

*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 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 NexGen Global Equity Registered Fund (the "Fund") invests directly in shares and debt of the NexGen Global Equity Tax Managed Fund (the "Tax Managed Fund") having a similar investment objective. Accordingly, the Management Discussion of Fund Performance that follows represents generally that of the Tax Managed 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 Managed Fund please refer to the Management Report of Fund Performance of the Tax Managed Fund.

### **Investment Objective and Strategies**

The investment objective of the Fund is to provide long term capital growth primarily through investment in a diversified portfolio of global equity securities. 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 Class of the Tax Managed Fund.

Cidel Asset Management Inc., the portfolio sub-advisor of the Tax Managed Fund (the "Sub-Advisor"), seeks to invest in companies with attractive cash flow and valuation profiles, a track record of returning rising levels of cash flow to shareholders and identifiable growth opportunities. The Sub-Advisor follows security selection process consisting of company screening, bottom up fundamental research/valuation and a final decision making phase based on perceived margin of safety and portfolio and risk management considerations.

### **Results of Operations**

The Fund's net asset value increased during the period from \$11,358,814 to \$13,085,000. This increase was a result of net sales offset by negative return on investments.

The Regular Series of the Fund returned -3.3% compared to a -5.4% return on its benchmark, the MSCI World Total Return Index (CAD) (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 Tax Managed Fund geographic mix is designed to be representative of the sources of global GDP, and seeks to participate in the regions that disproportionately contribute to global GDP growth. As such, the Tax Managed Fund has and will continue to have significant variations versus the MSCI World Index benchmark. As at June 30, 2016 the Tax Managed Fund's significant geographic deviations from the MSCI World Index include a 15.0% underweight in the U.S. (The Fund's weight was 45.2% vs. 60.2% for the MSCI), and a 22.1% overweight in the Asia Pacific region (32.7% vs. 10.6%). The Tax Managed Fund's aim in reducing U.S. exposure and increasing it in other markets is to provide to investor a more broadly diversified equity portfolio, in the expectation that this greater diversification will lower the volatility of equity investing.

As at June 30, 2016 the Tax Managed Fund was invested in nine of the ten GICS sectors and will generally be invested in a minimum of eight of the ten GICS sectors at any one time, again with the aim of reducing the volatility of equity investing. The largest sector exposure was Health Care at 16.6%, and its smallest was Energy at 5.8%. The Sub Advisor will typically have a higher weighting in the four sectors that have historically shown the least amount of volatility – Consumer Staples, Health Care, Telecommunication Services and Utilities – than that of the benchmark. As at June 30, 2016 the sum of those four sectors was 39.6% vs. 32.6% compared to the benchmark; additionally the cash weight was 3.1%.

Credicorp, Square Enix Holdings and Nextera Energy were the three largest contributors to performance during the period. Express Scripts, Honda Motor and Cineworld Group were the three largest detractors.

### **Recent Developments**

Near the end of the second quarter of 2016, the U.K. voted in a surprise decision to leave the European Union, causing equities around the world, particularly those in Europe and the U.K., to fall dramatically. At this point, there are many unknowns regarding the exact terms of the separation, as it will play out over the next several months and years. However, while increased uncertainty from Brexit will likely harm the U.K. economy, the sub-advisor does not believe it will lead to a global recession. The U.K. represents a mere 4% of world GDP. Without a global recession, corporate earnings should continue to grow at a healthy pace. The sub-advisor continues to see strong economic data points out of the U.S. with robust June employment growth in the country. Driven by continued consumer strength and accommodative monetary policy in the country, the sub-advisor forecasts that U.S. GDP will grow at 2% or higher for 2016 and 2017.

From a valuation perspective, global equities are trading slightly below their historical valuation multiple levels. As at June 30, 2016, the MSCI World Index was trading at 15.5 times trailing earnings, versus the 25 year median of 16.2 times. The sub-advisor believes that global equities remain attractive on an absolute basis due to the combination of higher earnings stemming from global economic growth and a reasonable valuation framework. Furthermore, the sub-advisor sees equities as attractive relative to other major asset classes such as cash and fixed income, due to the yields being low relative to inflation across the term structure of interest rates.

**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 of 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 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, 2016	June 30, 2015
Management fees	106,818	52,855
Administrative services provided by the Manager	6,206	5,854
Fund expenses absorbed by the Manager	(27,861)	(24,103)

**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.

**Notional Distributions**

The Fund's annual distribution may be paid in the form of a notional distribution. A notional distribution occurs when a fund declares a distribution in additional units and then completes a concurrent unit consolidation such that the number of units outstanding after the consolidation is identical to the number of units held before the distribution was paid. The net asset value per unit is not affected by the notional distribution.

## Management Fees and Series Description

The Fund currently offers eight series of units: Regular, Regular F, High Net Worth, High Net Worth F, Ultra High Net Worth, Institutional, Deferred Load and Low Load Series. (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 units. The Fund pays the Manager an aggregate management fee. Management fees for the Institutional Series 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
			(%)
Regular, Deferred and Low Load	2.00	37	63
Regular F	1.00	0	100
High Net Worth	1.75	57	43
High Net Worth F	0.75	0	100
Ultra High Net Worth	1.50	50	50

## Summary of Investment Portfolio at June 30, 2016

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

Top 25 Holdings	%*	Sector Allocation	%*
Cash & Cash Equivalents <sup>^</sup>	4.0	Health Care	16.5
NextEra Energy Inc.	3.6	Industrials	15.8
Raytheon Company	3.6	Financials	13.3
Grupo Aeroportuario del Pacifico SAB de CV ADR	3.4	Consumer Discretionary	12.2
Techtronic Industries Company Limited	3.3	Information Technology	9.5
KDDI Corporation	3.3	Consumer Staples	9.5
CLP Holdings Limited	3.3	Utilities	7.0
Square Enix Holdings Co. Ltd	3.3	Telecommunication Services	6.4
Johnson & Johnson	3.3	Energy	5.8
Credicorp Limited	3.2	Cash & Cash Equivalents <sup>^</sup>	4.0
Svenska Cellulosa AB SCA Series B	3.2	Total	100.0
Costco Wholesale Corporation	3.2		
Taiwan Semiconductor Manufacturing Company Ltd. ADR	3.2		
Ross Stores Inc.	3.1	<b>Geographic Allocation</b>	<b>%*</b>
DENTSPLY SIRONA Inc.	3.1	United States	44.8
Heineken NV	3.1	Japan	9.5
Telenor ASA	3.1	Hong Kong	6.6
Occidental Petroleum Corporation	3.0	Singapore	5.8
Microsoft Corporation	3.0	Cash & Cash Equivalents <sup>^</sup>	4.0
Deere & Company	3.0	Mexico	3.4
United Overseas Bank Ltd.	2.9	Bermuda	3.2
Cineworld Group PLC	2.9	Sweden	3.2
Novo Nordisk A/S Cl. B	2.9	Taiwan	3.2
Olympus Optical Co. Ltd.	2.9	Netherlands	3.1
Amgen Inc.	2.8	Norway	3.1
		United Kingdom	2.9
		Denmark	2.9
		France	2.8
		Australia	1.5
		Total	100.0

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

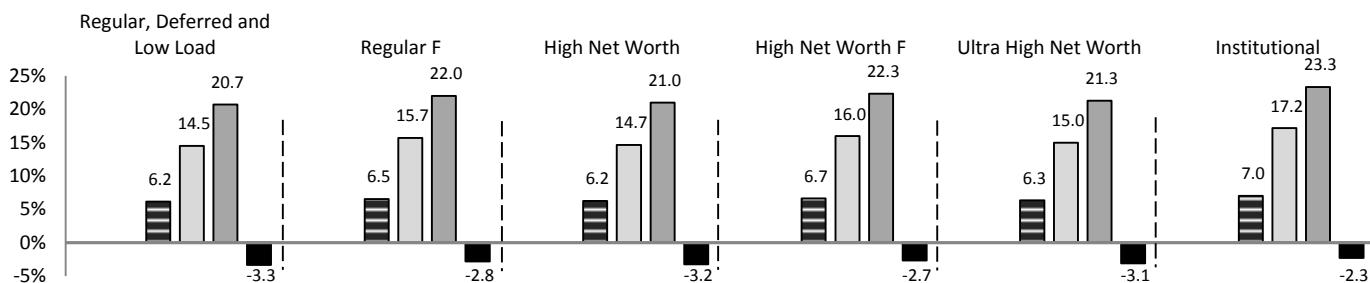
<sup>^</sup>Including other working capital.

## 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.

## 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. 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.



■ 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 Unit (\$) <sup>1</sup>

	Regular, Deferred and Low Load Series				Regular F Series			
	30-Jun-16	31-Dec-15	31-Dec-14	31-Dec-13	30-Jun-16	31-Dec-15	31-Dec-14	31-Dec-13
<b>Net assets, beginning of period</b>	14.66	12.15	10.62	10.00	15.03	12.32	10.66	10.00
Increase (decrease) from operations:								
Total revenue	0.13	2.96	1.48	0.07	0.13	3.74	2.00	0.07
Total expenses (excluding distributions)	-	-	-	-	-	-	-	-
Realized gains (losses) for the period	(0.01)	0.01	0.08	-	(0.01)	0.01	0.11	-
Unrealized gains (losses) for the period	(0.49)	(0.72)	(0.03)	0.73	(0.47)	(0.99)	(0.44)	0.64
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>(0.37)</b>	<b>2.25</b>	<b>1.53</b>	<b>0.80</b>	<b>(0.35)</b>	<b>2.76</b>	<b>1.67</b>	<b>0.71</b>
Distributions:								
From net investment income (excluding dividends)	-	(0.18)	(0.16)	(0.03)	-	(0.19)	(0.16)	(0.03)
From dividends	-	(2.16)	(0.86)	-	-	(2.21)	(0.87)	-
From capital gains	-	(0.01)	(0.05)	-	-	(0.01)	(0.05)	-
Return of capital	-	-	-	(0.02)	-	-	-	(0.02)
<b>Total distributions<sup>3</sup></b>	<b>-</b>	<b>(2.35)</b>	<b>(1.07)</b>	<b>(0.05)</b>	<b>-</b>	<b>(2.41)</b>	<b>(1.08)</b>	<b>(0.05)</b>
<b>Net assets, end of period *</b>	<b>14.17</b>	<b>14.66</b>	<b>12.15</b>	<b>10.62</b>	<b>14.61</b>	<b>15.03</b>	<b>12.32</b>	<b>10.66</b>

	High Net Worth Series				High Net Worth F Series			
	30-Jun-16	31-Dec-15	31-Dec-14	31-Dec-13	30-Jun-16	31-Dec-15	31-Dec-14	31-Dec-13
<b>Net assets, beginning of period</b>	14.74	12.18	10.63	10.00	15.12	12.37	10.67	10.00
Increase (decrease) from operations:								
Total revenue	0.13	3.61	1.35	0.07	0.13	3.37	1.27	0.07
Total expenses (excluding distributions)	-	-	-	-	-	-	-	-
Realized gains (losses) for the period	(0.01)	-	0.07	-	(0.01)	0.01	0.07	-
Unrealized gains (losses) for the period	(0.54)	(1.44)	0.20	0.78	(0.44)	(0.78)	0.38	0.81
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>(0.42)</b>	<b>2.17</b>	<b>1.62</b>	<b>0.85</b>	<b>(0.32)</b>	<b>2.60</b>	<b>1.72</b>	<b>0.88</b>
Distributions:								
From net investment income (excluding dividends)	-	(0.18)	(0.16)	(0.03)	-	(0.19)	(0.16)	(0.03)
From dividends	-	(2.17)	(0.86)	-	-	(2.22)	(0.87)	-
From capital gains	-	(0.01)	(0.05)	-	-	(0.01)	(0.05)	-
Return of capital	-	-	-	(0.02)	-	-	-	(0.02)
<b>Total distributions<sup>3</sup></b>	<b>-</b>	<b>(2.36)</b>	<b>(1.07)</b>	<b>(0.05)</b>	<b>-</b>	<b>(2.42)</b>	<b>(1.08)</b>	<b>(0.05)</b>
<b>Net assets, end of period *</b>	<b>14.26</b>	<b>14.74</b>	<b>12.18</b>	<b>10.63</b>	<b>14.72</b>	<b>15.12</b>	<b>12.37</b>	<b>10.67</b>

	Ultra High Net Worth Series				Institutional Series			
	30-Jun-16	31-Dec-15	31-Dec-14	31-Dec-13	30-Jun-16	31-Dec-15	31-Dec-14	31-Dec-13
<b>Net assets, beginning of period</b>	14.82	12.23	10.63	10.00	15.46	12.54	10.70	10.00
Increase (decrease) from operations:								
Total revenue	0.13	3.27	0.80	0.07	0.14	2.60	0.27	0.07
Total expenses (excluding distributions)	-	-	-	-	-	-	-	-
Realized gains (losses) for the period	(0.01)	-	0.04	-	(0.01)	0.01	0.01	-
Unrealized gains (losses) for the period	(0.57)	(1.35)	0.87	0.56	(0.48)	0.32	1.71	0.63
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>(0.45)</b>	<b>1.92</b>	<b>1.71</b>	<b>0.63</b>	<b>(0.35)</b>	<b>2.93</b>	<b>1.99</b>	<b>0.70</b>
Distributions:								
From net investment income (excluding dividends)	-	(0.19)	(0.16)	(0.03)	-	(0.19)	(0.17)	(0.03)
From dividends	-	(2.18)	(0.86)	-	-	(2.28)	(0.89)	-
From capital gains	-	(0.01)	(0.05)	-	-	(0.01)	(0.06)	-
Return of capital	-	-	-	(0.02)	-	-	-	(0.02)
<b>Total distributions<sup>3</sup></b>	<b>-</b>	<b>(2.38)</b>	<b>(1.07)</b>	<b>(0.05)</b>	<b>-</b>	<b>(2.48)</b>	<b>(1.12)</b>	<b>(0.05)</b>
<b>Net assets, end of period *</b>	<b>14.36</b>	<b>14.82</b>	<b>12.23</b>	<b>10.63</b>	<b>15.11</b>	<b>15.46</b>	<b>12.54</b>	<b>10.70</b>

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

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

	Regular, Deferred and Low Load Series				Regular F Series			
	30-Jun-16	31-Dec-15	31-Dec-14	31-Dec-13	30-Jun-16	31-Dec-15	31-Dec-14	31-Dec-13
Total net asset value (\$)	6,250,675	5,221,645	1,896,710	469,332	1,281,623	1,111,643	294,564	50,439
Number of units outstanding	441,047	356,109	156,088	44,208	87,728	73,940	23,901	4,734
Management expense ratio (%) <sup>2</sup>	2.44	2.42	2.51	2.62	1.33	1.30	1.46	1.49
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	2.90	3.00	4.23	10.49	1.79	1.89	3.18	9.35
Trading expense ratio (%) <sup>3</sup>	0.13	0.15	0.24	0.74	0.13	0.15	0.24	0.74
Portfolio turnover rate (%) <sup>4</sup>	29.57	82.74	150.24	139.46	29.57	82.74	150.24	139.46
Net asset value per unit (\$)	14.17	14.66	12.15	10.62	14.61	15.03	12.32	10.66

	High Net Worth Series				High Net Worth F Series			
	30-Jun-16	31-Dec-15	31-Dec-14	31-Dec-13	30-Jun-16	31-Dec-15	31-Dec-14	31-Dec-13
Total net asset value (\$)	2,931,278	2,620,310	458,671	161,087	2,357,868	2,137,747	711,655	324,687
Number of units outstanding	205,568	177,820	37,654	15,160	160,220	141,355	57,544	30,440
Management expense ratio (%) <sup>2</sup>	2.19	2.15	2.34	2.33	1.07	1.07	1.22	1.23
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	2.66	2.73	4.07	10.20	1.53	1.65	2.94	9.10
Trading expense ratio (%) <sup>3</sup>	0.13	0.15	0.24	0.74	0.13	0.15	0.24	0.74
Portfolio turnover rate (%) <sup>4</sup>	29.57	82.74	150.24	139.46	29.57	82.74	150.24	139.46
Net asset value per unit (\$)	14.26	14.74	12.18	10.63	14.72	15.12	12.37	10.67

	Ultra High Net Worth Series				Institutional Series			
	30-Jun-16	31-Dec-15	31-Dec-14	31-Dec-13	30-Jun-16	31-Dec-15	31-Dec-14	31-Dec-13
Total net asset value (\$)	261,414	265,569	29,215	26,587	1,857	1,900	1,541	26,760
Number of units outstanding	18,198	17,915	2,390	2,500	123	123	123	2,500
Management expense ratio (%) <sup>2</sup>	1.91	1.91	2.07	2.04	0.20	0.21	0.17	0.17
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	2.37	2.50	3.80	9.91	0.67	0.80	1.90	8.04
Trading expense ratio (%) <sup>3</sup>	0.13	0.15	0.24	0.74	0.13	0.15	0.24	0.74
Portfolio turnover rate (%) <sup>4</sup>	29.57	82.74	150.24	139.46	29.57	82.74	150.24	139.46
Net asset value per unit (\$)	14.36	14.82	12.23	10.63	15.11	15.46	12.54	10.70

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, 2016 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, 2016.
- <sup>2</sup> 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.
- <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, 2016 and December 31 of the years shown.
- <sup>2</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>3</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>4</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.