

This annual 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 NexGen 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 Class of the NexGen Canadian Dividend Tax Managed Fund (the "Tax Managed Fund"). 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 a combination of current cash flow and long-term capital growth primarily through investment in a diversified portfolio of Canadian equity securities.

NGAM Canada LP, the manager of the Tax Managed Fund, follows a core value/income investment style for the Tax Managed Fund consisting of quantitative screening, fundamental company, economic and market analysis.

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 year from \$7,370,955 to \$6,386,000. This decrease was the result of net redemptions offset by positive return on investments.

The Regular Series of the Fund returned 12.5% compared to a 21.1% 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 S&P/TSX Composite Index finished the year up +21.08% on a total return basis, as a result of outperformance from the Financials, Energy, Industrials, and Materials sectors. These sectors rallied strongly, especially in the fourth quarter, due to a resumption in global growth expectations and a steepening yield curve. The S&P 500 Index returned +8.09% (+11.96% in USD terms) during the year, with the bulk of those returns occurring in the second half.

The primary theme that drove equities in the second half of the year in both Canada and the US was the election of Donald Trump. His administration's focus on pro-growth domestic policies and an "America first" stance towards foreign policy represents a marked shift from recent years, and one that the markets were largely not positioned for. In addition, economic conditions in both countries have generally improved, and the Federal Reserve's 25 basis point rate hike in December 2016 has accelerated the shift from "safety" to "growth" in terms of asset class and sector fund flows and returns.

Throughout the reporting period, the Tax Managed Fund's largest exposures were to the Financial, Energy, and Consumer Discretionary sectors. The Fund began the second half with weightings in these sectors of approximately 29.5%, 14.2%, and 10.8% respectively, and ended the period with weightings of 30.1%, 15.1%, and 13.0%. Conversely, the Manager maintained a significant underweight exposure in the Materials and Energy sectors throughout the reporting period, however, both sectors contributed positively to the Fund's returns.

The largest individual equity contributors to the Tax Managed Fund's performance over the course of the year were Bank of Nova Scotia (BNS), Agnico Eagle Mines (AEM), Royal Bank of Canada (RY), Toronto-Dominion Bank (TD), and SNC-Lavalin Group (SNC). The largest detractors from performance were CVS Health Corp (CVS), Abbott Laboratories (ABT), Manulife Financial (MFC), Gildan Activewear (GIL) and DH Corp (DH).

The Manager continues to believe that equities generally offer better reward potential than fixed income over the short to medium term. Global growth has remained positive and expectations for higher growth have accelerated after the US elections. The Manager is of the view that 2017 will be a period of transition for the markets as investors shift from a "yield and safety" focus to one based on growth. The Manager continues to search for, and opportunistically add to, both high yield / lower growth and low yield / higher growth stocks of companies with attractive valuations and the potential for growing cash flows and dividend streams.

Recent Developments

The start to 2017 has been positive, with North American equity markets continuing to move higher, and other global equity markets following suit. Conversely, fixed income markets have sold off in recent months, and the Manager is of the view that this divergence in asset class returns is likely to be a main theme during the year.

While volatility has dropped tremendously, company valuations have drifted higher with equity markets hitting 52 week and all-time highs. Going forward, the Manager believes that relatively pricey valuations may become problematic over time, and that the recent strength in the US dollar will pose increasing challenges for global corporations' earnings. In the Manager's view, these two factors are likely to be the largest challenges for equity markets this year, in addition to various geo-political risks such as changes to long standing US foreign and domestic policies.

Despite these risks, the Manager is of the view that global growth will continue, and will perhaps accelerate from recent levels as the Federal Reserve continues to normalize short-term interest rates and the Trump administration's pro-growth policies drive inflation and the long end of the government bond yield curve higher.

The portfolio remains invested for long-term growth and the Manager is effectively fully invested with a low single digit percentage of the portfolio held in cash. The portfolio is currently over-weight secular growth sectors such as Consumer Discretionary and Health Care, while remaining under-weight exposure to cyclical growth sectors such as Materials and Energy. The Manager remains active in looking to allocate capital, is currently considering opportunities in both Canada and the US, and remains focused on companies with long-term secular growth opportunities that have a growing dividend stream. .

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 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:

	December 31, 2016	December 31, 2015
Management fees	132,039	175,537
Administrative services provided by the Manager	9,941	11,243
Fund expenses absorbed by the Manager	(46,492)	(43,392)

Other Information

Change of Name 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.

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 (commencing March 8, 2010) 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	33	67
Regular F	1.00	0	100
High Net Worth	1.75	55	45
High Net Worth F	0.75	0	100
Ultra High Net Worth	1.50	27	73

Summary of Investment Portfolio at December 31, 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.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	%*
The Bank of Nova Scotia	6.7	Financials	38.0
Royal Bank of Canada	6.5	Energy	15.1
The Toronto-Dominion Bank	6.5	Consumer Discretionary	13.0
Pfizer Inc.	3.4	Industrials	9.9
SNC-Lavalin Group Inc. Cl. A	3.0	Telecommunication Services	4.6
Sun Life Financial Inc.	3.0	Information Technology	4.4
Pembina Pipeline Corporation	2.8	Consumer Staples	3.9
Cogeco Communications Inc.	2.6	Health Care	3.4
TELUS Corporation	2.3	Utilities	3.3
CBS Corporation Cl. B	2.3	Materials	2.0
BCE Inc.	2.3	Cash & Cash Equivalents	1.6
CVS Health Corporation	2.3	Index Funds	0.8
Enbridge Inc.	2.2	Total	<u>100.0</u>
Gildan Activewear Inc. Cl. A	2.2		
Canadian Pacific Railway Company	2.2		
Starbucks Corporation	2.1		
CanWel Building Materials Group Ltd.	2.1		
Tricon Capital Group Inc.	2.1		
Slate Retail REIT	2.0		
West Fraser Timber Co. Ltd.	2.0		
Brookfield Asset Management Inc. Cl. A	2.0		
Dream Office Real Estate Investment Trust	2.0		
Northland Power Inc.	1.9		
North American Energy Partners Inc.	1.9		
Sandvine Corporation	1.9		

* Based on Transactional NAV in which securities are priced at market closing prices on December 31, 2016.

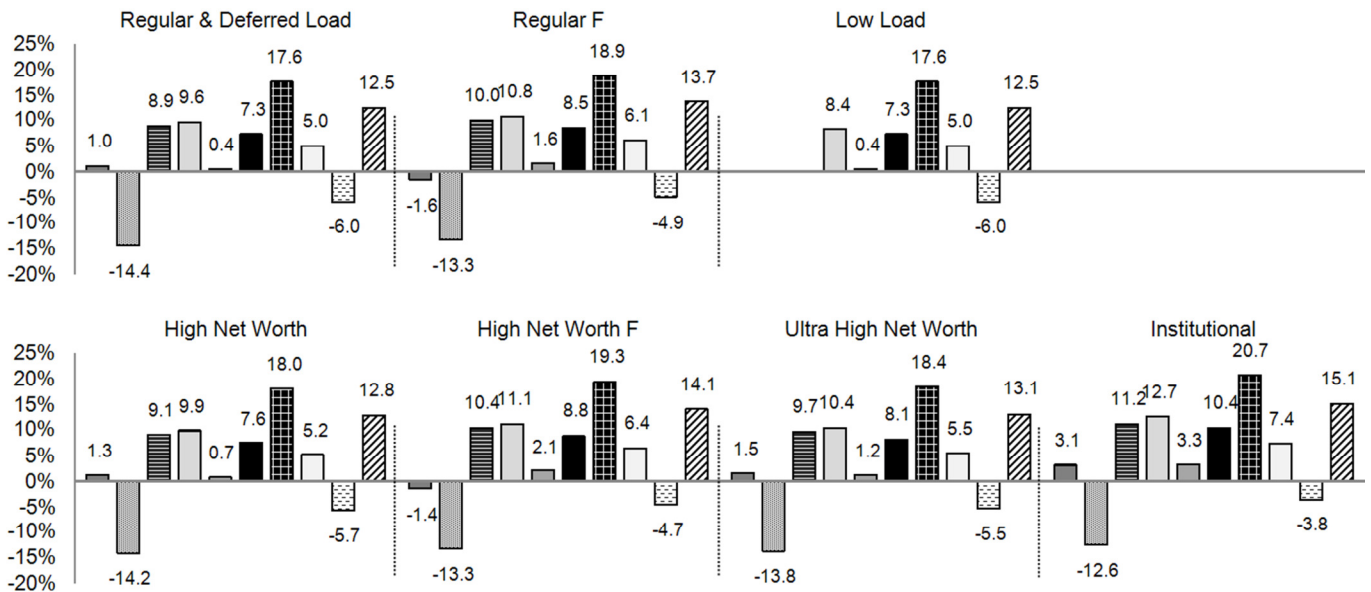
^Including other working capital.

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 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 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 '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

Annual Compound Returns

The following table shows the annual compounded total return for each class and series currently offered by the Fund for each of the years shown, ending on December 31, 2016. The annual compound total return is also compared to the Benchmark on the same compound basis.

Series ¹	1 year	3 year	5 year	10 year	Since Inception ³
Regular & Deferred Load	12.5%	3.5%	7.0%	3.8%	
Regular F	13.7%	4.7%	8.1%		4.8%
High Net Worth	12.8%	3.8%	7.3%	4.1%	
High Net Worth F	14.1%	5.0%	8.5%		5.1%
Ultra High Net Worth	13.1%	4.1%	7.6%	4.5%	
Institutional	15.1%	6.0%	9.7%	6.3%	
Low Load	12.5%	3.5%	7.0%		6.4%

	1 year	3 year	5 year	10 year	Since July 1, 2007 ³	Since March 8, 2010 ³
Return of Benchmark ²	21.1%	7.1%	8.2%	4.7%	4.0%	6.7%

¹ Net of all fees and expenses paid by the Fund other than the Institutional Series where performance is reported gross of fees negotiated and paid directly by the investor.

² The S&P/TSX Composite Total Return Index is a capitalization-weighted index that represents some of the largest float-adjusted stocks trading on the Toronto Stock Exchange. Company size and liquidity are the chief attributes determining index membership.

³ Annual compound returns for all series are for the Ten most recently completed financial years, other than Regular F and High Net Worth F Series are from July 1, 2007, and for the Low Load series are from March 8, 2010.

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

	Regular, Deferred and Low Load Series					Regular F Series				
	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
Net assets, beginning of year	10.87	11.56	11.01	9.36	8.73	10.98	11.55	10.89	9.16	8.44
Increase (decrease) from operations:										
Total revenue	1.15	0.33	0.29	0.19	0.18	1.16	0.35	0.33	0.19	0.17
Total expenses (excluding distributions)	-	-	-	-	-	-	-	-	-	-
Realized gains (losses) for the year	(0.01)	0.24	0.12	0.50	0.21	(0.01)	0.24	0.13	0.28	0.25
Unrealized gains (losses) for the year	0.13	(1.22)	0.09	1.02	0.25	0.10	(1.17)	(0.15)	1.37	0.33
Total increase (decrease) from operations ²	1.27	(0.65)	0.50	1.71	0.64	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)	-
Total distributions ³	(1.23)	(0.40)	(0.28)	(0.50)	(0.89)	(1.26)	(0.41)	(0.28)	(0.47)	(0.86)
Net assets, end of year *	10.99	10.87	11.56	11.01	9.36	11.23	10.98	11.55	10.89	9.16

	High Net Worth Series					High Net Worth F Series				
	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
Net assets, beginning of year	10.10	10.71	10.18	8.63	8.02	11.11	11.65	10.95	9.18	8.43
Increase (decrease) from operations:										
Total revenue	0.94	0.32	0.27	0.18	0.16	0.90	0.34	0.32	0.19	0.18
Total expenses (excluding distributions)	-	-	-	-	-	-	-	-	-	-
Realized gains (losses) for the year	(0.02)	0.20	0.11	0.28	0.20	-	0.22	0.13	0.44	(0.04)
Unrealized gains (losses) for the year	0.27	(1.23)	0.01	1.51	0.26	0.29	(1.17)	(0.01)	1.27	1.46
Total increase (decrease) from operations ²	1.19	(0.71)	0.39	1.97	0.62	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)	-
Total distributions ³	(1.15)	(0.38)	(0.27)	(0.44)	(0.81)	(1.28)	(0.41)	(0.28)	(0.48)	(0.86)
Net assets, end of year *	10.24	10.10	10.71	10.18	8.63	11.39	11.11	11.65	10.95	9.18

	Ultra High Net Worth Series					Institutional Series				
	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
Net assets, beginning of year	10.83	11.46	10.86	9.17	8.48	11.89	12.35	11.50	9.53	8.63
Increase (decrease) from operations:										
Total revenue	1.21	0.42	0.24	0.19	0.18	1.35	0.48	0.24	0.20	0.19
Total expenses (excluding distributions)	-	-	-	-	-	-	-	-	-	-
Realized gains (losses) for the year	-	0.12	0.11	0.53	0.08	-	0.11	0.13	0.55	0.09
Unrealized gains (losses) for the year	0.12	(1.98)	0.35	0.97	1.03	0.43	(2.16)	0.56	1.23	2.64
Total increase (decrease) from operations ²	1.33	(1.44)	0.70	1.69	1.29	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)	-
Total distributions ³	(1.23)	(0.40)	(0.28)	(0.47)	(0.86)	(1.38)	(0.44)	(0.31)	(0.51)	(0.90)
Net assets, end of year *	11.01	10.83	11.46	10.86	9.17	12.30	11.89	12.35	11.50	9.53

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

Ratios and Supplemental Data ¹

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

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

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

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 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 December 31, 2016 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. 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.
- 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 December 31 of the years shown.
- ² 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.
- ³ 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.
- ⁴ 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.
- ⁵ 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.