institutional series. 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 shareholders by reducing the management fee it charges to the Fund, directing the Fund to make management fee distributions to these shareholders, 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 shares 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 shareholders.

The related party fees charged are as follows:

	June 30, 2016	June 30, 2015
Management fees	18,159	22,239
Administrative services provided by the Manager	8,422	9,600
Fund expenses absorbed by the Manager	(40,899)	(37,119)

**Other Information**

***Change of Control of the Manager***

In August 2015, the name of the parent company of the Manager changed to Natixis Global Asset Management Canada Corp from NexGen Financial Corporation.

***Securities Lending***

Certain Funds may enter into securities lending transactions. These transactions permit the Fund to earn fees in exchange for an agreement to lend securities to a third party which are returnable to the Fund on demand in exchange for prescribed collateral. The value of non-cash securities held as collateral must be at least 102% of the fair value of the securities loaned. Income is earned from these transactions in the form of fees paid by the counterparty. Income earned from these transactions is included in the Statement of Comprehensive Income of the Fund's financial statements.

**Management Fees and Series Description**

The Fund has one publicly offered class. The class has eight series: Regular, Regular F, High Net Worth, High Net Worth F, Ultra High Net Worth, Institutional, Deferred Load and Low Load Series (commencing March 8, 2010). (After June 15, 2016, the Ultra High Net Worth series is no longer available for purchase, except upon a reinvestment of a distribution or a switch from Ultra High Net Worth Series of another Fund).

Management fees differ among the Fund's series of shares. The Fund pays the Manager an aggregate management fee. Management fees for the Institutional Series 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	As a Percentage of Management Fees			
	Current Prospectus (%)	Actually Charged (%)*	Dealer Compensation (%)	General Administration, Investment Advice and Profit (%)
Regular, Deferred and Low Load	1.00	0.35	76	24
Regular F	0.65	0.35	0	100
High Net Worth	0.85	0.35	100	-
High Net Worth F	0.50	0.35	0	100
Ultra High Net Worth	0.80	0.35	83	17

\* Average rate charged during 2016.

**Summary of Investment Portfolio** at June 30, 2016

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.com](http://ngam.natixis.com) or SEDAR at [www.sedar.com](http://www.sedar.com).

<b>Top 25 Holdings **</b>	<b>%*</b>	<b>Sector Allocation</b>	<b>%*</b>
Canadian Imperial Bank of Commerce 1.58% Feb 08, 2018	10.3	Provincial Short Term	44.4
Province of Alberta 0.61% Aug 25, 2016	10.1	Corporate Short Term	34.9
Manulife Bank of Canada 1.51% Jun 01, 2018	9.5	Corporate Floating Rate Notes	19.8
Bank of Montreal 0.64% Jul 04, 2016	9.3	Cash & Cash Equivalents^	0.9
Royal Bank of Canada 0.76% Oct 31, 2016	9.2	Total	<u>100.0</u>
The Toronto-Dominion Bank 0.74% Sep 23, 2016	8.5		
Ontario Teachers' Pension Plan 0.69% Jul 07, 2016	8.0		
Province of Alberta 0.62% Jul 19, 2016	6.7		
Province of Saskatchewan 0.61% Aug 08, 2016	6.5		
Province of Nova Scotia 0.53% Jul 07, 2016	6.2		
Province of Quebec 0.54% Jul 08, 2016	5.2		
Province of Nova Scotia 0.58% Aug 09, 2016	4.8		
Province of Manitoba 0.58% Sep 14, 2016	4.8		
Cash & Cash Equivalents^	0.9		

\* Based on Transactional NAV in which securities are prices at market closing prices on June 30, 2016.

\*\* The Fund held less than 25 securities on June 30, 2016

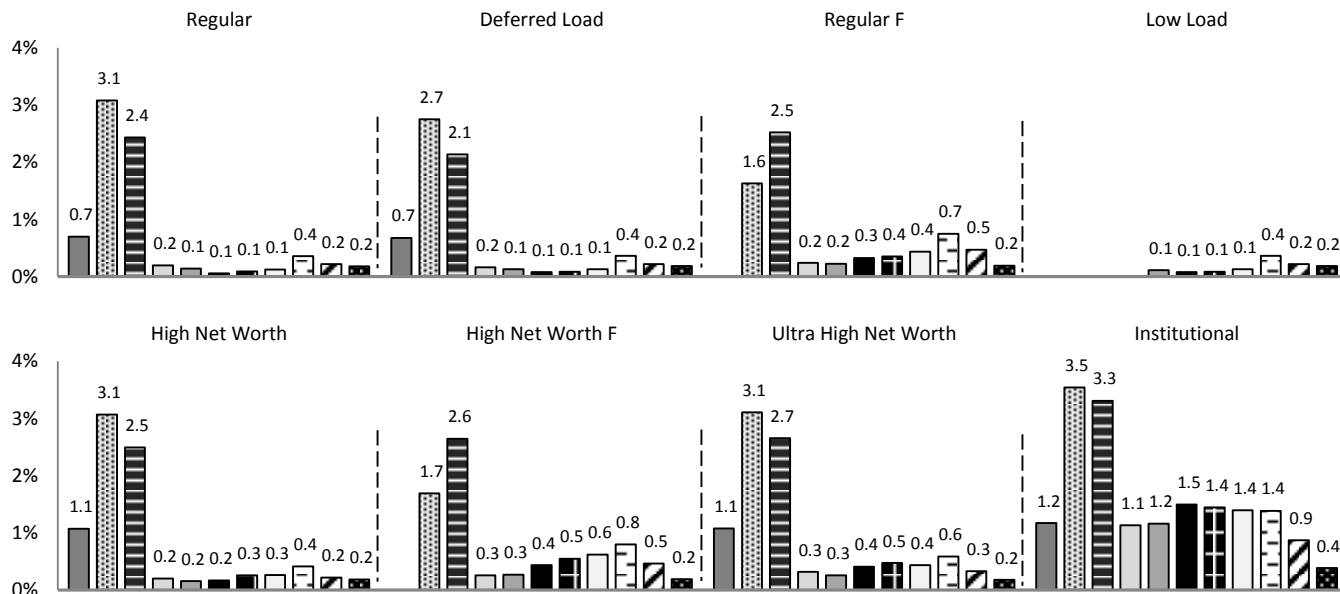
^Including other working capital.

## Past Performance

The past performance shows historical performance of each series of shares 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 shares 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.

### Year-by-Year Returns

The following charts illustrate the annual performance of each series of shares of the Fund since its retail inception date - September 5, 2006. 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 for the Regular F Series and the High Net Worth F Series 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 '06	▨ 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	▦ Jun 30 '16	

## 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 Share (\$) <sup>1</sup>

	Regular Series						Deferred and Low Load Series					
	30-Jun-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	31-Dec-11	30-Jun-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	31-Dec-11
<b>Net assets, beginning of period</b>	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Increase (decrease) from operations:												
Total revenue	0.04	0.08	0.15	0.15	0.15	0.15	0.04	0.08	0.15	0.15	0.15	0.15
Total expenses (excluding distributions)	(0.02)	(0.06)	(0.11)	(0.14)	(0.14)	(0.14)	(0.02)	(0.06)	(0.11)	(0.14)	(0.14)	(0.14)
Realized gains (losses) for the period	-	-	-	-	-	-	-	-	-	-	-	-
Unrealized gains (losses) for the period	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total increase (decrease) from operations <sup>2</sup></b>	0.02	0.02	0.04	0.01	0.01	0.01	0.02	0.02	0.04	0.01	0.01	0.01
Distributions:												
From net investment income (excluding dividends)	-	-	-	-	-	-	-	-	-	-	-	-
From eligible dividends	-	-	-	-	-	-	-	-	-	-	-	-
From capital gains	-	-	-	-	-	-	-	-	-	-	-	-
Return of capital	(0.02)	(0.02)	(0.04)	(0.01)	(0.01)	(0.01)	(0.02)	(0.02)	(0.04)	(0.01)	(0.01)	(0.01)
<b>Total distributions <sup>3</sup></b>	(0.02)	(0.02)	(0.04)	(0.01)	(0.01)	(0.01)	(0.02)	(0.02)	(0.04)	(0.01)	(0.01)	(0.01)
<b>Net assets, end of period *</b>	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00

	Regular F Series						High Net Worth Series					
	30-Jun-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	31-Dec-11	30-Jun-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	31-Dec-11
<b>Net assets, beginning of period</b>	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Increase (decrease) from operations:												
Total revenue	0.04	0.09	0.14	0.15	0.15	0.15	0.04	0.08	0.14	0.16	0.15	0.15
Total expenses (excluding distributions)	(0.02)	(0.04)	(0.07)	(0.11)	(0.12)	(0.12)	(0.02)	(0.06)	(0.10)	(0.13)	(0.12)	(0.14)
Realized gains (losses) for the period	-	-	-	-	-	-	-	-	-	-	-	-
Unrealized gains (losses) for the period	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total increase (decrease) from operations <sup>2</sup></b>	0.02	0.05	0.07	0.04	0.03	0.03	0.02	0.02	0.04	0.03	0.03	0.01
Distributions:												
From net investment income (excluding dividends)	-	-	-	-	-	-	-	-	-	-	-	-
From eligible dividends	-	-	-	-	-	-	-	-	-	-	-	-
From capital gains	-	-	-	-	-	-	-	-	-	-	-	-
Return of capital	(0.02)	(0.05)	(0.07)	(0.04)	(0.03)	(0.03)	(0.02)	(0.02)	(0.04)	(0.03)	(0.03)	(0.01)
<b>Total distributions <sup>3</sup></b>	(0.02)	(0.05)	(0.07)	(0.04)	(0.03)	(0.03)	(0.02)	(0.02)	(0.04)	(0.03)	(0.03)	(0.01)
<b>Net assets, end of period *</b>	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00

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

**Net Assets Per Share (\$) <sup>1</sup> (cont'd)**

	High Net Worth F Series						Ultra High Net Worth Series					
	30-Jun-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	31-Dec-11	30-Jun-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	31-Dec-11
<b>Net assets, beginning of period</b>	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Increase (decrease) from operations:												
Total revenue	0.04	0.09	0.14	0.15	0.15	0.15	0.04	0.09	0.17	0.14	0.15	0.15
Total expenses (excluding distributions)	(0.02)	(0.04)	(0.06)	(0.09)	(0.10)	(0.11)	(0.02)	(0.06)	(0.11)	(0.10)	(0.10)	(0.11)
Realized gains (losses) for the period	-	-	-	-	-	-	-	-	-	-	-	-
Unrealized gains (losses) for the period	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total increase (decrease) from operations <sup>2</sup></b>	0.02	0.05	0.08	0.06	0.05	0.04	0.02	0.03	0.06	0.04	0.05	0.04
Distributions:												
From net investment income (excluding dividends)	-	-	-	-	-	-	-	-	-	-	-	-
From eligible dividends	-	-	-	-	-	-	-	-	-	-	-	-
From capital gains	-	-	-	-	-	-	-	-	-	-	-	-
Return of capital	(0.02)	(0.05)	(0.08)	(0.06)	(0.05)	(0.04)	(0.02)	(0.03)	(0.06)	(0.04)	(0.05)	(0.04)
<b>Total distributions <sup>3</sup></b>	(0.02)	(0.05)	(0.08)	(0.06)	(0.05)	(0.04)	(0.02)	(0.03)	(0.06)	(0.04)	(0.05)	(0.04)
<b>Net assets, end of period *</b>	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00

	Institutional Series					
	30-Jun-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	31-Dec-11
<b>Net assets, beginning of period</b>	10.00	10.00	10.00	10.00	10.00	10.00
Increase (decrease) from operations:						
Total revenue	0.04	0.09	0.15	0.16	0.14	0.15
Total expenses (excluding distributions)	-	-	(0.01)	(0.02)	-	-
Realized gains (losses) for the period	-	-	-	-	-	-
Unrealized gains (losses) for the period	-	-	-	-	-	-
<b>Total increase (decrease) from operations <sup>2</sup></b>	0.04	0.09	0.14	0.14	0.14	0.15
Distributions:						
From net investment income (excluding dividends)	-	-	-	-	-	-
From eligible dividends	-	-	-	-	-	-
From capital gains	-	-	-	-	-	-
Return of capital	(0.04)	(0.09)	(0.14)	(0.14)	(0.14)	(0.15)
<b>Total distributions <sup>3</sup></b>	(0.04)	(0.09)	(0.14)	(0.14)	(0.14)	(0.15)
<b>Net assets, end of period *</b>	10.00	10.00	10.00	10.00	10.00	10.00

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

MANAGEMENT REPORT OF FUND PERFORMANCE  
**NEXGEN CANADIAN CASH TAX MANAGED FUND**

For the period ended June 30, 2016

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

	Regular Series						Deferred and Low Load Series					
	30-Jun-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	31-Dec-11	30-Jun-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	31-Dec-11
Total net asset value (\$) <sup>2</sup>	814,432	1,895,367	1,768,125	3,838,223	6,886,481	10,210,558	2,436,412	1,478,271	1,172,598	3,197,214	2,057,178	1,607,002
Number of shares outstanding	81,443	189,537	176,812	383,822	688,648	1,021,056	243,641	147,827	117,260	319,722	205,718	160,700
Management expense ratio (%) <sup>3</sup>	0.39	0.63	1.14	1.40	1.39	1.45	0.39	0.63	1.14	1.40	1.39	1.45
Management expense ratio before waivers or absorptions (%) <sup>3</sup>	1.25	1.48	2.15	1.68	1.63	1.63	1.25	1.48	2.15	1.68	1.62	1.61
Trading expense ratio (%) <sup>4</sup>	-	-	-	-	-	-	-	-	-	-	-	-
Portfolio turnover rate (%) <sup>5</sup>	119.48	-	-	0.01	8.25	50.43	119.48	-	-	0.01	8.25	50.43
Net asset value per share (\$) <sup>2</sup>	10.00	10.00	10.00	10.00	10.00	10	10.00	10.00	10.00	10.00	10.00	10

	Regular F Series						High Net Worth Series					
	30-Jun-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	31-Dec-11	30-Jun-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	31-Dec-11
Total net asset value (\$) <sup>2</sup>	1,425,348	1,618,136	1,785,257	2,270,305	1,615,611	1,346,684	1,618,088	1,569,194	1,247,373	4,439,259	6,754,917	6,784,323
Number of shares outstanding	142,535	161,814	178,526	227,030	161,561	134,668	161,809	156,919	124,737	443,926	675,492	678,432
Management expense ratio (%) <sup>3</sup>	0.37	0.38	0.71	1.10	1.12	1.19	0.39	0.63	1.02	1.27	1.22	1.34
Management expense ratio before waivers or absorptions (%) <sup>3</sup>	1.23	1.24	1.72	1.32	1.25	1.30	1.25	1.48	1.95	1.48	1.39	1.49
Trading expense ratio (%) <sup>4</sup>	-	-	-	-	-	-	-	-	-	-	-	-
Portfolio turnover rate (%) <sup>5</sup>	119.48	-	-	0.01	8.25	50.43	119.48	-	-	0.01	8.25	50.43
Net asset value per share (\$) <sup>2</sup>	10.00	10.00	10.00	10.00	10.00	10	10.00	10.00	10.00	10.00	10.00	10

	High Net Worth F Series						Ultra High Net Worth Series					
	30-Jun-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	31-Dec-11	30-Jun-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	31-Dec-11
Total net asset value (\$) <sup>2</sup>	1,980,399	3,375,677	1,084,469	1,984,766	1,997,558	2,184,965	4,131	103,012	773	47,616	3,777,434	11,315,211
Number of shares outstanding	198,040	337,568	108,447	198,477	199,756	218,497	413	10,301	77	4,762	377,743	1,131,521
Management expense ratio (%) <sup>3</sup>	0.37	0.39	0.65	0.92	0.93	1.07	0.40	0.66	0.93	1.00	1.02	1.10
Management expense ratio before waivers or absorptions (%) <sup>3</sup>	1.24	1.24	1.57	1.12	1.01	1.14	1.26	1.52	1.85	1.21	1.19	1.26
Trading expense ratio (%) <sup>4</sup>	-	-	-	-	-	-	-	-	-	-	-	-
Portfolio turnover rate (%) <sup>5</sup>	119.48	-	-	0.01	8.25	50.43	119.48	-	-	0.01	8.25	50.43
Net asset value per share (\$) <sup>2</sup>	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00

	Institutional Series					
	30-Jun-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	31-Dec-11
Total net asset value (\$) <sup>2</sup>	1,949	1,942	829	617,059	6,440	795
Number of shares outstanding	195	194	83	61,706	644	79
Management expense ratio (%) <sup>3</sup>	-	-	0.07	0.16	0.15	0.16
Management expense ratio before waivers or absorptions (%) <sup>3</sup>	0.86	0.85	0.93	0.35	0.15	0.16
Trading expense ratio (%) <sup>4</sup>	-	-	-	-	-	-
Portfolio turnover rate (%) <sup>5</sup>	119.48	-	-	0.01	8.25	50.43
Net asset value per share (\$) <sup>2</sup>	10.00	10.00	10.00	10.00	10.00	10.00

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, beginning and ending Net Assets per share 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 share, 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, 2016 there was no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

## Net Assets Per Share 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, 2016. The net assets per share 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 shares at the relevant time. The increase (decrease) from operations is based on the weighted average number of shares outstanding over the financial period.
  - <sup>3</sup> Distributions were reinvested in additional shares of the Fund, unless the investor requested payment in cash.
- \* This is not a reconciliation of the beginning and ending net assets per share as the increase (decrease) from operations data is based on the weighted average number of shares during the period rather than actual share amounts at the relevant time.

## Ratios and Supplemental Data footnotes

- <sup>1</sup> The information is provided as at June 30, 2016 and December 31 of the years shown.
- <sup>2</sup> Total Net Asset Value and Net Asset Value per share 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 trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average Transactional NAV during the period.
- <sup>5</sup> The Fund's portfolio turnover rate indicates how the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher the Fund's portfolio turnover rate in the period, the greater the trading costs payable by the Fund and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund.