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 Intrinsic Growth 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 Intrinsic Growth 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 long term capital growth primarily through investment in a diversified portfolio of Canadian and U.S. equity securities.

The sub-advisor of the Tax Managed Fund, Galibier Capital Management Ltd. ("Galibier" or the "Sub-Advisor") follows a valuation driven, bottom-up investment process. Galibier seeks underpriced securities by using fundamental research to determine a security's underlying intrinsic value. Securities offering a discounted market price to intrinsic value are considered for the Tax Managed Fund. To be included in the Tax Managed Fund, a stock must pass Galibier's rigorous research and valuation process, which calculates the intrinsic value for each stock incorporating projections of 3 to 5 year future earnings, cash flow and balance sheet structure. The benchmark weighting between Canadian and U.S. Holdings in the Tax Managed Fund's portfolio will be 75% Canadian / 25% U.S. However, depending upon Galibier's assessment of the markets, the U.S. weighting may fluctuate from 0 – 50% and the Canadian weighting from 50 – 100%.

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 $1,416,755 to $964,000. This decrease was the result of net redemptions offset by positive return on investments.

The Regular Series of the Fund returned 15.9% compared to a 18.0% return on its benchmark, a 75%/25% blend of the S&P/TSX Composite Total Return Index and the S&P 500 (CAD) 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 market is there to serve you, not to instruct you."
-Benjamin Graham

The most important thing Galibier does every day is to proactively value an "investable" universe of stocks. In order to be included in Galibier's investable universe, the companies must have enduring competitive advantages, be managed by highly competent and aligned individuals, generate strong and reliable economic earnings, have solid balance sheets and have above average long term growth potential. Galibier does this valuation work proactively so that they are ready to act when the market provides opportunities to buy stocks below what Galibier thinks they are worth.

To that end, several changes were made to the portfolio during 2016. Galibier added 15 new positions and exited 13 existing names from the portfolio.

The new names added to the fund were Alliance Data Systems, Badger Daylighting, Biogen, Davita, DH Corpration, DHX Media, Enghouse Systems, Gluskin Scheff + Associates, Manulife, MetLife, Mondelez, New Flyer, Nike, Starbucks and Zimmer Biomet.

ALLIANCE DATA SYSTEMS CORP.
Alliance Data Systems (ADS) is a provider of loyalty and marketing solutions, offering their clients an ability to get closer to their customers, understand customer behavior and more effectively market to their customers. ADS has three different businesses. First is the loyalty business out of which they operate the Air Miles business in Canada. Air Miles partners with retailers like Metro, Rexall and Toys R Us, both to analyze their customer transactions and implement marketing programs to drive transactions and loyalty. Second, ADS offers Epsilon which is a marketing and communications agency, again working with clients to drive transactions and loyalty. Finally, ADS offers private credit cards to small and medium sized retailers, which act as both a payment and loyalty tool, again allowing clients to get closer to their end customers. Galibier believes ADS offers an interesting mix of services to their clients which will become ever more valuable as companies look to deepen and expand relationships with their customers.

BADGER DAYLIGHTING LTD.
Galibier initiated a position in the shares of Badger Daylighting. Galibier has followed Badger for years but the valuation in Q2 2016 finally presented a price at which they were comfortable buying shares. Badger is the largest player in the “daylighting” market, which is a safer and more efficient way for construction companies to dig holes in the ground. While there has been weakness in its energy business, Badger's trucks have been relocated to new markets where the focus is on infrastructure investment. Badger has solid long-term growth prospects as “daylighting” becomes a more widely used technology and as it capitalizes on its North American network of offices and trucks.

BIOGEN INC.
Biogen Inc. is a biotech company specializing in the manufacture of drugs designed to treat neurological, autoimmune and rare diseases. Biogen’s products are also known as biologics - a complex synthesis of acids, sugars, proteins and the like that includes cells and tissues. Biologics are more difficult to manufacture and copy unlike their "small molecule" pharmaceutical peers, which are chemically synthesized and its structure easily known. In particular, Biogen has a leading position in the treatment of multiple sclerosis (MS) with products such as Tecfidera, Tysabri and Avonex - one of the first prescribed therapies for MS. In addition, Biogen has a pipeline of products that are expected to supplement current revenues, most notably in brain diseases such as Alzheimer's and Parkinson's. Management has been in this business for over a decade with solid results. The sell-off within the biotechnology sector in 2016 allowed Galibier to establish a position at prices that Galibier believes to be inexpensive.

DAVITA INC.
Davita is one of the largest providers of dialysis services for patients with end stage renal disease (ESRD). ESRD patients have relatively limited options for cure and the next best alternative is to go through a dialysis regimen to cleanse the body of toxins built up as a result of the condition. Davita, along with another competitor, equally service more than 70% of the U.S. patient population pool with over 2,300 clinics spread mainly across the continental United States. The main growth drivers include an aging population and an increasing prevalence of obesity, diabetes and kidney related diseases. Galibier believes that these facts, coupled with operating leverage from better utilization of clinics should provide double digit earnings growth over the next 3-5 years. Management has an established record of growing the company and the CEO has been at the helm for over 15 years.

DH CORP.
DH has transformed itself over the past decade from a sleepy cheque printing business to a global financial technologies software and services business. After a series of acquisitions, management has gained expertise in core banking systems as well as a global payments platform, which enables real time settlement of global financial transactions. Clients now include some of the world's largest banks. With mission critical software and services, revenue is sticky and predictable. Galibier took advantage of a depressed share price resulting from a “short sellers report” issued on the company in Q4 2015 and established a position in DH when it was trading at a meaningful discount to its peer group and Galibier’s estimate of fair value.

DHX MEDIA LTD.
DHX Media Ltd. is a Halifax-based media company that produces, distributes, and licenses television and film programs primarily for children and families. DHX currently owns one of the world’s largest independent libraries (12,000 half-hour episodes) of children’s television content, containing popular brands such as Teletubbies, Caillou, Johnny Test, Inspector Gadget, Strawberry Shortcake and Yo Gabba Gabba, among others. DHX licenses and sells its content library to its global customer base which includes more than 200 multi-national broadcasters, merchandisers and distributors such as Netflix. The company is benefiting from strong demand for content as traditional distributors and new entrants compete for an audience. The shares have fallen since peaking in late 2014 at $10.00 and reached a level below Galibier’s view of intrinsic value.

ENGHOUSE SYSTEMS LTD.
Enghouse Systems (ESL) is an Ontario-based provider of enterprise software with two primary business segments: the Interactive Management Group and the Asset Management Group. The Interactive Management Group provides interaction tools for its call centre customers that is deployed on site, hosted, or delivered through a hybrid model. The Asset Management Group provides software to the transportation, telecommunications and utilities sectors. ESL’s software tools are entrenched and benefit from high switching costs and recurring revenue. The company’s key competitive advantage lies in its ability to source small acquisitions at attractive prices and allocate capital to enhance shareholder value. ESL’s growth prospects remain strong and Galibier expects the company to continue to grow through acquisitions given the fragmented nature of its industry. Galibier believes the stock offers compelling value after selling off since the end of 2015.

GLUSKIN SHEFF + ASSOCIATES
Gluskin Sheff (GS) is a Canadian based wealth management firm focused on the high net worth (HNW) private client market with $8.2bn in assets under management. GS generates revenues from base management fees and performance fees, which are earned when annual portfolio returns exceed pre-set hurdle rates (between 0-15%). Its unique product offering for the HNW market coupled with its high-end brand and industry leading margins offer a compelling investment opportunity. Its share price has recently been under pressure as the company deals with ongoing issues with the founding partners and succession.

MANULIFE FINANCIAL CORP.
A number of positive elements have been emerging at Manulife (MFC). First, investors have begun to appreciate the attractive valuation of the company on both a price to earnings and price to book basis. Secondly, the company's MCSSR ratio (a measure of financial strength required to satisfy obligations to policyholders) at 230%+ is the best relative to its peers. This positions MFC for potential future dividend increases or share buybacks. Finally, the company continues to integrate the Standard Life acquisition which Galibier believes will lead to positive medium term impact on margins and operating leverage.

METLIFE INC.
Metlife (MET) continues to pursue a number of value adding strategies including a multi-billion dollar cost cutting program which should lead to improved financial performance. In addition, the company plans to split off its retail operations which has the positive impact of both exiting a riskier business and buttressing MET's case that it is not a SIFI (systemically important financial institution). Maintaining non-SIFI status is a good thing for MET as it allows the company to operate in a much less regulated environment. The stock should also benefit from the eventual recovery in interest rates. Galibier believes the stock is attractively valued with a 4+% dividend yield and a single digit price to earnings ratio.

MONDELEZ INTERNATIONAL INC.
Mondelez is one of the world's largest food companies. Its portfolio includes seven world leading brands, including Nabisco, Halls, Oreo, Cadbury, Chips Ahoy!, Milka chocolates and Trident gum, as well as over 50 smaller brands. Mondelez's key categories are biscuits, chocolate, gum and candy. The company has very significant exposure to global markets and in particular emerging markets. Given the ubiquity and utility of its product offerings, Galibier sees strong earnings growth for Mondelez into the future. Margin development has been disappointing and as a result the company has been subject to speculation of it being acquired possibly by its former owner Kraft Foods.

NEW FLYER INDUSTRIES INC.
New Flyer is the largest manufacturer of transit buses and motor coaches in North America. The company offers internal combustion and electric options as well as an aftermarket parts and service business. In late 2015, the U.S. government announced a five-year funding deal under the title FAST (Fix America's Surface Transportation), which should provide a positive tailwind to the industry. Galibier likes New Flyer's dominant market share positioning as well as the cost savings and synergy opportunities available following the integration of Motor Coach Industries, an acquisition they made in 2015.

NIKE INC.
Galibier took advantage of a sharp selloff in Nike's share price (down 24%) to purchase the stock in the $52-$53 range. Galibier's analysis of the company suggests that it is suffering from short-term competitive pressures from both Under Armour and Adidas who have been winning share on the margin. Nike is countering with increased innovation and is investing heavily in the direct-to-consumer retail channel, which Galibier believes will position it well in the medium term. The company's financial position is pristine with almost $5/share of cash (~10% of share price). Based on their forecast of medium to longer term earnings recovery, Galibier sees Nike as having significant upside.

STARBUCKS CORP.
The future looks bright for the world's largest retailer of coffee and related products. The company continues to buttress its network of 12,400 company owned stores and 11,000 franchised units. China, in particular, offers a long runway for growth at Starbucks. The rapid and significant adoption of the Starbucks App has led to the company having quite a sizeable float of prepaid product and this, coupled with the new Mobile Order and Pay technology, has significantly increased the value proposition to the customer. An emerging opportunity for the company is found in its consumer packaging offering of coffee in bag and K cup formats. All in all, Galibier sees strong and predictable earnings growth over the medium- to long-term.

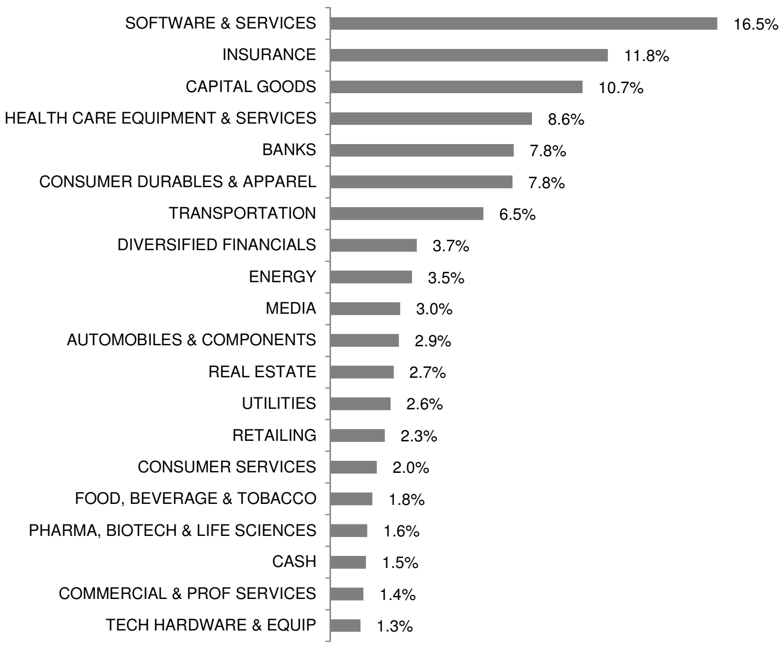
ZIMMER BIOMET HOLDINGS INC.
Zimmer Biomet is one of the largest orthopedics companies in the world. Its dominant position in knee and hip replacement products enable it to offer one-stop shopping to hospital buying groups, which is a source of competitive advantage. The shares came under pressure following a weak third quarter earnings report as a result of an inventory shortage in some of their most popular products. After talking with the company, Galibier believes the inventory issues are short term in nature and expect them to be resolved by mid-2017. Galibier took advantage of the market's short-term focus to build a position in a leading health care company at a discount to its intrinsic value.

The names that were exited during the first half of the year were Apple, AutoCanada, Booz Allen Hamilton, Cummins, Evertz Technologies, Genworth MI Canada, Gilead Sciences, Goldcorp, MTY Food Group, Paramount Resources, Ross Stores, TFI International and Verizon Communications.

As of December 31, 2016 the fund contained 24 names in Canada and 25 names in the U.S. As always the fund is concentrated in high conviction ideas that offer diversification across business sectors and market capitalization ranges. All of the 49 companies in the fund demonstrate Galibier's five key criteria: an enduring competitive advantage, the potential for high free cash flow, strong management teams, above average growth and an appropriate level of financial leverage.

Given the fundamental, bottom-up investment decision making process at Galibier, sector / industry weightings are a by-product of the investment process. Investments are made purely on the basis of maximizing the potential for investment return. However, because Galibier seeks to only hold companies with enduring competitive advantages, it generally finds few such names in price taking industries such as commodities. The industry group breakdown of the fund as of December 31, 2016 can be found below:

Industry Split (December 31/2016)



For the year in Canada, the best performing sectors were Materials, Energy and Financials while the weakest performing were Health Care, Information Technology and Real Estate. In the U.S., the market was led higher by the Energy, Telecom and Financials, offset by the weakest performing sectors of Health Care and Real Estate.

Although mindful of the index, Galibier is not constrained by it. Galibier is a benchmark agnostic investment manager and defines risk as a permanent loss of capital and/or underperforming an acceptable rate of return - - not underperformance relative to an index. While Galibier is mindful of the index, it does not drive the decision making process.

During 2016, the top five stocks that contributed to the fund’s performance were Cargojet, Ag Growth International, Goldcorp, Badger Daylighting and Industrial Alliance.

CARGOJET INC.
Cargojet posted strong financial results during the year and was a solid contributor to performance following the announcement of its cargo agreement with Air Canada. The relationship has started with three flights a week to Latin America and is expected to expand to European service. Galibier is also optimistic about Cargojet’s new relationship with Amazon that has recently been disclosed, which offers significant growth opportunity as well. In addition to operating its core business with increasing efficiency, Galibier is excited about the increasing charter business and potential growth in the Air Canada relationship.

AG GROWTH INTERNATIONAL INC.
Ag Growth was a strong performer as sentiment started to improve and all signs are pointing towards a strong crop for 2016. The shares were driven down early in the year by their removal from the Dow Jones Canadian Dividend Index which generated a net sell of 1.3 million shares. Part of the long term thesis for Ag Growth is the potential for international expansion in Brazil and Galibier was pleased to see the announcement of their acquisition of Extringer, made late in Q1. This acquisition marks a significant step forward for their growth in Latin America. Galibier continues to believe management will be able to surface value from the integration of Westeel's product portfolio, bolt on additional products similar to their recent fertilizer acquisitions and grow the business internationally.

GOLDCORP INC.
Goldcorp benefitted from the rising price of gold. In addition, the company announced a change in its senior management with long tenured Chuck Jeannes retiring as CEO and being replaced by highly respected David Garafalo who joins from copper producer Hud Bay. The challenge at Goldcorp remains execution on their growth strategy and cost control. Galibier expects Garafalo to excel in these roles.

BADGER DAYLIGHTING LTD.
Badger Daylighting shares posted strong returns driven by solid financial results and renewed market interest in energy focused names following the November OPEC meeting. Badger’s geographic and end market diversification has proven to be a continuing competitive advantage, allowing the company to hold margins fairly steady despite weakness in energy end markets. Badger continues to execute on growing its non-energy related business, with continued relocation of 20% of its fleet over the past year.

INDUSTRIAL ALLIANCE
Industrial Alliance’s (IAG) highly regarded and hard driving management team produced very solid results with strong performance across several key metrics including profitability. In addition to the strong results, there is initial evidence that the prior difficulties in the mutual fund segment seem to be receding. Lastly, the prospect of slowly rising interest rates is significantly positive for IAG as the company has the highest interest rate exposure of the Canadian insurance companies.

The top five stocks that detracted from the fund’s performance during 2016 were DH Corp., Martinrea, MacDonald Dettwiler, Gilead Sciences and AutoCanada.

DH CORP.
DH shares detracted from performance after the company posted weak third quarter results. Weakness came in all segments including lower than expected cheque printing volumes in Canada, continued lower levels of Laser Pro renewals in the U.S. Core segment and lower new contract signings for its payment hub technology. Galibier remains frustrated by the communication from management but believe that the announcement of a special committee of independent directors to review expressions of interest from third parties to acquire the company is a step in the right direction.

MARTINREA INTERNATIONAL INC.
Investor concerns regarding slowing global auto sales pressured shares of Martinrea (MRE) in 2016, which now trades at a modest earnings multiple of 5.1x . Management continues to focus on winning new programs, ramping up recently won business and increasing utilization rates of its global manufacturing network. All of which should increase profit margins toward their goal of 6%. The resulting cash generation from higher profits will allow management to reach their second goal of reducing debt to 1.5x EBITDA by year end 2017. All of this highlights that there are many 'self help' aspects to the MRE investment thesis, independent of gyrations in the global auto production cycle. As one of the few remaining class 1 suppliers to the auto OEMs, MRE is well positioned to increase revenue and is a key beneficiary of the trend towards lighter, more fuel efficient cars.

MACDONALD, DETTWILER & ASSOCIATES
The share price of MacDonald Dettwiler (MDA) was negatively impacted by the September 1st satellite launch failure for SpaceX. The launching of satellites is a consolidated industry with only a handful of players and this setback will cause delays for future launches, including several MDA built satellites. Despite the SpaceX failure, MDA is well positioned to continue to grow. Recent changes in corporate structure are designed to increase its ability to bid and win classified contracts from the U.S. government which would increase its addressable market. This positive outlook is shared by the new CEO who recently purchased $1MM worth of shares.

GILEAD SCIENCES INC.
Gilead has been impacted by the selloff due to US election rhetoric, despite strong double digit growth in sales and earnings. However, Merck, a Gilead competitor, launched a new product that intends to compete with Gilead's current Hepatitis C Vaccine. This raised concerns of price competition and market share erosion. While there would be some impact to Gilead's #1 market share, studies have indicated that Merck's product has numerous restrictions that make it inferior to Gilead's in terms of ease of use. The impact of Merck's new product will be limited to future new patients diagnosed with Hepatitis C. Galibier believes that Gilead has the wherewithal to withstand this competition due to its strong balance sheet and the relative difficulty of switching current patients into new products.

AUTOCANADA INC.
Shares of AutoCanada continued to be weak along with a weak Alberta economy. As almost half of the company's dealerships are located in Alberta, results are suffering as customers delay purchases, or trade down to more affordable, lower priced vehicles. The parts and service business continues to be a bright spot, with strong per dealership results and attractive margins.

Recent Developments

Galibier Capital is a bottom up, stock picking investment firm and its competitive advantage is in proactively valuing individual businesses. Given this attention to valuation, Galibier focuses on economic factors at the firm or industry level. As such, although cognizant of macroeconomic conditions, it is chiefly microeconomics factors that drive investment strategy at the firm.

Galibier's investment process seeks to identify companies with enduring competitive advantages and solid long-term growth rates. Due to this fact, Galibier maintains minimal exposure to cyclical, resource industries such as Energy and Materials. After a weak 2015, resources stocks were strong to start 2016. As prices increased during the year, Galibier reduced its exposure to energy and eliminated its one gold position.

Due to its disciplined investment process, Galibier is willing to have short-term fluctuations in performance such as when resource names are strong, as long as there is the potential for good long-term absolute returns. With a concentrated portfolio, Galibier expects volatility versus the benchmark and is willing to sustain this short-term pain against its long-term objectives.

The election of President Donald Trump has had a notable impact on the financial markets. The strong price moves in various sectors reflect investors' attempts to anticipate policy and fiscal changes under the new president. Chief among these is the potential for a material cut in the U.S. corporate tax rate and potentially far reaching changes to U.S. trade policies. Other anticipated policy changes include a reduction in the regulatory burden for financial services companies, a significant alteration to the Affordable Health Care Act and perhaps price controls on pharmaceuticals. It remains to be seen whether Mr. Trump will be able to put his promises to work even with a Republican House and Senate.

The volatility experienced throughout 2016 is not expected to subside as investor sentiment will continue to be impacted by President Trump, UK's exit from the EU, social unrest in the Middle East and future changes to interest rates as Central Banks combat sluggish economic growth.

Given all of these developments, it has never been more important to have a proactive view of valuation and to be ready to act. In difficult times like these, it is important to remember that volatility may provide opportunities for extraordinary returns for long-term investors. Prices change each day. Value does not.

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:

	December 31, 2016	December 31, 2015
Management fees	21,149	28,410
Administrative services provided by the Manager	7,829	7,489
Fund expenses absorbed by the Manager	(40,121)	(34,799)

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 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	28	72
Regular F	1.00	0	100
High Net Worth	1.75	53	47
High Net Worth F	0.75	0	100
Ultra High Net Worth	1.50	0	100

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	%*
Canadian Imperial Bank of Commerce	3.9
Cenovus Energy Inc.	3.5
Gildan Activewear Inc. Cl. A	3.2
Enghouse Systems Limited	3.1
DHX Media Ltd.	3.0
Thermo Fisher Scientific Inc.	3.0
Manulife Financial Corporation	3.0
Cargojet Inc.	2.9
Martinrea International Inc.	2.9
CGI Group Inc. Cl. A	2.9
DaVita Inc.	2.8
Industrial Alliance Insurance and Financial Services Inc.	2.8
Dream Global Real Estate Investment Trust	2.7
MacDonald, Dettwiler and Associates Ltd.	2.6
Northland Power Inc.	2.6
Intact Financial Corporation	2.5
WSP Global Inc.	2.3
JPMorgan Chase & Co.	2.2
Zimmer Biomet Holdings Inc.	2.1
Alliance Data Systems Corporation	2.1
Echo Global Logistics Inc.	2.0
Kering SA ADR	2.0
The Bank of Nova Scotia	2.0
AG Growth International Inc.	1.9
BB&T Corporation	1.9

Sector Allocation	%*
Financials	22.8
Industrials	18.3
Consumer Discretionary	17.6
Information Technology	17.5
Health Care	10.0
Cash & Cash Equivalents^	3.4
Energy	3.4
Real Estate	2.7
Utilities	2.5
Consumer Staples	1.8
Total	100.0

** 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 chart illustrates the annual performance of each series of units of the Fund since its retail inception date – June 9, 2014. 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.

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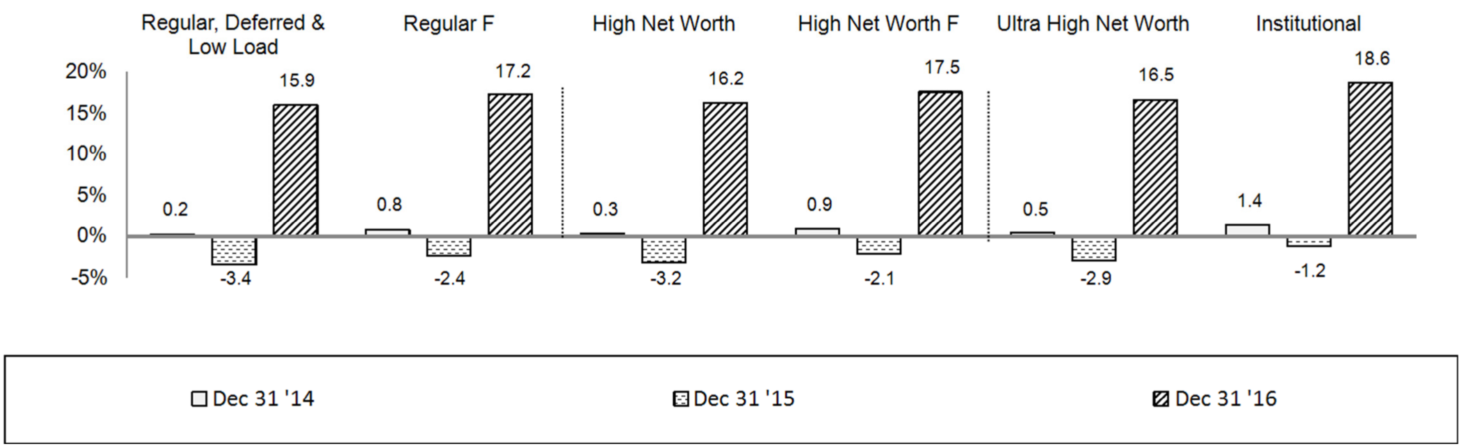

Annual Compound Returns

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	Since Inception[3]
Regular, Deferred and Low	15.9%			4.6%
Regular F	17.2%			5.7%
High Net Worth	16.2%			4.8%
High Net Worth F	17.5%			6.0%
Ultra High Net Worth	16.5%			5.1%
Institutional	18.6%			7.0%

	1 year	3 year	5 year	Since Inception[3]
Return of Benchmark[2]	18.0%			7.4%

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 This blended benchmark is comprised of 75% of the S&P/TSX Composite Total Return Index and 25% of the S&P 500 Total Return Index (C$). 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. The S&P 500 Total Return Index consists of 500 of the largest U.S. companies (by market capitalization), and is representative of all major U.S. industries.

3 Annual compound returns since inception for all series are from the retail inception date - June 9, 2014.

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-16	31-Dec-15	31-Dec-14
Net assets, beginning of year	9.67	10.02	10.00	9.84	10.08	10.00
Increase (decrease) from operations:						
Total revenue	1.38	0.26	0.11	1.48	0.25	0.11
Total expenses (excluding distributions)	-	-	-	-	-	-
Realized gains (losses) for the year	(0.29)	-	-	(0.30)	(0.01)	-
Unrealized gains (losses) for the year	0.41	(0.62)	(0.01)	0.51	(0.60)	0.05
Total increase (decrease) from operations [2]	1.50	(0.36)	0.10	1.69	(0.36)	0.16
Distributions:						
From net investment income (excluding dividends)	(0.24)	(0.20)	(0.07)	(0.25)	(0.20)	(0.07)
From dividends	(1.25)	(0.07)	-	(1.28)	(0.07)	-
From capital gains	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-
Total distributions [3]	(1.49)	(0.27)	(0.07)	(1.53)	(0.27)	(0.07)
Net assets, end of year *	9.73	9.67	10.02	10.01	9.84	10.08

	High Net Worth Series			High Net Worth F Series		
	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-16	31-Dec-15	31-Dec-14
Net assets, beginning of year	9.71	10.03	10.00	9.88	10.09	10.00
Increase (decrease) from operations:						
Total revenue	0.94	0.26	0.10	0.66	0.27	0.11
Total expenses (excluding distributions)	-	-	-	-	-	-
Realized gains (losses) for the year	(0.34)	-	-	(0.33)	(0.01)	-
Unrealized gains (losses) for the year	0.48	(0.84)	0.01	0.84	(0.52)	(0.03)
Total increase (decrease) from operations [2]	1.08	(0.58)	0.11	1.17	(0.26)	0.08
Distributions:						
From net investment income (excluding dividends)	(0.24)	(0.20)	(0.07)	(0.25)	(0.20)	(0.07)
From dividends	(1.26)	(0.07)	-	(1.29)	(0.07)	-
From capital gains	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-
Total distributions [3]	(1.50)	(0.27)	(0.07)	(1.54)	(0.27)	(0.07)
Net assets, end of year *	9.80	9.71	10.03	10.08	9.88	10.09

	Ultra High Net Worth Series			Institutional Series		
	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-16	31-Dec-15	31-Dec-14
Net assets, beginning of year	9.75	10.05	10.00	10.02	10.14	10.00
Increase (decrease) from operations:						
Total revenue	1.45	0.26	0.11	1.51	0.27	0.11
Total expenses (excluding distributions)	-	-	-	-	-	-
Realized gains (losses) for the year	(0.29)	-	-	(0.30)	-	-
Unrealized gains (losses) for the year	0.45	(0.55)	(0.06)	0.65	(0.39)	0.03
Total increase (decrease) from operations [2]	1.61	(0.29)	0.05	1.86	(0.12)	0.14
Distributions:						
From net investment income (excluding dividends)	(0.24)	(0.20)	(0.07)	(0.26)	(0.21)	(0.07)
From dividends	(1.26)	(0.07)	-	(1.32)	(0.07)	-
From capital gains	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-
Total distributions [3]	(1.50)	(0.27)	(0.07)	(1.58)	(0.28)	(0.07)
Net assets, end of year *	9.87	9.75	10.05	10.32	10.02	10.14

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-16	31-Dec-15	31-Dec-14
Total net asset value ($)	527,736	517,077	514,606	52,142	44,492	51,671
Number of units outstanding	54,233	53,460	51,377	5,209	4,522	5,128
Management expense ratio (%) [2]	2.47	2.47	2.42	1.35	1.36	1.33
Management expense ratio before waivers or absorptions (%) [2]	6.10	4.77	8.23	4.99	3.66	7.14
Trading expense ratio (%) [3]	0.14	0.14	0.45	0.14	0.14	0.45
Portfolio turnover rate (%) [4]	58.44	47.14	8.62	58.44	47.14	8.62
Net asset value per unit ($)	9.73	9.67	10.02	10.01	9.84	10.08

	High Net Worth Series			High Net Worth F Series		
	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-16	31-Dec-15	31-Dec-14
Total net asset value ($)	289,405	638,851	481,344	36,744	166,894	144,622
Number of units outstanding	29,543	65,778	47,984	3,645	16,887	14,329
Management expense ratio (%) [2]	2.20	2.20	2.14	1.08	1.07	1.05
Management expense ratio before waivers or absorptions (%) [2]	5.84	4.51	7.95	4.72	3.38	6.86
Trading expense ratio (%) [3]	0.14	0.14	0.45	0.14	0.14	0.45
Portfolio turnover rate (%) [4]	58.44	47.14	8.62	58.44	47.14	8.62
Net asset value per unit ($)	9.80	9.71	10.03	10.08	9.88	10.09

	Ultra High Net Worth Series			Institutional Series		
	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-16	31-Dec-15	31-Dec-14
Total net asset value ($)	28,417	24,385	25,114	29,712	25,056	25,358
Number of units outstanding	2,880	2,500	2,500	2,880	2,500	2,500
Management expense ratio (%) [2]	1.92	1.92	1.88	0.17	0.17	0.17
Management expense ratio before waivers or absorptions (%) [2]	5.56	4.22	7.69	3.81	2.47	5.98
Trading expense ratio (%) [3]	0.14	0.14	0.45	0.14	0.14	0.45
Portfolio turnover rate (%) [4]	58.44	47.14	8.62	58.44	47.14	8.62
Net asset value per unit ($)	9.87	9.75	10.05	10.32	10.02	10.14

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

Financial Highlights

+ Financial highlight information is derived from financial statements prepared in compliance with International Financial Reporting Standards ("IFRS"). 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.

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 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.