PENSION PLAN FOR MEMBERS OF THE SIMON FRASER UNIVERSITY ACADEMIC PENSION PLAN

Statement of Investment Policies and Procedures

Effective May 24, 2017

It is hereby certified by the undersigned that this Statement of Investment Policies and Procedures was adopted by the Trustees of the Simon Fraser University Academic Pension Plan on May 24, 2017.

(Signature)

Name and Title: Gregory Dow, Chair
Date: May 24, 2017
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MISSION STATEMENT

The Pension Plan for Members of the Academic Staff of Simon Fraser University (the "Plan") plays a key role in helping Simon Fraser University (the "University") to achieve its strategic Human Resources objectives. It contributes in very important ways to making the University attractive to current and prospective members on whom the University depends to meet its goals.

It is essential that the Plan accommodate a broad range of member circumstances. The Plan will follow basic governance principles at a high level and be prudently managed so that it accomplishes its financial objectives through a disciplined approach to investment management. The role of the Plan is to help its members accumulate assets for retirement savings. The Plan is not meant to replace all of the member’s pre-retirement income but to replace a portion of the member’s income along with other sources of retirement savings and government programs. The goal is to ensure that it will serve the best interests of its beneficiaries in meeting the future retirement needs and expectations of the Plan members.
SECTION I: INTRODUCTION

1.1 This document constitutes the Statement of Investment Policies and Procedures (the "Policy") applicable to the assets (the "Fund") held on behalf of Members ("Member(s)") of the Simon Fraser University Academic Pension Plan (the "Plan").

1.2 The purpose of this Policy is to formulate those investment principles, guidelines and monitoring procedures, which are appropriate to the needs and objectives of the Fund, in a manner conforming to the applicable rules in the British Columbia Pension Benefit Standard Act and the Regulation thereto (the "Act"). This Policy is supplementary to the rules contained in the Act.

1.3 This Policy has been prepared by the Trustees to define the management structure and procedures adopted for the ongoing operation of the Plan, to provide guidelines for the prudent and effective management of the Fund, to establish a basis for ongoing communications between Simon Fraser University, the Trustees, the Investment Managers (the "Manager(s)"), the Record keeper and the Custodian, and to comply with the applicable legislation. It is expected that the Policy will be reviewed normally once per year, and amended as required.

1.4 Any Manager or other party providing services in connection with the investment of the Fund shall accept and adhere to this Policy except as provided by written letter of exception.

1.5 With the approval of the Trustees, the Manager may hold any part of the portfolio in one or more pooled or co-mingled funds managed by the Manager, provided that such pooled funds are expected to be operated within constraints reasonably similar to those described in this mandate. It is recognized by the Trustees that complete adherence to this Statement may not be entirely possible; however, the Manager is expected to advise the Trustees in the event that the pooled fund exhibits, or may exhibit, any significant departure from this statement. Appendix A includes the Investment Policy Statements for each pooled or co-mingled fund utilized by the Plan.
SECTION II: ADMINISTRATION

2.1 The University through its Board of Governors (the "Board") is the administrator of the Plan in accordance with the Act. The Board has established a governance structure and delegated to the Trustees of the Simon Fraser University Academic Pension Plan (the "Trustees") certain aspects of the Fund's operations.

2.2 In fulfilling their responsibilities, the Trustees may delegate to or otherwise utilize employees of the University where appropriate. The Trustees shall retain responsibility and utilize suitable personnel for such activities and monitor the activities undertaken by the selected personnel. Any reference in the Policy to Trustees shall be interpreted as referencing the appropriate delegate.

2.3 Neither the Trustees nor any staff member shall select securities on behalf of the Fund except for the selection of Pooled Funds, guaranteed investment certificates, annuities or short-term deposits with banks or trust companies. The Trustees shall retain one or more independent professional investment Managers to invest the Fund.

2.4 With each Manager the Trustees shall agree upon a set of written guidelines (the “Mandate”) within which the Manager is expected to operate, including discretion limits, diversification and quality standards, and performance expectations.

2.5 Assets of the Simon Fraser University Academic Pension Plan Balanced Fund (the “SFU Balanced Fund”) shall be allocated by the Trustees among the Managers in a structure considered appropriate to implement the overall asset allocation in accordance with this Policy. The Trustees shall maintain a written description of the manager structure and a current copy of each Manager’s investment Mandate.

2.6 An independent auditor shall audit the Fund's financial statements at least annually.

2.7 A governance structure has been established to ensure that investments of the Fund shall be managed prudently, appropriately and in compliance with all applicable legislation on an ongoing basis. This section sets out the general principles and guidelines for the governance structure.

2.8 The standard of care applied to the governance of the Fund shall be the care, diligence and skill that a person of ordinary prudence would exercise in dealing with the property of another person.
2.9 The governance structure shall rely on independent qualified Third Party Service Providers for certain aspects of the Plan’s operations where expert knowledge is required or where a perceived or actual conflict of interest exists. Reliance on the Third Party Service Providers is conditional on the suitability of the provider at the point of hiring as well as their ongoing suitability. The following independent Third Party Service Providers shall be used in the ongoing management of the Fund:

(a) an external and independent corporate Record keeper and/or a custodian to hold custody of all assets of the Fund in trust, collect income, execute all transactions and maintain records of all Members account balances, holdings, contributions/withdrawals and transactions,(the Record keeper / Custodian). The Record keeper and Custodian could be different entities;

(b) external Managers to invest the Fund;

(c) external investment consultants to calculate returns, monitor performance and provide informed comment on the performance of the Fund’s Managers (the Investment Consultant);

(d) an independent auditor to audit the financial statements of the Plan (the Auditor);

(e) external legal counsel to assist the Trustees with review of the Plan’s contracts, plan governance and policies (the Legal Counsel);

(f) an independent actuary to prepare valuations of the assets and liabilities of the Plan and provide advice on funding requirements (the Actuary).

The Third Party Service Providers of the Plan, as identified above, shall exercise the care, diligence and skill in the administration, investment, and management of the Funds that a person of ordinary prudence would exercise in dealing with the property of another person. The Third Party Service Providers shall use all relevant knowledge and skill that they possess or, by reason of their profession, business, or calling, ought to possess.

2.10 The Trustees will review all Third Party Service Providers. In addition to the regular monitoring of its Third Party Service Providers including any such assessment required by law, when warranted by circumstances the Trustees may undertake a more formal assessment of review of the Third Party Service Provider. In the process of such an assessment or review the Trustees will consider:

(a) the service provider’s mandate;

(b) the history of the service provider’s services in respect of the Plan;
any changes at the service provider in terms of personnel or ability to provide the services for which the provider was retained;

(d) any specific concerns with services provided since the service provider was retained by the Trustees;

(e) proposals by other service providers;

(f) fees;

(g) any other factor determined to be appropriate by the Trustees.

The Trustees have the power to select, monitor and terminate the services of any such service provider, in accordance with the terms of any agreement in place with the service provider and the applicable law.

2.11 The governance structure shall be comprised of two main components:

(a) a responsibility framework with reporting relationships as set out below;

(b) a system of internal controls to prevent irregularities, non-compliance and errors in the operations of the Plan and to detect irregularities, non-compliance and errors on a timely basis should they occur.

Responsibility Framework and Reporting Relationships

2.12 The Trustees

2.12.1 The Trustees have ultimate responsibility for all aspects of the Plan’s investment policies and procedures. To fulfil their responsibility in the most prudent and appropriate manner, they will oversee the operations of the Plan and delegate certain aspects of the Plan’s operations.

2.12.2 The Trustees shall:

(a) establish, amend and implement the Policy and monitor Plan characteristics that relate to the Policy;

(b) establish an investment manager structure and strategy as the means to implement the Policy which specifies the number of managers, types of managers and allocation of
assets between managers, including rebalancing of the asset mix as described in Section VI;

c) select, appoint and replace when deemed necessary the Managers, the Investment Consultant, the Actuary, the Custodian and the Auditor (the “external service providers”);

d) monitor the external service providers to the Plan in respect of their continuing suitability of performance;

e) ensure that financial statements are prepared on an annual basis and audited, and approve the audited financial statements;

f) monitor the performance and financial position of the Plan, and Managers as described in Section IV.

2.12.3 In fulfilling their responsibilities, the Trustees may delegate any activities relating to the responsibilities listed in 2.11.2 to staff members or to external service providers. Notwithstanding this delegation, the Trustees shall retain responsibility and shall be required to monitor, and as necessary, approve work done by others. In this regard, the Trustees are expected to delegate the activities only to suitable delegates, and review the work and the process undertaken to complete the work before approval.

2.12.4 The operational day-to-day aspects of the responsibilities of the Trustees shall be delegated to the Human Resources Department of the University. This shall include but not be limited to: organising meetings, communicating with external service providers, ensuring that all reports are received, checking the custodial statements for errors and irregularities and assisting the Trustees in monitoring the external service providers.

2.13 The Human Resources Department Staff

2.13.1 The Director of Pensions and Benefits shall be delegated as the Secretary of the Trustees and any of their committees and, with the assistance of the Human Resources Department staff, shall:

a) implement decisions made by the Trustees;

b) monitor the activities of the Managers and the Fund on a regular basis;
prepare the agenda and reports for each meeting of the Trustees;

(d) provide input to the Trustees on the management of the Fund;

(e) propose changes to policies and strategies of the Fund;

(f) advise the Trustees of any exceptional issues that arise in the day-to-day operations and monitoring of the Fund and the Managers;

(g) ensure all required regulatory filings are done;

(h) reconcile the Manager and custodian/record keeper statements;

(i) field all questions from Members;

(j) prepare minutes for each Trustee meeting.

2.14 The Managers

2.14.1 Each Manager shall:

(a) invest the assets allocated to it in accordance with a written mandate established by the Trustees;

(b) comply with the terms of an investment manager agreement;

(c) report to the Trustees on a quarterly basis and in writing in respect of: its performance for the quarter, the investment holdings and transactions, the intended strategy for the following quarter, deviation from the intended strategy for the preceding quarter and compliance with its mandate and contract;

(d) provide to the Trustees on an annual basis, or whenever changes occur, its policies and procedures relating to voting rights on securities, soft dollars, professional standards, conflicts of interest, internal controls and trading policies;

(e) inform the Trustees of any element of the Investment Policy Statement that could prevent attainment of the Plan's objectives;

(f) advise the Trustees on an ongoing basis of any changes in the organization, personnel or investment process;

(g) attend meetings of the Trustees at least annually;
(h) be available for meetings or discussions with the Trustees on a reasonable basis;

(i) permit a tour of its premises and a review of its internal control systems by a designated delegate of the Trustees at least once a year.

2.15 The Record keeper / Custodian

2.15.1 The Record keeper / Custodian shall:

(a) be responsible for the day to day Member record keeping services as required in the legal agreement with the Trustees;

(b) hold custody of the assets of the Plan and execute transactions;

(c) act under the terms of one or more trust and/or custodian agreements for all pooled funds offered to the Plan;

(d) monitor transactions as they occur for compliance with applicable legislation and the broad terms of the Policy;

(e) provide timely communication related to the investment of the assets of the Plan as requested by the Trustees; and

(f) meet the service standards as set out in its legal agreement with the Trustees.

2.16 The Investment Consultant

2.16.1 The Investment Consultant shall:

(a) prepare and deliver a report on the Fund and the Managers’ performance at least twice a year to the Trustees using investment returns calculated independently of the Managers;

(b) consult with the Trustees on issues relating to the Fund and the Managers as they arise;

(c) consult with the Trustees on other investment-related issues and strategy, as requested.
2.17  The Auditor

2.17.1 The Auditor shall audit and prepare annually an auditor’s report on the financial statements of the Plan as prepared by the Human Resources Department.

2.18  The Legal Counsel

2.18.1 The Legal Counsel shall assist the Trustees, as required, with legal documentation, general governance and policy.
SECTION III: PLAN OVERVIEW

3.1 The Plan has a Defined Benefit component and a Defined Contribution component. Under the Defined Contribution component, the assets are allocated to participating Members, and invested in various Defined Contribution investment options (the "Investment Options") according to each Member’s instructions.

Defined Contribution Plan

3.2 Under the Defined Contribution Plan, a Money Purchase Account (MPA) and a Voluntary Contribution Account (VCA) are maintained on behalf of each Member. The University contributes a set amount (10% of basic salary less the University's contribution to the Canada Pension Plan) to the Money Purchase Account. In addition, Members may contribute to the Voluntary Contribution Account in accordance with the Income Tax Act.

3.3 The retirement income accrued to the Member is dependent on the accumulated Money Purchase Account and Voluntary Contribution Account contributions, and the investment return earned thereon. Thus, Members have a direct exposure to investment risk. The University assumes no risk with respect to the investment of those accounts.

3.4 Liquidation of a Member's investments may be required upon the Member's termination, death or retirement. For that reason, any Investment Options must be valued at least once a month.

3.5 The SFU Balanced Fund is the Default Option for the Plan.

3.6 As with most Defined Contribution Plans, Members are responsible for choosing their investments and the asset allocation of their investments. Accordingly, the Trustees will provide a range of investment options for the Members to choose from.

(a) The appropriate range of investment options should:

- Maximize future asset values at a risk level appropriate for the individual Member
- Allow for control of short-term volatility and the risk tolerance of each Member
- Effectively deal with period immediately preceding retirement
• Provide an approach that is easy to implement and not overly confusing to Members

(b) Prudence requires the Plan to seek to provide the Members with:

• Sufficient and understandable information regarding investment options, contribution rates, role of the Plan in saving for retirement, payout options, benefit and income illustrations, and Member responsibilities

• Investment information and decision making tools, not investment advice

• A minimum of three substantially different options, not including GIC’s

• The ability to make changes to their investment strategy at least quarterly.

• Market competitive fees

Defined Benefit Plan

3.7 The benefit provisions of the Defined Benefit Plan (Formula Retirement Benefit Plan) are described briefly as follows:

• Closed Group Members (hired before March 20, 1973) have the choice of receiving either the proceeds of the Member's Money Purchase Account or a "formula" option, which is based on the Member's average salary of the highest paid five consecutive years of employment at Simon Fraser University.

3.8 The Defined Benefit Plan is invested in the SFU Balanced Fund.
SECTION IV: PERMITTED CATEGORIES OF INVESTMENT

4.1 From time to time, and subject to this Policy, the Fund may invest in any or all of the following asset categories and subcategories of investments either directly or through Pooled Funds, which hold only these investments. For purposes of this Policy, "governments" includes supranational, federal, provincial or municipal governments, and securities guaranteed by these governments.

(a) **Canadian Equity**: common stocks, convertible debentures, share purchase warrants, share purchase rights or preferred shares of Canadian public and private companies, and income trusts.

(b) **Foreign Equity**: common stocks, convertible debentures, preferred shares, share purchase warrants, share purchase rights or American depositary receipts of publicly traded non-Canadian companies.

(c) **Real Estate**: real property, whether held directly or through open or closed-end pooled funds, participating debentures, shares of corporations or partnerships formed for pension funds to invest in real estate, or real estate investment trusts.

(d) **Fixed Income**:

- bonds, debentures, mortgages, notes, or other debt instruments of governments or corporations (public and private)
- asset-backed securities and mortgage-backed securities
- guaranteed investment contracts or equivalent financial instruments of Canadian insurance companies, trust companies, banks or other eligible issuers
- annuities, deposit administration contracts or other similar instruments regulated by the Insurance Companies Act (Canada) or comparable provincial law, as amended from time to time
- term deposits or similar instruments of Canadian trust companies and banks.
(e) Cash or Cash Equivalents:

- deposits with banks or trust companies
- money market securities issued by governments or Canadian corporations (public and private) with term to maturity of one year or less.

(f) Hedge Funds

- Investments may be made to single manager hedge funds or fund of funds strategies

(g) Derivatives:

- Investment in derivative instruments may be used for hedging purposes to facilitate the management of risk or to facilitate an economical substitution for a direct investment. Under no circumstances will derivatives be used for speculative purposes or to create leveraging of the portfolio. Any use of derivative instruments must be in accordance with a program that has been specifically considered and approved by the Trustees.

The Fund may not invest in categories of assets or instruments not specifically provided for in this Section.
SECTION V: MEMBERS POLICY ON INVESTMENT OPTIONS

Asset Allocation

5.1 Members bear the investment risk within the Defined Contribution plan. Thus, the appropriate asset mix for each Member may vary depending on the Member's circumstances, including the Member's age, tolerance for risk, other investments and savings. Members are responsible for utilizing the information and decision making tools made available to them to assist in deciding on their own asset mix through their selection of Investment Options. Members should also consider obtaining investment advice from appropriately qualified professionals in addition to using the information or tools provided by the University or the Record keeper.

Investment Options

5.2 As a minimum, the following Investment Options will be made available:

- Balanced fund
- Canadian equity fund
- Foreign equity fund
- Fixed income fund
- Money market fund.

5.3 Additional core and non-core funds may be added from time to time. The Investment Options currently available to Members are listed in Appendix A.

Portfolio Diversification

5.4 The Manager of each Investment Option shall ensure that there is an appropriate level of diversification and that the portfolio is constructed so as to be consistent with the objective, style and approach outlined for each Investment Option under Appendix A.
Risk and Return Objectives

5.5 The return objective for Investment Options over moving four-year periods or longer is to achieve or exceed a return, net of all brokerage expenses but before all other fees, equal to the return from appropriate market indices plus an added value for active management where applicable.

5.6 The risk inherent in each Investment Option over a market cycle (a five to ten year period) is three fold. There is a risk that the market returns will not be in line with expectations. To the degree that an active management style is employed, there is a risk that the added return expected of active management over passive management will not be realized, or will be negative. There is also the risk of annual volatility in returns which means that in any one year the actual return may be very different from the expected return (such return may also be negative).

Replacement of Investment Managers

5.7 The Trustees will evaluate the performance of the Managers relative to the standards set forth in Section 12. If a Manager does not meet the thresholds determined by the Trustees, they may be terminated. Notwithstanding the foregoing, the Trustees reserve the right to replace a Manager at any time if such replacement is deemed to be in the best interests of the Members, without regard to whether the standards set forth above have been met. If the Trustees determine that a Manager needs to be replaced, the Record keeper will provide communications to all Members with the reasoning for the change, the impact on their investments and any actions needed to be taken by the Members.

Selection of Investment Managers

5.8 The Trustees will be required at times to select new investment managers. This may be in order to replace an existing manager or due to changes in the investment strategy or manager structure which require additional investment managers to implement. During the selection process, the Trustees will work with the Investment Consultant to source appropriate candidates and determine the appropriate criteria to evaluate the candidates, including:

- Confidence in the Manager’s organization;
- Quality, depth and tenure of people;
• Confidence in the quality and consistency of the Manager’s philosophy and process;

• Commitment to superior client service;

• Ability of the Manager to comply with the mandate and the provisions of this Statement;

• Acceptable long-term performance and risk measures;

• Acceptable contract and appropriate fees;

• Appropriateness of compliance procedures that meet or exceed industry standards; and

• Acceptable feedback from references (if applicable).

If a Manager is selected, an appropriate transition plan which identifies timing and source of funds will be developed in advance.

**Plan Expenses and Fees**

5.9 Investment Management Fees are charged to each investment option to cover the expenses associated with investment management. The IMF lowers the total investment return of the Member’s assets. In addition, there are various service related fees for withdrawals, transfers, replacement forms, etc. which are charged to the Member. The SFU Balanced Fund also pays an annual fee of $145 per Member to the Record keeper. On a regular basis, the Trustees will review the expenses charged to the Investment Options to ensure that they are reasonable and competitive with similar plans.
SECTION VI: ASSET ALLOCATION POLICY OF THE SIMON FRASER UNIVERSITY ACADEMIC PENSION PLAN BALANCED FUND

Asset Allocation

6.1 The Simon Fraser University Academic Pension Plan Balanced Fund (the “SFU Balanced Fund”) is the primary investment vehicle for the Plan. It is the Default Option for Members. As such, separate asset allocation and manager structure policies have been established for this Fund.

6.2 The asset allocation of the SFU Balanced Fund was reviewed in 2014 through an asset allocation study completed with the Trustees and the Investment Consultant. In determining the asset allocation, the Trustees considered the forward looking return and volatility characteristics of different asset classes, current capital market conditions, the diversification benefits of various asset classes and the liquidity needs of the SFU Balanced Fund.

6.3 The asset allocation reflects a balance of Fixed Income investments, which are sensitive to interest rates, and Equities, which are expected to provide both higher returns and inflation-sensitive returns over the long term.

6.4 Effective May 2014, the Normal Allocation and ranges for the SFU Balanced Fund have been determined as set out below. Over complete market cycles the allocation is expected to approximate the Normal Allocation:
<table>
<thead>
<tr>
<th>Component Asset Classes</th>
<th>Normal Allocation</th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canadian Equities</td>
<td>20%</td>
<td>17%</td>
<td>23%</td>
</tr>
<tr>
<td>US Equities</td>
<td>15%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EAFE Equities</td>
<td>15%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Global Equities</td>
<td>10%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Developed Foreign Equities</td>
<td>40%</td>
<td>37%</td>
<td>43%</td>
</tr>
<tr>
<td>Emerging Markets Equities</td>
<td>5%</td>
<td>2%</td>
<td>8%</td>
</tr>
<tr>
<td>Total Equities</td>
<td>65%</td>
<td>59%</td>
<td>71%</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>35%</td>
<td>32%</td>
<td>38%</td>
</tr>
<tr>
<td>Cash &amp; Cash Equivalents</td>
<td>0%</td>
<td>0%</td>
<td>3%</td>
</tr>
</tbody>
</table>

6.5 Cash and Cash Equivalents may also be held from time to time on a short-term, temporary basis or as defensive reserves within the portfolios for each asset class at the discretion of each Manager within the constraints prescribed by its Mandate.

6.6 If the asset mix deviates outside the above ranges at the end of any month, the Trustees shall take corrective action to bring the asset mix back within the range as soon as practicable.

Return Objectives and Risk Objectives

6.7 The investment objective of the SFU Balanced Fund is to achieve a long-term (five to ten-year period) total rate of return, net of all brokerage expenses but before all other fees, at least equal to the following benchmark:
<table>
<thead>
<tr>
<th>Component Asset Classes</th>
<th>Weight</th>
<th>Index</th>
<th>Bloomberg Ticker</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canadian Equities</td>
<td>20%</td>
<td>S&amp;P/TSX Composite</td>
<td>SPTSX</td>
</tr>
<tr>
<td>U.S. Equities</td>
<td>15%</td>
<td>S&amp;P 500 Index (C$)</td>
<td>SPX</td>
</tr>
<tr>
<td>International Equities</td>
<td>15%</td>
<td>MSCI EAFE Index (C$)</td>
<td>MXEA</td>
</tr>
<tr>
<td>Global Equities</td>
<td>10%</td>
<td>MSCI ACWI ex Canada Index (C$)</td>
<td>M7WDQIM</td>
</tr>
<tr>
<td>Emerging Markets Equities</td>
<td>5%</td>
<td>MSCI Emerging Markets Index ($)</td>
<td>MXEF</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>35%</td>
<td>FTSE TMX Universe Index</td>
<td>CBOBUKP</td>
</tr>
</tbody>
</table>

The risk inherent in the investment strategy over a market cycle (a five to ten year period) is three fold. There is a risk that the market returns will not be in line with expectations. To the degree that an active management style is employed, there is a risk that the added return expected of active management over passive management will not be realized, or will be negative. There is also the risk of annual volatility in returns which means that in any one year the actual return may be very different from the expected return (such return may also be negative).
SECTION VII: PORTFOLIO DIVERSIFICATION AND CONSTRAINTS

7.1 The Trustees shall ensure that the diversification requirements in each Manager’s Mandate, in combination with the amount of assets allocated to each Manager, are consistent with the limits outlined in this Section based on the market value of the Fund.

7.2 Further constraints are documented in the Act. For greater certainty, in respect of the total SFU Balanced Fund and each Investment Option and pursuant to the rules in the Act:

   (a) No more than 10% of the book value of the assets shall be invested in any one entity or group. Effective July 1, 2016, this will be measured at market value.

   (b) The Fund shall not acquire securities of a corporation to which are attached more than 30% of the voting rights of any corporation.

7.3 In respect of the equity portfolio of the SFU Balanced Fund:

   (a) North American holdings shall be diversified by stock, capitalization and industry, having regard to the relative sizes of industry sectors in the applicable stock market indices.

   (b) Non-North American holdings shall be diversified by region, country sector, and stock having regard to the relative sizes of economic activity and stock market capitalization.

   (c) Not more than 20% of the Canadian Equity portfolio shall be invested in stocks not included in the S&P/TSX Composite Index.

   (d) Not more than 20% of the market value of U.S. equity and of the non-North American equity portfolio shall be invested in stocks having market capitalization, including closely held shares, below $250 million (USD).

   (e) Not more than 10% of the portfolio shall be invested in unlisted securities or private placements.

7.4 In respect of the Fixed Income portfolio of the SFU Balanced Fund:

   (a) Securities rated (by the average of DBRS, Standard & Poors and Moody's) below “BBB (low)” or equivalent at the time of purchase are not permitted.
(b) Not more than 20% of the fixed income portfolio shall be held in asset-backed securities, including mortgage-backed securities.

(c) Not more than 30% shall be held in issues rated below “A” or equivalent as determined by the average rating of the Bond Rating Agencies DBRS, Standard & Poors and Moody's.

(d) The exposure to non-Canadian issuers shall not exceed 30% of the market value of the bond fund.

(e) The exposure to issues denominated in non-Canadian currencies shall not exceed 20% of the market value of the bond portfolio.

(f) The portfolio may have a maximum exposure of 10% of its market value to non-Canadian currencies.

(g) The aggregate duration of the portfolio shall be maintained within two years of the FTSE TMX Universe Bond Index.

(h) Private placements are allowed in the fixed income portion of the portfolio if the following conditions are met

- The Manager may invest in liquid private placements which meet the same criteria (including liquidity and credit quality) which would be applied when purchasing public issues;
- The Manager may invest up to 10% of the fixed income portfolio in illiquid private placements provided they meet the same credit quality standards imposed on other corporate bond issues;
- No more than 2% of the fixed income portfolio may be invested in an illiquid private placement of a single issuer.

(i) Not more than 10% of the fixed income portfolio can be invested in mortgages.

7.5 All Cash Equivalents, including those held within the portfolios for each asset class at the discretion of the Manager, shall have a minimum credit rating of "R-1 (low)" or equivalent. If a security’s credit rating falls below "R-1 (low)" after time of purchase, the Manager shall remove it from the portfolio as soon as practicable. Unrated securities will be assumed to fail all of the credit ratings referred to in this Section.
7.6 For purposes of this Section, all debt ratings refer to the average rating of the Bond Rating Agencies DBRS, Standard & Poors and Moody's.

7.7 The Fund shall not purchase securities on margin or engage in short sales. Instalment receipts may not be purchased unless Cash or highly liquid, high quality short-term securities equal to the unpaid purchase price are also held.

7.8 Each Manager shall be responsible for directing trades. The Manager is responsible for choosing brokers to execute investment transactions in the most effective manner and in the best interests of the Fund.
SECTION VIII: LOANS AND BORROWING

8.1 No part of the Fund shall be loaned to any party, other than through the purchase of securities which otherwise meet the requirements of this Policy for Fixed Income investments.

8.2 Money shall not be borrowed on behalf of the Fund and the Fund’s assets shall not be pledged or otherwise encumbered in respect thereof, except:

   (a) for the payment of refunds, benefits or administration costs of the Plan to the extent that such borrowing is limited to the aggregate of such disbursements in any one month;

   (b) for and to the extent of temporary overdrafts that occur in the course of normal day-to-day portfolio management.

8.3 The Fund, on approval by the Trustees, may enter into securities lending agreements provided the loaned investments are secured by cash or readily marketable investments. The collateral must have a market value of at least 105% of the principal of the loan and accrued interest, and that level of security is calculated daily and maintained throughout the period of the loan. The Custodian must guarantee any losses. Collateral provided with respect to any such securities lending agreements must have had free and clear title and may not be subject to any right of set-off.
SECTION IX: VOTING RIGHTS

9.1 The responsibility of exercising and directing voting rights acquired through Fund investments shall normally be delegated to the Manager, who shall at all times act prudently and in the best interests of the Fund’s beneficiaries. The Manager shall provide a copy of their voting rights policy to the Trustees.

9.2 The Manager shall maintain a record of how Fund voting rights have been exercised.

9.3 In case of doubt as to the best interests of the Fund’s beneficiaries, the Manager shall request instructions from the Trustees and act in accordance with such instructions.

9.4 The Manager shall be required to advise the Trustees and provide details in advance of the vote when the Manager has acquired on behalf of himself and his clients 10% or more of that class of securities.

9.5 The Trustees reserve the right to direct, or override, the voting decisions of a Manager, if in their view such action is in the best interests of the Fund’s beneficiaries.

9.6 It is recognized, however, that the above constraints and policy on voting rights may not be enforceable to the extent that part of the Fund is invested in Pooled Funds.

9.7 Any voting rights related to Pooled Fund units and interests in partnerships or limited partnerships shall be the responsibility of the Trustees, who shall vote in the best interests of the Fund’s beneficiaries.
SECTION X: VALUATION OF INVESTMENTS

10.1 Investment in publicly traded securities shall be valued no less frequently than monthly at their market value.

10.2 Investment in Pooled Funds comprising publicly traded securities shall be valued according to the unit values calculated at least monthly.

10.3 If a market valuation of an investment is not readily available, then a fair value shall be determined by or at the discretion of the Trustees. For each such investment, an estimate of fair value shall be supplied by the Manager no less frequently than quarterly. Such fair value may be determined by reference to the most recent independent expert appraisal or by other means such as risk-adjusted discounted cash flows or comparison with similar assets, which are publicly traded. In all cases the methodology should be applied consistently over time.
SECTION XI: RELATED PARTIES AND CONFLICTS OF INTEREST

11.1 Definition of Related Party

For the purposes of this Policy, a “Related Party” means:

(a) the University,
(b) a pension Trustee,
(c) an officer, Director, or employee of the University,
(d) a person responsible for investing the assets of the Plan, or any officer, director or employee thereof,
(e) an association or union representing employees of the employer, or an officer or employee thereof,
(f) an employer who participates in the Plan, or an employee, officer or director thereof,
(g) a Member of the Plan,
(h) the spouse or a child of any person referred to in any of paragraphs (b) to (h),
(i) a corporation that is directly or indirectly controlled by a person referred to in any of paragraphs (a) to (h),
(j) an entity in which a person referred to in paragraph (a), (b), (c), or (f), or the spouse or a child of such a person, has a substantial investment.

11.2 Related Party Transactions

The Trustees, on behalf of the Plan, may not enter into a transaction with a related party unless the transaction meets requirement (a) or (b) as described below:

(a) the transaction is both required for operation and or administration of the plan, and if:
   (i) the terms and conditions of the transaction are not less favourable than market terms and conditions;
(ii) it does not involve the making of loans to, or investments in, the related party;

(b) the transaction involves an investment:

(i) in an investment fund or segregated fund that is open to investors other than the administrator and its affiliates;

(ii) in securities issued or fully guaranteed by the Government of Canada or a provincial government, or an agency of either one;

(iii) in an index fund;

(iv) in an unallocated general fund of a person authorized to carry on a life insurance business in Canada;

(v) that involves the purchase of a contract or agreement linked to the performance of a widely recognized index;

the combined value of all transactions with the same related party is nominal or the transaction(s) is immaterial to the fund. For the purposes of this Section, only the market value of the combined assets of the Plan shall be used as the criteria to determine whether a transaction is nominal or immaterial to the Fund. Transactions less than 0.5% of the market value of the Plan are considered nominal.

11.3 Conflicts of Interest

(a) If one of the Trustees, or any agent of or advisor to the Trustees, or any person employed in the investment or administration of the Fund has or acquires any material interest, direct or indirect, in any matter in which the Fund is concerned or may benefit materially from knowledge of, participation in, or by virtue of an investment decision or holding of the Fund, the person involved shall as soon as practicable disclose this conflict of interest to the Chair of the Pension Trustees. The Chair shall then immediately advise all the Trustees, and the Trustees shall decide upon a course of action. Any such person will thereafter abstain from any decision making with respect to the area of conflict, unless otherwise determined by unanimous decision of the remaining Trustees.

(b) Every disclosure of interest under this Section shall be recorded in the minutes of the relevant Trustees meeting.
(c) The failure of a person to comply with the procedures, described in this Section, shall not of itself invalidate any decision, contract or other matter.

(d) The Trustees shall satisfy themselves that an appropriate policy regarding conflicts of interest exists and is followed by any Manager. As a minimum, the Code of Ethics and Standards of Professional Conduct adopted by the Association for Investment Management and Research shall be expected to apply to such Manager.
SECTION XII: MONITORING INVESTMENT PERFORMANCE

Quantitative Review

12.1 The Trustees shall review on a regular basis, as needed, and at least once a year:
   (a) the assets and net cash flow of the SFU Academic Pension Plan Balanced Fund
   (b) the current asset mix of the SFU Academic Pension Plan Balanced Fund
   (c) the statistics on the investment performance of the SFU Academic Pension Plan Balanced Fund
       and Investment Options and each Manager relative to the objectives of the Policy and of the
       Mandates
   (d) the portfolio holdings
   (e) the utilization of the Investment Options
   (f) the Manager mix and structure.

12.2 The Trustees shall meet at least once a year with the Managers to discuss investment performance,
investment strategies, Managers’ fees and expenses, expected future performance and any changes in
the Managers' organization, investment processes and professional staff.

12.3 The primary focus of performance assessment will normally be on a moving four-year basis or longer
but performance over shorter time periods and the Manager’s performance for other comparable
accounts prior to appointment for the Fund may also be considered. The Manager will not necessarily
be faulted for underperforming the agreed standard over short time periods. However, the Trustees
may conclude that significant short-term underperformance renders it unlikely that the performance
standard can reasonably be achieved at an appropriate risk level over the remainder of a market cycle.

12.4 The Trustees will also review the range of Member Investment Options periodically.

Qualitative Review

12.5 The Manager of each Investment Option will be evaluated on the following qualitative criteria at least
once each year:
   • overall adherence by a Manager to the Statement;
• retention of a Manager’s professional staff; replacement of a Manager’s staff lost by retirement, resignation, etc.;

• the quality of a Manager’s communication with the Company;

• competitiveness of fees;

• the firm characteristics of a Manager (e.g., ownership, growth in assets under management, client retention/loss, etc.); and

• consistency of key personnel and their role in the investment decision-making process.
SECTION XIII: POLICY REVIEW

13.1 This Policy shall be reviewed normally once per year in order to determine whether any modifications are necessary or desirable. Such review shall consider whether there has been:

(a) a fundamental change in the design of the Plan

(b) significant revisions to the expected long-term trade-off between risk and reward on key asset classes

(c) a major change in the actuarial valuation basis, the membership/liability distribution, or the contribution/expense expectation in respect of the defined benefit plan

(d) a significant shift in the financial risk tolerance of the Trustees

(e) shortcomings of the Policy that emerge in its practical operation

(f) significant recommendations by a Manager or Investment Consultant

(g) changes in applicable legislation.

13.2 A copy of this Policy and any amendments to it shall be delivered to the actuary for the Plan.
APPENDIX A: POOLED FUND INVESTMENT POLICIES
### Mandate Profile: PH&N Bond Fund

**Fund type**: Canadian fixed income

<table>
<thead>
<tr>
<th>Date of inception</th>
<th>Advisor Series - October 31, 2010</th>
<th>Series O - October 31, 2002</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Series C - November 30, 2008</td>
<td>Series D - December 31, 1970</td>
</tr>
<tr>
<td></td>
<td>Series F - June 30, 2007</td>
<td></td>
</tr>
</tbody>
</table>

**Manager & principal portfolio adviser**: Phillips, Hager & North Investment Management

**Benchmark**: FTSE TMX Canada Universe Bond Index

**Investment objectives**: The fund seeks to provide relatively high yields and stability of capital by investing primarily in a well-diversified portfolio of fixed income securities issued by Canadian governments and corporations.

**Strategies & Approach**: To achieve the fund's investment objective, we invest primarily in Canadian government and corporate bonds, as well as guaranteed mortgages, and foreign bonds. The fund will be actively managed using interest rate, credit and liquidity strategies.

**Asset mix policy**: Target ranges:
- Cash and equivalents: 0% - 25%
- Fixed income investments: 75% - 100%

**Investment guidelines**

#### Permissible investments
- Canadian government, foreign governments and corporate fixed income securities
- Asset-backed securities
- Infrastructure debt
- Derivatives, such as, but not limited to, options, futures, forwards and swaps
- Government-guaranteed mortgages

#### Sector concentration

- **Canadian Federal & Provincial Government**: 100%
- Corporate: 60%
- Foreign securities: 30%
- Non-Canadian dollar exposure: 20%
- Guaranteed mortgages: 10%
- Illiquid assets: 10%
- Real return bonds & treasury inflation protected securities: 10%

#### Single-issuer limits

- **Government of Canada**: 100%
- Provincials: 40%
- Foreign Sovereigns/ Agencies/Supranationals: 10%

  - **Municipals and corporates**
    - A- and above: 5%
    - BBB- to BBB+: 3%
    - BB+ and below: 0%
    - Guaranteed mortgages: 2%

#### Credit quality

- A- and above: 100%
- BBB- to BBB+: 25%
- BB+ and below: 0%

*Please read the disclosures at the end of the document.*

*Updated September 2015.*

*Phillips, Hager & North Investment Management*
Investment guidelines continued

<table>
<thead>
<tr>
<th>Interest rate guideline</th>
<th>FTSE TMX Canada Universe Bond Index +/- 1 year duration</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ratings are determined by reference to a recognized agency and apply at the time of purchase.</td>
</tr>
<tr>
<td></td>
<td>All cash equivalents shall be rated R-1 (low) or better (using DBRS or its equivalent).</td>
</tr>
<tr>
<td></td>
<td>Investments in bank deposits and short-term government and commercial paper shall be limited to maturities of one year or less.</td>
</tr>
</tbody>
</table>

| Key risks              | The principal risks are associated with interest rate and credit risks, and the fund is suitable for investors who have a low tolerance for risk. Please see the fund’s Simplified Prospectus for details. |

| Currency hedging       | Unless there is a compelling foreign exchange return opportunity, the fund will hedge all foreign currency exposure. |

| Derivatives            | The fund may use derivatives, such as swaps, options, futures and forward contracts, as permitted by National Instrument 81-102: |
|                       | ▪ for hedging purposes, including to protect against fluctuations in the value of foreign currency relative to the Canadian dollar, and to offset exposures to interest rate and market indices; and |
|                       | ▪ for non-hedging purposes, including as a substitute for direct investment. |

| Securities lending     | The fund may, with six months prior notice to unitholders, enter into securities lending, repurchase and reverse repurchase transactions, as permitted by the Canadian securities regulatory authorities, to generate additional income and/or as a short-term cash management tool. |

| Distributions          | A distribution of net income is made in March, June and September. The remaining net income and net realized capital gains are distributed in December. |
|                       | We automatically reinvest all distributions in additional units of the fund unless explicitly instructed to distribute in cash. |

| Custodian & Trustee    | RBC Investor Services Trust |

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**Disclosures**

The full name of this fund is “Phillips, Hager & North Bond Fund”. This document is confidential and has been provided by Phillips, Hager & North Investment Management (PH&N IM) for information purposes only and may not be reproduced, distributed or published without the written consent of PH&N IM. It is not intended to provide professional advice and should not be relied upon in that regard.

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Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the fund’s prospectus before investing. Mutual funds are not covered by the Canada Deposit Insurance Corporation or by any other government deposit insurer. The unit values of non-money market funds change frequently. For money market funds, there can be no assurances that the fund will be able to maintain its net asset value per unit at a constant amount or that the full amount of your investment in the fund will be returned to you. Past performance may not be repeated.

Investment objectives may only be changed as permitted under the Master Trust Agreement for the fund. Investment guidelines and strategies of the fund must always be consistent with the fund’s investment objectives and may be adjusted over time without prior notice.

Phillips, Hager & North Investment Management is a division of RBC Global Asset Management Inc. (RBC GAM Inc.), an indirect, wholly-owned subsidiary of Royal Bank of Canada. RBC GAM Inc. is the manager and principal portfolio adviser of the PH&N Funds. ©/™ Trademark(s) of Royal Bank of Canada. Used under licence.

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BEUTEL GOODMAN CANADIAN EQUITY FUND

STATEMENT OF INVESTMENT POLICIES & GUIDELINES

EFFECTIVE August 13, 2014

Replaces policy of February 8, 2012
Purpose

This Statement of Investment Policies & Guidelines formalizes the investment principles and constraints through which assets will be managed in the Beutel Goodman Canadian Equity Fund (the “Fund”).

This Statement may be adjusted or modified at the sole discretion of Beutel, Goodman & Company Ltd. (“Beutel Goodman”). Material changes will be communicated to affected parties.

Fund Objectives

The objective of the Fund is to maximize returns through capital enhancement and investment income.

Securities Eligible for Investment

The Fund may invest in any or all of the following securities.

1. Cash.

2. Short-term investments having a term to maturity not exceeding 1 year including Federal and Provincial Government and Government guaranteed securities, deposit receipts of Canadian chartered banks and commercial paper.

3. Common stocks, instalment receipts, trust units, convertible debentures or preferred securities.

4. Warrants, options, rights, financial futures or other derivative securities.
Diversification & Quality Standards

The diversification of the Fund, based on market values, will be as follows:

<table>
<thead>
<tr>
<th></th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash &amp; Short-term</td>
<td>0%</td>
<td>15%</td>
</tr>
<tr>
<td>Equities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Canadian Equities</td>
<td>85%</td>
<td>100%</td>
</tr>
<tr>
<td>Large Cap Equities</td>
<td>75%</td>
<td>100%</td>
</tr>
<tr>
<td>Small Cap Equities</td>
<td>0%</td>
<td>20%</td>
</tr>
</tbody>
</table>

1. Short-term securities will have a minimum rating of A or R1 Low.
2. Not more than 30% of the short-term securities will be invested at the minimum rating.
3. There will be a minimum of 20 and a maximum of 45 equity issues of large cap Canadian issuers held in the portfolio.
4. Not more than 10% of the market value of the portfolio will be held in the securities of a single corporation.
5. Industry sector holdings will not exceed the index weight plus 10 percentage points.

Loans of Cash or Securities

Other than by investment in eligible debt instruments as described previously, no loans of cash are intended.

Loans of securities of the Fund will not be undertaken by Beutel Goodman.

Conflicts of Interest

A conflict of interest is any situation in which the personal interests of the investment manager or any directly related party are, or may appear to be in, conflict with his/her duties as the investment manager of the portfolio.

Should such a situation arise the party in question will advise a senior officer of Beutel Goodman who will take appropriate action. The party will abstain from decision making with respect to
the subject matter until determined otherwise by a unanimous decision of the management committee of Beutel Goodman.

**Voting Rights**

Beutel Goodman will assume full responsibility for exercising voting rights acquired through investments, at all times acting prudently and solely in the interests of the client.

Beutel Goodman shall communicate to clients any voting action taken which it may deem to be of significant financial or ethical interest to the client.

**Reporting**

Beutel Goodman will report to clients on a calendar quarter basis, information which will permit an assessment of the performance and status of the Fund including:

1. The investment performance of the Fund for the period under review.
2. The current economic and capital market environment and the investment strategies pursued by the manager.
3. Portfolio transactions during the period under review.
4. Portfolio holdings.

**Benchmark**

The performance of the Fund is compared to that of the S&P/TSX Composite Index.
INVESTMENT MANDATE

FIDELITY CANADIAN CORE EQUITY INSTITUTIONAL TRUST

I. INVESTMENT OBJECTIVE

The Trust's investment objective is to seek long-term capital appreciation by investing in a diversified portfolio of Canadian equities.

II. INVESTMENT GUIDELINES

The Manager will follow an active management style. The primary emphasis will be on providing excess return relative to the S&P/TSX Capped Composite Index (the "Index") through individual stock selection, while maintaining similar style characteristics (i.e., no consistent growth or value bias) and sector weights as the Index.

The Manager may invest across all market capitalizations (small-, mid- and large-cap issuers).

The Manager may invest in all types of equity securities including, without limitation, common, preferred and other capital stock, rights, REITs, debt securities that are convertible into equity securities and depository receipts for these securities.

The Manager may also invest in money market securities for funds awaiting reinvestment.

The Trust may engage in reverse repurchase transactions for the purpose of earning interest on cash balances. In a reverse repurchase transaction, the Trust buys a security at one price from a party and agrees to sell the same security back to the same party at a higher price at a specific future date. The other party in a reverse repurchase transaction is required to put up collateral of not less than 102% of the market value of the purchase price paid by the Trust. The value of the collateral is checked according to the term of the repurchase agreement.

The Manager may also buy and sell futures contracts, index options and other index-linked derivatives in order to maintain a fully invested position while at the same time accommodating liquidity requirements. When required, the Investment manager may also invest in Canadian treasury bills to be posted as collateral for the derivatives.

The Investment Manager may also buy and sell exchange-traded funds in order to maintain a fully invested position while at the same time accommodating liquidity requirements.
III. INVESTMENT RESTRICTIONS

The Trust will comply with the investment restrictions applicable under Pension Legislation.

The Trust will be managed to ensure that units of the Trust will be Canadian content for registered plans under the *Income Tax Act* (Canada).

The Trust will invest only in securities of Canadian issuers.

The Trust will not engage in securities lending or repurchase transactions (excluding reverse repurchase transactions).

Except during the initial investment phase of the Trust and during the liquidation of the Trust, the Manager will comply with the following investment restrictions, which apply at the time of purchase of the securities:

The purchase of securities of any issuer will be limited so that no more than 10% of the Trust’s net assets, measured at market value, is invested in the securities of such issuer.

The purchase of securities of any issuer will be limited so that the Trust will not hold 10% or more of any class of securities of such issuer.

Except during the initial investment phase of the Trust and during the liquidation of the Trust, the Investment Manager will also comply with the following investment restrictions, which apply on an ongoing basis:

Investments in any one sector of the Index, as categorized by Standard and Poor’s Global Industry Classification System, will be limited to the Maximum Sector Percentage of the Trust’s net assets, measured at market value.¹ The “Maximum Sector Percentage” is the percentage that is ±2 percentage points from the sector weight in the Index.

No more than 5% of the Trust’s net assets, measured at market value, will be cash, other than on a short-term basis to facilitate settlement of transactions or to accommodate portfolio rebalancing.

¹ The Manager may, from time to time, passively breach this restriction. In such instances, the Manager will, on a monthly basis, use its best efforts to rebalance the Trust’s investments so that it complies with this restriction on the last business day of each month.
Before you invest, you may want to review the Portfolio’s Prospectus, which contains more information about the Portfolio and its risks. You can find the Portfolio’s Prospectus and other information about the Portfolio, including the Statement of Additional Information (SAI) and most recent reports to shareholders, when available, online at https://us.dimensional.com/fund-documents. You can also get this information at no cost by calling collect to (512) 306-7400 or by sending an e-mail request to document_requests@dimensional.com. The Portfolio’s Prospectus and SAI, both dated February 28, 2017, as may be supplemented, are incorporated by reference into this Summary Prospectus.
Investment Objective
The investment objective of the U.S. Core Equity 2 Portfolio is to achieve long-term capital appreciation.

Fees and Expenses of the Portfolio
This table describes the fees and expenses you may pay if you buy and hold shares of the U.S. Core Equity 2 Portfolio.

<table>
<thead>
<tr>
<th>Shareholder Fees (fees paid directly from your investment): None</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Fund Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)</td>
</tr>
<tr>
<td>Management Fee</td>
</tr>
<tr>
<td>Other Expenses</td>
</tr>
<tr>
<td>Total Annual Fund Operating Expenses</td>
</tr>
</tbody>
</table>

EXAMPLE
This Example is meant to help you compare the cost of investing in the U.S. Core Equity 2 Portfolio with the cost of investing in other mutual funds. The Example assumes that you invest $10,000 in the Portfolio for the time periods indicated. The Example also assumes that your investment has a 5% return each year and that the Portfolio’s operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

<table>
<thead>
<tr>
<th></th>
<th>1 Year</th>
<th>3 Years</th>
<th>5 Years</th>
<th>10 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$23</td>
<td>$71</td>
<td>$124</td>
<td>$280</td>
</tr>
</tbody>
</table>

PORTFOLIO TURNOVER
The U.S. Core Equity 2 Portfolio pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover may indicate higher transaction costs and may result in higher taxes when Portfolio shares are held in a taxable account. These costs, which are not reflected in Annual Fund Operating Expenses or in the Example, affect the U.S. Core Equity 2 Portfolio’s performance. During the most recent fiscal year, the U.S. Core Equity 2 Portfolio’s portfolio turnover rate was 4% of the average value of its investment portfolio.
Principal Investment Strategies

The U.S. Core Equity 2 Portfolio purchases a broad and diverse group of securities of U.S. companies with a greater emphasis on small capitalization and value companies as compared to their representation in the U.S. Universe. Dimensional Fund Advisors LP (the “Advisor”) generally defines the U.S. Universe as a market capitalization weighted portfolio of U.S. operating companies listed on the New York Stock Exchange (“NYSE”), NYSE MKT LLC, Nasdaq Global Market®, Nasdaq Capital Market®, or such other securities exchanges deemed appropriate by the Advisor. The Portfolio’s increased exposure to small and value companies may be achieved by decreasing the allocation of the Portfolio’s assets to the largest U.S. growth companies relative to their weight in the U.S. Universe, which would result in a greater weight allocation to small capitalization and value companies. An equity issuer is considered a growth company primarily because it has a low book value, that is not negative, in relation to its market capitalization. Securities are considered value stocks primarily because a company’s shares have a high book value in relation to their market value.

As a non-fundamental policy, under normal circumstances, U.S. Core Equity 2 Portfolio will invest at least 80% of its net assets in equity securities of U.S. companies. The percentage allocation of the assets of the U.S. Core Equity 2 Portfolio to securities of the largest U.S. growth companies as defined above will generally be reduced from between 5% and 35% of their percentage weight in the U.S. Universe. For example, as of December 31, 2016, securities of the largest U.S. growth companies comprised 31% of the U.S. Universe and the Advisor allocated approximately 15% of the U.S. Core Equity 2 Portfolio to securities of the largest U.S. growth companies. The percentage by which the U.S. Core Equity 2 Portfolio’s allocation to securities of the largest U.S. growth companies is reduced will change due to market movements. The Advisor may also adjust the representation in the U.S. Core Equity 2 Portfolio of an eligible company, or exclude a company, after considering such factors as free float, momentum, trading strategies, liquidity, profitability, and other factors that the Advisor determines to be appropriate, given market conditions. In assessing profitability, the Advisor may consider different ratios, such as that of earnings or profits from operations relative to book value or assets.

The U.S. Core Equity 2 Portfolio also may purchase or sell futures contracts and options on futures contracts for U.S. equity securities and indices, to adjust market exposure based on actual or expected cash inflows to or outflows from the Portfolio. The Portfolio does not intend to sell futures contracts to establish short positions in individual securities or to use derivatives for purposes of speculation or leveraging investment returns.

The U.S. Core Equity 2 Portfolio may lend its portfolio securities to generate additional income.
Principal Risks

Because the value of your investment in the Portfolio will fluctuate, there is the risk that you will lose money. The following is a description of principal risks of investing in the Portfolio.

**Equity Market Risk:** Even a long-term investment approach cannot guarantee a profit. Economic, market, political, and issuer-specific conditions and events will cause the value of equity securities, and the Portfolio that owns them, to rise or fall. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices.

**Small Company Risk:** Securities of small companies are often less liquid than those of large companies and this could make it difficult to sell a small company security at a desired time or price. As a result, small company stocks may fluctuate relatively more in price. In general, smaller capitalization companies are also more vulnerable than larger companies to adverse business or economic developments and they may have more limited resources.

**Value Investment Risk:** Value stocks may perform differently from the market as a whole and following a value-oriented investment strategy may cause the Portfolio to at times underperform equity funds that use other investment strategies.

**Derivatives Risk:** Derivatives are instruments, such as futures contracts, whose value is derived from that of other assets, rates or indices. The use of derivatives for non-hedging purposes may be considered to carry more risk than other types of investments. When the U.S. Core Equity 2 Portfolio uses derivatives, the Portfolio will be directly exposed to the risks of those derivatives. Derivative instruments are subject to a number of risks including counterparty, liquidity, interest rate, market, credit and management risks, and the risk of improper valuation. Changes in the value of a derivative may not correlate perfectly with the underlying asset, rate or index, and the Portfolio could lose more than the principal amount invested.

**Securities Lending Risk:** Securities lending involves the risk that the borrower may fail to return the securities in a timely manner or at all. As a result, the U.S. Core Equity 2 Portfolio may lose money and there may be a delay in recovering the loaned securities. The U.S. Core Equity 2 Portfolio could also lose money if it does not recover the securities and/or the value of the collateral falls, including the value of investments made with cash collateral. Securities lending also may have certain adverse tax consequences.

**Cyber Security Risk:** The U.S. Core Equity 2 Portfolio’s and its service providers’ use of internet, technology and information systems may expose the Portfolio to potential risks linked to cyber security breaches of those technological or information systems. Cyber security breaches, amongst other things, could allow an unauthorized party to gain access to proprietary information, customer data, or
fund assets, or cause the Portfolio and/or its service providers to suffer data corruption or lose operational functionality.

Performance

The bar chart and table immediately following illustrate the variability of the U.S. Core Equity 2 Portfolio’s returns and are meant to provide some indication of the risks of investing in the Portfolio. The bar chart shows the changes in the U.S. Core Equity 2 Portfolio’s performance from year to year. The table illustrates how annualized one year, five year and ten year returns, both before and after taxes, compare with those of a broad measure of market performance. The U.S. Core Equity 2 Portfolio’s past performance (before and after taxes) is not an indication of future results. Updated performance information for the Portfolio can be obtained by visiting http://us.dimensional.com.

The after-tax returns presented in the table for the U.S. Core Equity 2 Portfolio are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor’s tax situation and may differ from those shown in the table. In addition, the after-tax returns shown are not relevant to investors who hold shares of the Portfolio through tax-advantaged arrangements, such as 401(k) plans or individual retirement accounts.

### U.S. Core Equity 2 Portfolio Institutional Class Shares—Total Returns

<table>
<thead>
<tr>
<th>Year</th>
<th>Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>-36.86%</td>
</tr>
<tr>
<td>2008</td>
<td>0.51%</td>
</tr>
<tr>
<td>2009</td>
<td>-2.09%</td>
</tr>
<tr>
<td>2010</td>
<td>21.81%</td>
</tr>
<tr>
<td>2011</td>
<td>-2.09%</td>
</tr>
<tr>
<td>2012</td>
<td>18.08%</td>
</tr>
<tr>
<td>2013</td>
<td>37.76%</td>
</tr>
<tr>
<td>2014</td>
<td>9.32%</td>
</tr>
<tr>
<td>2015</td>
<td>-3.07%</td>
</tr>
<tr>
<td>2016</td>
<td>16.58%</td>
</tr>
</tbody>
</table>

**January 2007-December 2016**

- **Highest Quarter**: 19.26% (4/09–6/09)
- **Lowest Quarter**: -24.17% (10/08–12/08)
Annualized Returns (%)  
Periods ending December 31, 2016

<table>
<thead>
<tr>
<th></th>
<th>1 Year</th>
<th>5 Years</th>
<th>10 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>U.S. Core Equity 2 Portfolio</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Return Before Taxes</td>
<td>16.58%</td>
<td>14.98%</td>
<td>6.98%</td>
</tr>
<tr>
<td>Return After Taxes on Distributions</td>
<td>15.88%</td>
<td>14.28%</td>
<td>6.50%</td>
</tr>
<tr>
<td>Return After Taxes on Distributions and Sale of Portfolio Shares</td>
<td>9.84%</td>
<td>11.98%</td>
<td>5.57%</td>
</tr>
<tr>
<td><strong>Russell 3000® Index</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(reflects no deduction for fees, expenses, or taxes)</td>
<td>12.74%</td>
<td>14.67%</td>
<td>7.07%</td>
</tr>
</tbody>
</table>

Investment Advisor/Portfolio Management

Dimensional Fund Advisors LP serves as the investment advisor for the U.S. Core Equity 2 Portfolio. The following individuals are responsible for coordinating the day to day management of the U.S. Core Equity 2 Portfolio:

- **Joseph H. Chi**, Senior Portfolio Manager and Vice President of the Advisor, has been a portfolio manager since 2005.
- **Jed S. Fogdall**, Senior Portfolio Manager and Vice President of the Advisor, has been a portfolio manager since 2004.
- **Lukas J. Smart**, Senior Portfolio Manager and Vice President of the Advisor, has been a portfolio manager since 2010.

Purchase and Redemption of Fund Shares

Investors may purchase or redeem shares of the U.S. Core Equity 2 Portfolio on each day that the NYSE is scheduled to be open for business by first contacting the Portfolio’s transfer agent at (888) 576-1167. Shareholders that invest in the U.S. Core Equity 2 Portfolio through a financial intermediary should contact their financial intermediary regarding purchase and redemption procedures. The U.S. Core Equity 2 Portfolio generally is available for investment only by institutional clients, clients of registered investment advisors, clients of financial institutions and a limited number of certain other investors as approved from time to time by the Advisor. All investments are subject to approval of the Advisor.

Tax Information

The dividends and distributions you receive from the U.S. Core Equity 2 Portfolio are taxable and generally will be taxed as ordinary income, capital gains, or some combination of both, unless you are investing through a tax-advantaged
arrangement, such as a 401(k) plan or an individual retirement account, in which case distributions generally will be taxed as ordinary income when withdrawn from the plan or account.

Payments to Financial Intermediaries

If you purchase the Portfolio through a broker-dealer or other financial intermediary (such as a bank), the Portfolio and its related companies may pay the intermediary for the sale of the Portfolio shares and related services. These payments may create a conflict of interest by influencing the financial intermediary to recommend the Portfolio over another investment. Ask your financial advisor or visit your financial intermediary’s website for more information.
Investment Policy

Fiera International Equity Fund
Fiera International Equity Fund

(the Fund)

Investment Policy

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5. ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) CONSIDERATIONS ................ 3
1. INVESTMENT AND PERFORMANCE OBJECTIVES

1.1 Investment objective

The fundamental investment objective of the Fund is to provide total long term returns through both capital appreciation and distribution income. To attain this objective, the Fund will invest mainly in a well-diversified portfolio (the “Portfolio”) of established companies across world markets, generally excluding North America.

1.2 Performance objective

The Fund seeks to generate a total return of 2.00% higher than the Morgan Stanley Capital International (“MSCI”) EAFE Index, on an annualized basis, cap-weighted, with net dividends reinvested, and measured in Canadian Dollars, over four-year moving periods.

1.3 Target allocation

The target allocation of the portfolio is as follows:

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Minimum</th>
<th>Target</th>
<th>Maximum</th>
<th>Reference Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and money market</td>
<td>0%</td>
<td>0%</td>
<td>10%</td>
<td>—</td>
</tr>
<tr>
<td>Equities</td>
<td>90%</td>
<td>100%</td>
<td>100%</td>
<td>MSCI EAFE Index</td>
</tr>
</tbody>
</table>

2. AUTHORIZED INVESTMENTS

Only the investments stated below are permitted, in accordance with the constraints specified for each asset class. All constraints are based on market value unless otherwise specified.

2.1 Cash and money market

- Permitted securities: cash, demand deposits, treasury bills, banker’s acceptance, guaranteed investment certificates and government paper.
- The maturity for permitted securities must not exceed one year.
- A maximum of 2% of the value of the Fund shall be invested per issuer excluding, Canadian government issuers, developed market government issuers, and overnight term deposits.
- All corporate securities must have a minimum credit rating of R-1 Low by the DBRS rating agency or equivalent.
2.2 International equities

- Permitted securities: Common stocks, subscription rights or warrants, participation units, Income trust, Global Depositary Receipt (GDR), American Depository Receipts (ADR) and other securities with equity characteristics. In the case of rights and warrants, the underlying securities must be listed on recognized stock exchanges.

- The Fund’s equity portfolio must include at least twenty-five (25) securities and a maximum of forty-five (45) securities.

- A maximum of 10% of the market value of the Fund shall be invested per issuer.

- The Fund shall be invested in at least 6 sectors of the Reference Index, as defined by the Global Industry Classification Standard (GICS).

- The market value invested in each sector is limited to +/-20% of the sector’s weight within the MSCI EAFE Index.

- A maximum of 20% of the value of the Fund may be invested in securities from Emerging markets.

2.3 Derivatives instruments

Futures and forwards are permitted on currencies for hedging or risk management purposes. Forwards may only be employed if the Fund is qualified as a mutual fund trust.

2.4 Pooled funds

- The Fund may invest in, or enter into derivative transactions for which the underlying interest is based on, securities of pooled investment vehicles such as mutual funds or pooled funds (open-end or closed-end) managed by Fiera Capital Corporation (“Fiera Capital”) or one of its associates or affiliates (the “Fiera Funds”).

- The Fund has not dedicated any fixed percentage of its assets to investing in Fiera Funds. Instead, these investments will be made at the Fund manager’s discretion from time to time and could range from none to all of the Fund’s assets at any point of time.

- The Fund will invest in Fiera Funds only when it is consistent with the investment objective stated in section 1.1 above and this Investment Policy. When a decision is made to invest the Fund’s assets in Fiera Funds, the Fund manager selects the Fiera Funds by assessing various criteria including their suitability for the Fund, management style, investment performance, risk and volatility.

3. INVESTMENT RESTRICTIONS

- The Fund shall not borrow or use the assets of the fund as a loan guarantee. However, the Fund may originate an unexpected short-term overdraft when available cash is insufficient to cover a purchase or Fund redemption.

- Margin purchases and short sales are prohibited.
4. SECURITIES LENDING

The Fund may conclude written securities lending agreements with the Fund's securities custodian. Collateral equal to no less than 102% of the market value of the loaned securities, evaluated on the basis of the daily market price, shall be maintained in liquid securities. This percentage may vary according to the applicable legal or contractual requirements. Income from securities lending is shared between the Fund and its custodian.

5. ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) CONSIDERATIONS

Environmental, social and governance (ESG) factors are integrated into the fundamental investment decision-making process of the Fund. Fiera Capital is of the view that well-managed companies are generally those that demonstrate high ethical and environmental standards and respect for their employees, for human rights and for the communities in which they do business. These factors are taken into consideration in our fundamental analysis of the investments.

Fiera Capital’s Proxy Voting Guidelines document is a key element of its integration of ESG factors in the investment process. Consistent with its proxy voting guidelines, Fiera Capital will exercise its voting rights in order to maintain the highest standard of corporate governance, sustainability of the business and practices of the companies whose shares Fiera Capital holds.

APPROVAL

This amended and restated Investment Policy is hereby approved and effective as of July 4th, 2016.

FIERA CAPITAL CORPORATION

Per: ____________________________
Name: Sylvain Roy
Title: President and Chief Operating Officer, Canadian division

Per: ____________________________
Name: Jean-Philippe Lemay
Title: Chief Investment Officer

This document is intended for information purposes only, and your investment decisions should not rely on the information herein provided. The investment objective should not be construed as a guarantee of return or return objective. This document is not and should not be construed as a solicitation or offer of units of any fund or other security in any jurisdiction. No part of this publication may be reproduced in any manner without the prior written permission of Fiera Capital Corporation.
BlackRock CDN MSCI ACWI ex-Canada Index Fund Profile

<table>
<thead>
<tr>
<th>Fund Information</th>
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</thead>
<tbody>
<tr>
<td><strong>Effective date of profile</strong></td>
</tr>
<tr>
<td><strong>BlackRock fund number</strong></td>
</tr>
<tr>
<td><strong>Fund inception</strong></td>
</tr>
<tr>
<td><strong>BlackRock ticker symbol</strong></td>
</tr>
<tr>
<td><strong>Tax status</strong></td>
</tr>
<tr>
<td><strong>Eligible investors</strong></td>
</tr>
<tr>
<td><strong>Valuation and trading frequency</strong></td>
</tr>
<tr>
<td><strong>Notification deadline</strong></td>
</tr>
<tr>
<td><strong>Settlement date</strong></td>
</tr>
<tr>
<td><strong>Transaction costs</strong></td>
</tr>
<tr>
<td><strong>Expenses paid by fund</strong></td>
</tr>
<tr>
<td><strong>Income distribution frequency</strong></td>
</tr>
<tr>
<td><strong>Gains distribution frequency</strong></td>
</tr>
<tr>
<td><strong>Securities lending</strong></td>
</tr>
<tr>
<td><strong>Proxy voting</strong></td>
</tr>
<tr>
<td><strong>Minimum contribution</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Investment Guidelines</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Investment objective</strong></td>
</tr>
<tr>
<td><strong>Benchmark</strong></td>
</tr>
<tr>
<td><strong>Expected return versus benchmark</strong></td>
</tr>
<tr>
<td><strong>Expected tracking</strong></td>
</tr>
<tr>
<td><strong>Investments</strong></td>
</tr>
<tr>
<td><strong>Cash and money market</strong></td>
</tr>
<tr>
<td><strong>Credit quality for money market</strong></td>
</tr>
<tr>
<td><strong>Credit quality for bonds</strong></td>
</tr>
<tr>
<td><strong>Currency exposure</strong></td>
</tr>
<tr>
<td><strong>Sector weights</strong></td>
</tr>
<tr>
<td><strong>Security weights</strong></td>
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<tr>
<td><strong>Use of derivatives</strong></td>
</tr>
<tr>
<td><strong>Use of leverage</strong></td>
</tr>
</tbody>
</table>

This publication is intended for accredited investors in Canada only. The information and opinions herein are provided for informational purposes only, are subject to change, and should not be relied upon as the basis for your investment decisions. The above criteria are based on expectations only and are not a guarantee of future results. Deviations caused by market fluctuations are brought within guidelines as soon as practicable, unless otherwise noted. This document is not and should not be construed as a solicitation or offering of units of any fund or other security in any jurisdiction. No part of this publication may be reproduced in any manner without the prior written permission of BlackRock Asset Management Canada Limited.

©2015 BlackRock Asset Management Canada Limited. All rights reserved. BlackRock is a registered trademark of BlackRock, Inc. Used with permission.
The Fund: Acadian Emerging Markets Alpha Plus Fund Trust (the “Fund”) is an investment fund established as a trust by Acadian Asset Management LLC (the “Manager”) under the laws of the Province of Ontario pursuant to a master declaration of trust dated September 15, 2014 (the “Declaration of Trust”). The office of the Manager is 260 Franklin Street, Boston, Massachusetts 02110, United States of America.

The Manager: The Manager is a limited liability company formed under the laws of the State of Delaware, United States of America. In addition to managing the day-to-day business and affairs of the Fund, it is the responsibility of the Manager to make investment decisions on behalf of the Fund, to assist in the marketing of the Fund, and to act as a distributor of Units not otherwise sold through another registered dealer. The Manager will receive fees for its services, as set out below.

The Manager is a Boston-headquartered investment management firm that is registered with the U.S. Securities and Exchange Commission as an investment adviser that, along with its wholly-owned Singapore and U.K. affiliates, specializes in the active investment management of global and international equity strategies.

In Canada, the Manager is registered as a portfolio manager and exempt market dealer in Ontario, Alberta, British Columbia, Manitoba, New Brunswick, Nova Scotia, Québec and Saskatchewan.

The Manager is a subsidiary of OMAM Affiliate Holdings LLC, which is an indirectly wholly owned subsidiary of Old Mutual plc, a publicly listed company on the NYSE. The Manager operates as a single independent entity and exercises complete discretion over its investment philosophy, people and process.

The Trustee and Custodian: CIBC Mellon Trust Company (the “Trustee”), a trust company existing under the laws of Canada, acts as trustee of the Fund. The Trustee is entitled to receive an annual fee for its services, which shall be paid by the Fund. The amount of this annual fee shall be as agreed from time to time in writing between the Trustee and the Manager. In the absence of agreement, the Trustee shall be entitled to its usual and reasonable fees for such services.

Investment Objectives and Strategies The investment objective of the Fund is to achieve a volatility level less than the emerging markets equity market (as defined by the MSCI Emerging Markets Index) while providing above-market returns over full market cycles.
The Fund’s performance benchmark is MSCI Emerging Markets Index, measured in CAD. On behalf of the Fund, the Manager will employ investment frameworks to identify investment opportunities. The Manager will select securities and position weights which, under prudential constraint, comprise a portfolio targeted to have lower total risk than the benchmark. Additionally, the Manager will seek to forecast which securities it expects will outperform relative to others in their country and sector, and also which country/sector zones it expects will outperform relative to the world index. The Manager will also seek to add incremental value through structured, timely and cost effective trading strategies.

The Fund will principally invest in common stocks traded on equity markets. The Fund may also be invested in (i) preferred shares, securities convertible into other equities, depository receipts, and other equity securities, (ii) limited partnerships, REITS, units, unit trusts, rights and warrants, (iii) all securities and security types included in the MSCI Emerging Markets Index, (iv) forward currency contracts for the purpose of hedging currency fluctuations during settlement (v) total return swaps, and (vi) equity index swaps and equity index futures (up to 10% of the portfolio value measured at the time of investment) to help gain exposure to selected equity markets in a cost-efficient manner. The Fund may engage in defensive hedging of currency exposure up to the full portfolio value to reduce portfolio risk. The Fund will not: (i) purchase securities on margin, (ii) sell securities or other assets short or enter into similar transactions (other than for the purpose of hedging currency exposure or managing duration), (iii) use derivatives other than those specified above, (iv) leverage the portfolio, (v) borrow money, (vi) pledge or otherwise encumber any of the Fund’s assets, except in connection with non-borrowing transactions; or (vii) accept cash as collateral from a counterparty in connection with any transaction.

The Fund will generally hold 5% cash or less. The limit may occasionally be exceeded due to contributions, withdrawals, or other special circumstances. Permitted investments for cash management include cash equivalents such as commercial paper, repurchase agreements, and short-term treasuries.

Countries included in the MSCI Emerging Markets Index at time of purchase are permissible investment markets for the Fund. In addition, investments in other countries may be made on an opportunistic basis up to 10% (in the aggregate) of portfolio value measured at the time of purchase.

The holdings of any one issuer (measured at the time of purchase) will generally not exceed 5% of the total portfolio value or twice the MSCI Emerging Markets benchmark weight for that issuer, whichever is larger, or 10% of the Fund, using market values, going forward. Investments in securities of any issuer shall not exceed 10% of the outstanding voting shares of such issuer. The Fund shall not acquire, directly or indirectly, securities of a corporation (including any Special Investment Vehicle) to which are attached more than 30% of the votes that maybe cast to elect the directors of such corporation (the "Threshold Amount"). Forward currency positions and
securities issued by sovereign governments are excluded from the foregoing restriction.

The Fund may engage in securities lending from time to time. Securities shall be lent pursuant to agreements requiring that the loans be continuously secured by collateral at least equal at all times to 100% of the market value of the securities subject to the loan. Cash held as collateral shall be invested pursuant to investment guidelines approved by the Manager. The Fund may enter into tri-party collateral agreements whereby a designated custodian bank will stand between the Fund and the dealer counterparty and physically control the securities offered by the dealer as collateral.

The Offering:

An unlimited number of beneficial interests in the Fund, referred to as units (the “Units”), are offered hereby (the “Offering”). Investors in the Fund are referred to as “Unitholders”.

The Units are being distributed only pursuant to available prospectus exemptions in Ontario, Quebec, British Columbia, Alberta, Saskatchewan, Manitoba, New Brunswick and Nova Scotia to investors who are (a) accredited investors under National Instrument 45-106 Prospectus Exemptions (“NI 45-106”), and (b) exempt from tax under Part I of the Income Tax Act (Canada).

This Offering may be suspended at any time and from time to time.

Minimum Individual Subscription:

Unless waived, the minimum initial capital contribution by a Unitholder is C$1,000,000. After the initial investment, additional capital contributions in minimum amounts of C$50,000 may be accepted. The Manager reserves the right, in its sole discretion, to accept subscriptions for lower amounts.

At the time of making each additional investment, each investor will be deemed to have repeated and confirmed to the Manager the covenants and representations contained in the subscription agreement delivered by the investor to the Manager at the time of the initial investment (the “Subscription Agreement”), unless a new Subscription Agreement is executed.

Subscriptions:

A Unitholder may subscribe for Units on any Valuation Date or on such other date as the Manager may permit (each, a “Subscription Date”) pursuant to written notice that must be received by the Manager at least 15 days prior to the applicable Subscription Date (or such other notice period as determined by the Manager) (such date, the “Subscription Notice Date”). A “Valuation Date” means any Business Day and such other day or dates on which the Manager from time to time determines that a calculation of net asset value (“Net Asset Value”) is appropriate for any purpose. A “Business Day” means any day or part of a day on which the Toronto Stock Exchange is held open for business.

The Manager reserves the right to reject any subscription in whole or in part.
Subscriptions for Units must be made by completing and executing the Subscription Agreement and by forwarding same to the Manager by the Subscription Notice Date.

Once the Subscription Agreement is approved by the Manager, a funds transfer and/or in specie transfer representing payment of the subscription price must be received by CIBC Mellon Global Securities Services Company (the “Administrator”) no later than 12:00 p.m. (Toronto time) on the 3rd Business Day after the relevant Subscription Date in order for the subscription to be accepted as at that Subscription Date; otherwise the subscription will be processed as at the next Subscription Date.

**Subscription Price:** On the first closing, Units will be issued at a price per Unit of C$10.00. On each subsequent Subscription Date, Units will be issued at the applicable Net Asset Value per Unit, as calculated on the Valuation Date coincident with such Subscription Date.

**Acquisition Charges:** There is no commission or fee payable to the Manager by an investor upon the purchase of Units.

**Redemptions:** A Unitholder may surrender Units for redemption on any Valuation Date or on such other date as the Manager may permit (each, a “Redemption Date”) pursuant to written notice that must be received by the Manager at least 15 days prior to the applicable Redemption Date (or such other notice period as determined by the Manager). The redemption price shall equal the Net Asset Value per Unit of the Units being redeemed, as calculated on the Valuation Date coincident with such Redemption Date, minus any (i) redemption deductions or fees, (ii) accrued and unpaid Management Fees (as defined below) and/or (iii) other administrative fees and expenses, all as applicable, as outlined below.

If Units are tendered for redemption within 180 days of purchase, an early redemption deduction (the “Early Redemption Deduction”) of up to 2.5% of the Net Asset Value of such Units will be deducted from redemption proceeds otherwise payable to the Unitholder. The Early Redemption Deduction will be retained by the Fund and is at the sole discretion of the Manager.

If Units are tendered for redemption after 180 days of purchase, the Fund reserves the right to charge a redemption fee of up to 1% of the Net Asset Value of the Units being redeemed (the “Redemption Fee”). The Redemption Fee will be determined by the Manager in its sole discretion based on the estimated brokerage and other costs expected to be incurred by the Fund in connection with such redemption. In general, the Redemption Fee will be levied when there is insufficient cash in the Fund to cover the redemption request. The Redemption Fee will be deducted from the proceeds of redemption otherwise payable to the Unitholder and will be retained by the Fund. Any such costs not covered by the Redemption Fee will be borne by the Fund.

Redemption proceeds will be paid within 5 Business Days of the Redemption Date. The Manager reserves the right to pay all or a portion of redemption proceeds in kind rather than in cash, which would result in the Unitholder –
rather than the Fund – incurring the transactional cost, and bearing the market risk, of liquidating the portfolio assets delivered on redemption.

Redemptions may be suspended in other certain circumstances. Redemption requests as at any Redemption Date will be honoured and/or suspended on a pro rata basis, but suspended redemptions will be honoured in full before new redemption requests.

The Manager has the right to require a Unitholder to redeem some or all of the Units owned by such Unitholder on a Redemption Date at the Net Asset Value per Unit thereof, by notice in writing to the Unitholder given at least 30 days before the designated Redemption Date, which right may be exercised by the Manager in its absolute discretion.

Transfer of Units: Units may only be transferred with the consent of the Manager and transfers will generally not be permitted. The transfer of Units (which does not include a redemption of Units) is also subject to restrictions under applicable securities legislation.

Management Fees: The Manager is entitled to receive from each Unitholder an investment management fee (the “Management Fee”). The Manager will enter into a fee agreement with each Unitholder in relation to the Management Fee payable by that Unitholder (the “Fee Agreement”).

The Management Fee is based on a percentage of the average daily Net Asset Value for each month of such Unitholder’s account as outlined in the Fee Agreement. The Management Fee will be paid quarterly in arrears through a redemption of the Unitholder’s Units in the Fund or by invoice from the Manager, at the election of the Unitholder.

Management Fees payable by the Unitholder are subject to applicable taxes (such as HST). As the Management Fees are payable by the Unitholder and not the Fund, Management Fees will not be deducted as an expense of the Fund in the calculation of the Net Asset Value of the Fund.

Payment of Expenses: The Fund shall be responsible for, and the Manager and the Trustee shall be entitled to reimbursement from the Fund for, all costs and operating expenses actually incurred in connection with the business of the Fund, including but not limited to:

(i) administrative fees and expenses of the Fund, which include Trustee’s fees, accounting and legal fees, registrar and transfer agency fees and expenses, all Unitholder communication expenses, organizational and set-up expenses, the cost of maintaining the Fund’s existence and regulatory fees and expenses, and all reasonable extraordinary or non-recurring expenses;

(ii) fees and expenses relating to the Fund’s portfolio investments, including the cost of securities, interest on borrowings and commitment fees and related expenses payable to lenders and...
counterparties, brokerage fees, commissions and expenses, and banking fees; and

(iii) any taxes or other governmental levies, charges and assessments of whatever kind or nature, imposed upon or against the Trustee in connection with the Fund or the property of the Fund or upon or against the property of the Fund or any part thereof and for any of the purposes of the Fund.

**Distributions:**

The Fund will distribute at the end of each taxation year such portion of its annual net income and net realized capital gains as will result in the Fund paying no ordinary income tax under Part I of the *Income Tax Act* (Canada) (the “**Tax Act**”). Generally, it is expected that net income and net realized capital gains of the Fund will be calculated and payable to each Unitholder of record as of the close of business on the day before the last Valuation Date in each calendar year.

All such distributions made by the Fund will be automatically reinvested in additional Units of the Fund unless a Unitholder provides the Manager with a written request that the Unitholder wishes to receive distributions in cash.

**Fiscal Year End:**

The fiscal year end of the Fund is December 31.

**Term:**

The Fund does not have a fixed term. The Manager may, in its discretion, terminate the Fund at any time on a Valuation Date on 30 days’ notice to the affected Unitholders. The Fund may also be terminated at any time by resolution of the affected Unitholders passed by a majority of the votes cast at a meeting of such Unitholders called for such purpose. In the event that the Trustee becomes incapable of acting as trustee and a permanent successor trustee is not appointed by the Unitholders at a meeting, the Fund shall terminate and its assets shall be distributed in accordance with the provisions of the **Declaration of Trust**.

**Financial Reporting:**

Audited financial statements will be made available to investors within 90 days of each fiscal year end, unaudited financial statements within 60 days of the end of the first six months of each year, and a monthly report of the net asset value per Unit.

**Tax Considerations:**

Persons investing in an investment fund such as the Fund should be aware of the tax consequences of investing in, holding and/or redeeming Units. **Investors are urged to consult with their tax advisers to determine the potential tax consequences of an investment in the Fund.**

**Release of Confidential Information:**

Under applicable securities and anti-money laundering legislation, the Manager is required to collect and may be required to release confidential information about Unitholders and, if applicable, about the beneficial owners of corporate Unitholders, to regulatory or law enforcement authorities.

**Risk Factors:**

Investors should consider a number of factors in assessing the risks associated with investing in Units including those generally associated with the investment techniques used by the Manager.
Rights of Action for Damages or Rescission

In addition to and without derogation from any other right or remedy that a Unitholder may have at law, securities legislation in certain of the provinces and territories of Canada provides that a Unitholder has or must be granted rights of rescission or damages, or both, where this Term Sheet, and any amendment thereto, contains a Misrepresentation (as defined below). However, such rights must be exercised by the Unitholder within prescribed time limits.

Attached as Appendix “A” hereto is a summary of the rights of rescission or damages, or both, available to Unitholders under the securities legislation of Ontario, Saskatchewan, Manitoba, New Brunswick and Nova Scotia. The following summaries are subject to the express provisions of the relevant securities laws and regulations thereunder and reference is made thereto for the complete text of such provisions. Unitholders should refer to the applicable provisions of the securities legislation of their province of residence for the particulars of these rights or consult with a legal adviser.

As used herein, “Misrepresentation” means an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make any statement in the Term Sheet or any amendment thereto not misleading in light of the circumstances in which it was made. A “material fact” means a fact that would reasonably be expected to have a significant effect on the market price or value of the Units.

Purchase and Resale Restrictions

The Units are being offered on a private placement basis in reliance upon prospectus and registration exemptions under applicable securities legislation in each of the provinces and territories of Canada. Resale of the Units will be subject to restrictions under applicable securities legislation, which will vary depending upon the relevant jurisdiction. Generally, the Units may be resold only pursuant to an exemption from the prospectus and registration requirements of applicable securities legislation, pursuant to an exemption order granted by appropriate securities regulatory authorities or after the expiry of a hold period following the date on which the Fund becomes a reporting issuer under applicable securities legislation. It is not anticipated that the Fund will become a reporting issuer. In addition, Unitholders reselling Units may have reporting and other obligations. Accordingly, Unitholders are advised to seek legal advice with respect to such restrictions. Resale of Units is also restricted under the terms of the Declaration of Trust. Transfers will generally only be permitted in exceptional circumstances. Accordingly, each prospective investor must be prepared to bear the economic risk of the investment for an indefinite period.

Each purchaser of Units will be required to deliver to the Fund the Subscription Agreement in which such purchaser will represent to the Fund that such purchaser is entitled under applicable provincial securities laws to purchase such Units without the benefit of a prospectus qualified under such securities laws.

Non-resident Disclosure: The Manager is not registered in either Ontario or Québec to act as an investment fund manager and is relying upon an exemption from such
registration contained in Multilateral Instrument 32-102 Registration Exemptions for Non-Resident Investment Fund Managers. In addition, although the Manager is registered as a portfolio manager and exempt market dealer in Ontario, Alberta, British Columbia, Manitoba, New Brunswick, Nova Scotia, Québec and Saskatchewan, it has no place of business in any of these provinces. The Manager’s head office and principal place of business is located in Boston, U.S.A.

The names and addresses of the agents for service of process of the Manager in Canada are as follows: (1) Ontario: Borden Ladner Gervais LLP (Attention: Matthew P. Williams), Scotia Plaza, 40 King Street West, Toronto, Ontario M5H 3Y4; (2) Alberta: Borden Ladner Gervais LLP (Attention: Jonathan Doll), Centennial Place, East Tower, 1900-520 Third Avenue SW, Calgary, Alberta T2P 0R3; (3) British Columbia: Borden Ladner Gervais LLP (Attention: Shantela Blaeser), 1200 Waterfront Centre, 200 Burrard Street, P.O. Box 48600, Vancouver, B.C. V7X 1T2; (4) Manitoba: Aikins, Macaulay & Thorvaldson LLP (Attention: Richard L. Yaffe), 30th Floor - 360 Main Street, Commodity Exchange Tower, Winnipeg, Manitoba R3C 4G1; (5) New Brunswick: Cox & Palmer (Attention: Deborah Power), Suite 400, Phoenix Square, 371 Queen Street, Fredericton, New Brunswick E3B 4Y9; (6) Nova Scotia: Cox & Palmer (Attention: Daniel Gallivan, Q.C.), 1100 Purdy’s Wharf Tower One, 1959 Upper Water Street, Halifax, Nova Scotia B3J 3E5; (7) Québec : Borden Ladner Gervais LLP (Attention: Neil Hazan), 1000 de La Gauchetière Street West, Suite 900, Montréal, Québec H3B 5H4 and (8) Saskatchewan: MacPherson Leslie & Tyerman LLP (Attention: Aaron D. Runge), 1500 – 1874 Seargh Street, Regina, Saskatchewan S4P 4E9.

There may be difficulty enforcing legal rights against the Manager because all or substantially all of its assets may be situated outside of Canada.

**Trustee and Custodian:** CIBC Mellon Trust Company, Toronto, Ontario

**Legal Counsel:** Borden Ladner Gervais LLP, Toronto, Ontario

**Administrator:** CIBC Mellon Global Securities Services Company, Toronto, Ontario

**Auditors:** PricewaterhouseCoopers LLP, Toronto, Ontario and KPMG LLP, Toronto, Ontario

TOR01: 5667230: v6
APPENDIX “A”

RIGHTS OF ACTION FOR DAMAGES OR RESCISSION

Statutory Rights for Unitholders in Ontario

If this Term Sheet, together with any amendment thereto, is delivered to a Unitholder resident in Ontario and contains a Misrepresentation, that Unitholder will have, without regard to whether the Misrepresentation was relied upon by the Unitholder, a right of action against the Fund for damages or, at the election of the Unitholder, against the Fund for rescission (in which case the Unitholder will cease to have a right of action for damages), provided that:

1. no action may be commenced to enforce a right of action:
   (a) for rescission, more than 180 days after the date of the purchase; or
   (b) for damages, more than the earlier of:
       (i) 180 days after the Unitholder first had knowledge of the facts giving rise to the cause of action; and
       (ii) 3 years after the date of purchase;

2. the Fund will not be liable if it proves that the Unitholder purchased the Units with knowledge of the Misrepresentation;

3. in an action for damages, the Fund will not be liable for any portion of the damages that it proves does not represent the depreciation in value of the Units as a result of the Misrepresentation;

4. in no case shall the amount recoverable exceed the price at which the Units were sold to the Unitholder; and

5. the Fund will not be liable for a Misrepresentation in forward-looking information if the Fund proves that:
   (a) the Term Sheet contains, proximate to the forward-looking information, reasonable cautionary language identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward-looking information, and a statement of material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information; and
   (b) the Fund had a reasonable basis for drawing the conclusions or making the forecasts and projections set out in the forward-looking information.

The foregoing statutory rights do not apply if the Unitholder is:

(a) a “Canadian financial institution” (as defined in NI 45-106) or a Schedule III bank;

(b) the Business Development Bank of Canada incorporated under the Business Development
Bank of Canada Act (Canada); or

(c) a subsidiary of any person referred to in paragraphs (a) and (b) immediately above, if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary.

Statutory Rights for Unitholders in Saskatchewan

If the Term Sheet, together with any amendment thereto, is delivered to a Unitholder resident in Saskatchewan and contains a Misrepresentation that was a Misrepresentation at the time of purchase, that Unitholder will have, without regard to whether the Misrepresentation was relied upon by the Unitholder, a right for damages against the Fund, every promoter and director of the Fund (if applicable), every person or company who signed the Term Sheet (if applicable) and every person or company who sells Units on behalf of the Fund (if applicable), or, at the election of the Unitholder, against the Fund for rescission (in which case the Unitholder will cease to have a right of action for damages against any party above), provided that:

1. no action may be commenced to enforce a right of action:

   (a) for rescission, more than 180 days after the date of the transaction that gave rise to the cause of action; or

   (b) for any action other than an action for rescission, more than the earlier of:

      (i) 1 year after the Unitholder first had knowledge of the facts giving rise to the cause of action; or

      (ii) 6 years after the date of the transaction that gave rise to the cause of the action;

2. no person or company will be liable if the person or company proves that the Unitholder purchased the Units with knowledge of the Misrepresentation;

3. no person or company (other than the Fund) will be liable if the person or company proves that:

   (a) the Term Sheet was delivered without the person’s or company’s knowledge or consent and that, on becoming aware of its delivery, the person or company immediately gave reasonable general notice to the Fund that it was delivered without the person’s or company’s knowledge or consent;

   (b) on becoming aware of any Misrepresentation, the person or company withdrew the person’s or company’s consent to the Term Sheet and gave reasonable general notice to the Fund of the withdrawal and the reason for it; or

   (c) with respect to any part of the Term Sheet purporting to be made on the authority of an expert or to be a copy of, or an extract from, a report, an opinion or a statement of an expert, the person or company had no reasonable grounds to believe and did not believe that there had been a Misrepresentation, or the relevant part of the Term Sheet did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of or extract from the report, opinion or statement of the expert;

4. no person or company (other than the Fund) will be liable with respect to any part of the Term Sheet not purporting to be made on the authority of an expert, or to be a copy of or an extract from
a report, opinion or statement of an expert, unless the person or company failed to conduct a reasonable investigation sufficient to provide reasonable grounds for a belief that there had been no Misrepresentation, or believed there had been a Misrepresentation;

5. in an action for damages, no person or company will be liable for any part of the damages that the person or company proves does not represent the depreciation in value of the Units resulting from the Misrepresentation;

6. in no case shall the amount recoverable exceed the price at which the Units were sold to the Unitholder; and

7. no person or company will be liable for a Misrepresentation in forward-looking information if the person or company proves that:

   (a) the Term Sheet contains, proximate to the forward-looking information, reasonable cautionary language identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward-looking information; and a statement of the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information; and

   (b) the person or company had a reasonable basis for drawing the conclusions or making the forecasts and projections set out in the forward-looking information.

A Unitholder resident in Saskatchewan who has entered into an agreement for the purchase of Units, which has not yet been completed, and who receives an amendment to the Term Sheet that discloses: (i) a material change in the affairs of the Fund; (ii) a proposal that the terms or conditions of the offering described in the Term Sheet be altered; or (iii) securities are to be distributed that are in addition to the Units described herein, may within 2 business days of receiving the amendment deliver a notice to the Fund or agent through whom the Units are being purchased indicating the Unitholder’s intention not to be bound by the purchase agreement.

**Statutory Rights for Unitholders in Manitoba**

If the Term Sheet, together with any amendment thereto, is delivered to a Unitholder resident in Manitoba and contains a Misrepresentation, that Unitholder is deemed to have relied on the Misrepresentation and has a right of action for damages against the Fund, every director of the Fund at the date of the Term Sheet (if applicable) and every person or company who signed the Term Sheet (if applicable), or, at the election of the Unitholder, against the Fund for rescission (in which case the Unitholder will cease to have a right of action for damages against any party above), provided that:

1. no action may be commenced to enforce a right of action:

   (a) for rescission, more than 180 days after the date of the purchase; or

   (b) for damages, more than the earlier of:

      (i) 180 days after the Unitholder first had knowledge of the facts giving rise to the cause of action; or

      (ii) 2 years after the date of the purchase;
2. no person or company will be liable if the person or company proves that the Unitholder purchased the Units with knowledge of the Misrepresentation;

3. no person or company (other than the Fund) will be liable if the person or company proves that:

   (a) the Term Sheet was sent to the Unitholder without the person’s or company’s consent, and that, after becoming aware of its delivery, the person or company promptly gave reasonable notice to the Fund that it was sent without the person’s or company’s knowledge or consent;

   (b) on becoming aware of the Misrepresentation, the person or company withdrew their respective consent to the Term Sheet and gave reasonable notice to the Fund of the withdrawal and the reason for it; or

   (c) with respect to any part of the Term Sheet purporting to be made on the authority of an expert or to be a copy of, or an extract from, an expert’s report, opinion or statement, the person or company proves that they had no reasonable grounds to believe and did not believe that there had been a Misrepresentation, or the relevant part of the Term Sheet did not fairly represent the expert’s report, opinion or statement, or was not a fair copy of, or an extract from, the expert’s report or statement;

4. no person or company (other than the Fund) will be liable with respect to any part of the Term Sheet not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, an expert’s report, opinion or statement, unless the person or company did not conduct an investigation sufficient to provide reasonable grounds for a belief that there had been a Misrepresentation, or believed that there had been a Misrepresentation;

5. in an action for damages, no person or company will be liable for any part of the damages that the person or company proves does not represent the depreciation in value of the Units resulting from the Misrepresentation;

6. in no case shall the amount recoverable exceed the price at which the Units were sold to the Unitholder;

7. no person or company will be liable for a Misrepresentation in forward-looking information if the person or company proves that:

   (a) the Term Sheet contains, proximate to the forward-looking information, reasonable cautionary language identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward-looking information; and a statement of the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection; and

   (b) the person or company had a reasonable basis for drawing the conclusions or making the forecasts and projections set out in the forward-looking information; and

8. if a Misrepresentation is contained in a record incorporated by reference in, or deemed to be incorporated into, the Term Sheet, the Misrepresentation is deemed to be contained in the Term Sheet.
Statutory Rights for Unitholders in New Brunswick

If the Term Sheet, together with any amendment thereto, is delivered to a Unitholder resident in New Brunswick and contains a Misrepresentation that was a Misrepresentation at the time of purchase, that Unitholder will be deemed to have relied on the Misrepresentation and will have a right of action against the Fund for damages or, at the election of the Unitholder, against the Fund for rescission (in which case the Unitholder will cease to have a right of action for damages), provided that:

1. no action may be commenced to enforce a right of action:
   (a) for rescission, more than 180 days after the date of the purchase; or
   (b) for damages, more than the earlier of:
       (i) 1 year after the Unitholder first had knowledge of the facts giving rise to the cause of action; and
       (ii) 6 years after the date of purchase;

2. the Fund will not be liable if it proves that the Unitholder purchased the Units with knowledge of the Misrepresentation;

3. in an action for damages, the Fund will not be liable for any portion of the damages that it proves does not represent the depreciation in value of the Units as a result of the Misrepresentation relied upon;

4. in no case shall the amount recoverable exceed the price at which the Units were sold to the Unitholder;

5. the Fund will not be liable for a Misrepresentation in forward-looking information if the Fund proves that:
   (a) the Term Sheet contains, proximate to the forward-looking information, reasonable cautionary language identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward-looking information; and a statement of the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information; and
   (b) the Fund had a reasonable basis for drawing the conclusions or making the forecasts and projections set out in the forward-looking information; and

6. if a Misrepresentation is contained in a record incorporated by reference in, or deemed to be incorporated into, the Term Sheet, the Misrepresentation is deemed to be contained in the Term Sheet.

Statutory Rights for Unitholders in Nova Scotia

If the Term Sheet, together with any amendment thereto, or any advertising or sales literature (as defined in the Securities Act (Nova Scotia) (the “Nova Scotia Act”)), is delivered to a Unitholder resident in Nova Scotia and contains a Misrepresentation that was a Misrepresentation at the time of purchase, that
Unitholder will be deemed to have relied upon the Misrepresentation and will have a right of action against the Fund, every director of the Fund (if applicable) at the date of the Term Sheet and every person who signed the Term Sheet (if applicable) for damages or, at the election of the Unitholder, against the Fund for rescission (in which case the Unitholder will cease to have a right of action for damages against any party above), provided that:

1. no action may be commenced to enforce a right of action more than 120 days:
   (a) after the date on which payment was made for the Units; or
   (b) after the date on which the initial payment was made;
2. no person or company will be liable if the person or company proves that the Unitholder purchased the Units with knowledge of the Misrepresentation;
3. no person or company (other than the Fund) will be liable if the person or company proves that:
   (a) the Term Sheet was delivered to the Unitholder without the person’s or company’s knowledge or consent and that, on becoming aware of its delivery, the person or company gave reasonable general notice that it was delivered without the person’s or company’s knowledge or consent;
   (b) after delivery of the Term Sheet and before the purchase of the Units by the Unitholder, on becoming aware of any Misrepresentation in the Term Sheet, the person or company withdrew the person’s or company’s consent to the Term Sheet and gave reasonable general notice of the withdrawal and the reason for it; or
   (c) with respect to any part of the Term Sheet purporting to be made on the authority of an expert or to be a copy of, or an extract from, a report, an opinion or a statement of an expert, the person or company had no reasonable grounds to believe and did not believe that there had been a Misrepresentation, or the relevant part of the Term Sheet did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert;
4. no person or company (other than the Fund) will be liable with respect to any part of the Term Sheet not purporting to be made on the authority of an expert, or to be a copy, or an extract from, a report, opinion or statement of an expert unless the person or company:
   (a) failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no Misrepresentation;
   (b) believed that there had been a Misrepresentation;
5. in an action for damages, no person or company will be liable for any portion of the damages that the person or company proves does not represent the depreciation in value of the Units as a result of the Misrepresentation relied upon;
6. in no case will the amount recoverable in any action exceed the price at which the Units were sold to the Unitholder;
7. no person or company will be liable for a Misrepresentation in forward-looking information if the person or company proves that:
(a) the Term Sheet contains, proximate to the forward-looking information, reasonable cautionary language identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward-looking information, and a statement of material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information; and

(b) the person or company had a reasonable basis for drawing the conclusions or making the forecasts and projections set out in the forward-looking information; and

8. if a Misrepresentation is contained in a record incorporated by reference in, or deemed incorporated into, the Term Sheet, the Misrepresentation is deemed to be contained in the Term Sheet.
### BlackRock Canadian Equity Index Class D Profile

<table>
<thead>
<tr>
<th>Fund Information</th>
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<tr>
<td>Effective date of profile</td>
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<td>Fund inception</td>
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<td>BlackRock ticker symbol</td>
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<td>Tax status</td>
<td>RI QMFT s. 204.4(2)(d)</td>
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<tr>
<td>Eligible investors</td>
<td>Canadian pension plans or other accredited investors only; no non-residents</td>
</tr>
<tr>
<td>Valuation and trading frequency</td>
<td>Daily</td>
</tr>
<tr>
<td>Notification deadline</td>
<td>Trade date by 9:30 am eastern time</td>
</tr>
<tr>
<td>Settlement date</td>
<td>One Canadian business day after trade date (large redemptions T+3)</td>
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<tr>
<td>Transaction costs</td>
<td>At its sole discretion, BlackRock may allocate actual transaction costs to contributing or redeeming unitholders</td>
</tr>
<tr>
<td>Expenses paid by fund</td>
<td>Fund administration and operational expenses; licensing fees</td>
</tr>
<tr>
<td>Income distribution frequency</td>
<td>As determined at the discretion of BlackRock from time to time but at least on a semi-annual basis (June and December); reinvested in the fund</td>
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<tr>
<td>Gains distribution frequency</td>
<td>As determined at the discretion of BlackRock from time to time but at least on an annual basis (December); reinvested in the fund</td>
</tr>
<tr>
<td>Securities lending</td>
<td>Permitted</td>
</tr>
<tr>
<td>Proxy voting</td>
<td>BlackRock votes proxies on behalf of the pooled fund based on what BlackRock believes to be the best economic interests of all pooled fund participants</td>
</tr>
<tr>
<td>Minimum contribution</td>
<td>BlackRock reserves the right to implement minimum/maximum contribution amounts</td>
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</tbody>
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<th>Investment Guidelines</th>
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<td><strong>Expected tracking</strong></td>
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<td><strong>Investments</strong></td>
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<tr>
<td><strong>Credit quality for bonds</strong></td>
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This publication is intended for accredited investors in Canada only. The information and opinions herein are provided for informational purposes only, are subject to change and should not be relied upon as the basis for your investment decisions. The above criteria are based on expectations only and are not a guarantee of future results. Deviations caused by market fluctuations are brought within guidelines as soon as practicable, unless otherwise noted. This document is not and should not be construed as a solicitation or offering of units of any fund or other security in any jurisdiction. No part of this publication may be reproduced in any manner without the prior written permission of BlackRock Asset Management Canada Limited. ©2015 BlackRock Asset Management Canada Limited. All rights reserved. BlackRock is a registered trademark of BlackRock, Inc. Used with permission.
# BlackRock CDN US Equity Index Non-Taxable Class D Profile

## Fund Information

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<thead>
<tr>
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<tr>
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<td><strong>Gains distribution frequency</strong></td>
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## Investment Guidelines

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<tr>
<th><strong>Investment objective</strong></th>
<th>To track the risk and return of the benchmark</th>
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</thead>
<tbody>
<tr>
<td><strong>Benchmark</strong></td>
<td>S&amp;P 500 Index (total return)</td>
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<tr>
<td><strong>Expected return versus benchmark</strong></td>
<td>n/a</td>
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<tr>
<td><strong>Expected tracking</strong></td>
<td>0.25% annualized over four years</td>
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<tr>
<td><strong>Investments</strong></td>
<td>This fund invests primarily in US equities; this fund may also use any other investments, including exchange traded funds and pooled funds, which when included in the fund help achieve the objective of tracking the return and risk profile of the benchmark</td>
</tr>
<tr>
<td><strong>Cash and money market</strong></td>
<td>Small amounts of cash and/or money market securities (generally less than 1% unequitized) may be held for liquidity or pending investment; money market securities generally include government guaranteed paper, bankers acceptances, bankers deposits, commercial paper, asset-backed securities and floating rate notes</td>
</tr>
<tr>
<td><strong>Credit quality for money market</strong></td>
<td>Minimum of R1-low or equivalent</td>
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<tr>
<td><strong>Credit quality for bonds</strong></td>
<td>N/A</td>
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<tr>
<td><strong>Currency exposure</strong></td>
<td>Fund is unhedged and is exposed to US dollar denominated investments</td>
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<tr>
<td><strong>Sector weights</strong></td>
<td>Within benchmark weight plus/minus 0.10%</td>
</tr>
<tr>
<td><strong>Security weights</strong></td>
<td>Within benchmark weight plus/minus 0.10%</td>
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<tr>
<td><strong>Use of derivatives</strong></td>
<td>Permitted to equitize cash and to replicate securities or strategies that are consistent with the fund’s investment objective and return and risk profile</td>
</tr>
<tr>
<td><strong>Use of leverage</strong></td>
<td>Not permitted; however, minor leverage may occasionally occur due to equitization of cash</td>
</tr>
</tbody>
</table>

*Please confirm eligibility with your relationship manager*
SCHEDULE 3
MFS CANADIAN EQUITY VALUE FUND

Investment Philosophy
To seek capital appreciation by investing primarily in Canadian companies that offer good relative value, financial strength, and a sustainable business model. The presence of a catalyst for value realization may also be an important driver in the stock selection process.

MFS considers an issuer to be Canadian if it is domiciled in, or has economic ties to, Canada.

Performance Objective
While not guaranteed, is to outperform the S&P/TSX Capped Composite (Total Return), measured in Canadian Dollars, over a full market cycle, typically defined as three to five years, and to achieve a competitive ranking against relevant peer universe over the same period.

Eligibility for Investment
Units of this Fund are qualified investments for registered retirement savings plans (“RRSPs”), registered retirement income funds (“RRIFs”), deferred profit sharing plans (“DPSPs”), registered disability savings plans (“RDSPs”) and tax-free savings accounts (“TFSAs”), subject to the “prohibited investment” rules discussed in Federal Income Tax Considerations in the Offering Memorandum.

Asset Mix

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Min (%)</th>
<th>Max (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equities</td>
<td>90</td>
<td>100</td>
</tr>
<tr>
<td>Cash &amp; equivalents</td>
<td>0</td>
<td>10</td>
</tr>
</tbody>
</table>

The Fund shall be fully invested in normal market conditions (except for transactional cash) with a maximum cash allocation of 10%.

Diversification
Generally, no more than 25% or 1.5 times the benchmark weight (whichever is greater) of the Fund's assets will be held in a single industry (as defined by the advisor).

Issues
- Generally 35 - 55 securities
- Generally, no more than 10% of the Fund's assets will be held in a single issuer at the time of purchase.

Eligible Investments
- Pooled or commingled products managed by MFS if consistent with the Fund's investment objective.
- The Fund’s currency exposure may be hedged utilizing currency derivatives (e.g., options on currency, futures and forward contracts). If utilized in the portfolio, currency hedging will be done for the defensive purposes only.
- Investments directly in or that give exposure to: common stock, preferred stock, shares (fully paid or contributing), convertible securities, preference shares or stock, depository receipts, subscription receipts, share warrants, REITS and all other securities deemed by the Advisor to be of an equity nature.
- The Fund may use Exchange Traded Funds (ETFs) and/or Futures for the purposes of equitizing transactional cash.
- Investments in Restricted Securities and Private Placement securities are permitted.

Cash Management
The Fund will invest in high quality money market or short-term debt instruments denominated in U.S. or Canadian dollars. Instruments such as commercial paper, bank obligations (e.g. certificates of deposit and bankers’ acceptance) repurchase agreements, and various obligations of the Canadian or U.S. governments, their agencies or municipalities are all eligible for investment subject to regulatory rules governing the Fund's investment practices.
SCHEDULE 9
MFS GLOBAL RESEARCH FUND

Investment Philosophy

In seeking to achieve its investment goal of capital appreciation, the portfolio will invest primarily in global companies that represent high conviction ideas of the global research sector teams. The Fund is designed to be broadly diversified by sector with the flexibility to invest across regions, industries, styles, and market capitalizations.

Performance Objectives

While not guaranteed, is to outperform the MSCI All Country World Index (Net Dividends Reinvested) over a full market cycle, typically defined as three to five years, and to achieve a competitive ranking against relevant peer universes over the same period.

Eligibility for Investment

Units of this Fund are qualified investments for RRSPs, RRIFs, DPSPs, RDSPs and TFSAs; subject to the prohibited investment rules discussed in Federal Income Tax Considerations in the Offering Memorandum.

Asset Mix

<table>
<thead>
<tr>
<th>Asset Type</th>
<th>Min (%)</th>
<th>Max (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equities</td>
<td>90</td>
<td>100</td>
</tr>
<tr>
<td>Cash &amp; equivalents</td>
<td>0</td>
<td>10</td>
</tr>
</tbody>
</table>

The Fund shall be fully invested in normal market conditions (except for transactional cash) with a maximum cash allocation of 10%.

Diversification

Investment in securities of issuers in emerging market countries (as defined by the advisor) is limited to 25% of the Fund's assets. Generally, no more than 25% of the Fund's assets will be allocated to any one given industry (as defined by the advisor).

Issues

- Generally 125 - 175 securities
- The maximum investment in any one issuer should be generally limited to 5% of Fund's assets (at the time of purchase).

Eligible Investments

- Pooled or commingled product managed by MFS if consistent with the Fund's investment objective.
- The Fund's currency exposure may be hedged utilizing currency derivatives (e.g., options on currency, futures, and forward contracts). If utilized by the portfolio, currency hedging will be done for defensive purposes only.
- Investments directly in or that give exposure to: common stock, preferred stock, shares (fully paid or contributing), convertible securities, preference shares or stock, depository receipts, share warrants, REITS and all other securities deemed by the Advisor to be of an equity nature.
- Investments in Restricted Securities and Private Placement securities are permitted.
- The use of Exchange Traded Funds (ETFs) and/or Futures for the purposes of equitizing transactional cash is permitted.
- The use of certain derivatives (warrants) as a routine means to accomplish exposures to various equities or markets. This includes, but not limited to, use of Participatory Notes (P-Notes) for exposure to markets such as India or Taiwan.

Cash Management

The Fund will invest in high quality money market or short-term debt instruments denominated in U.S. or Canadian dollars. Instruments such as commercial paper, bank obligations (e.g. certificates of deposit and bankers’ acceptance) repurchase agreements, and various obligations of the Canadian or U.S. governments, their agencies or municipalities are all eligible for investment subject to regulatory rules governing the Fund's investment practices.
Sun Life Global Investments (Canada) (“SLGIC”)  
Statement of Investment Policies and Procedures (‘SIPPS”)  

Effective July 1, 2014  

SUN LIFE FINANCIAL MONEY MARKET FUND  
(Sub-advised by MFS Investment Management Canada Limited)  

Investment Mandate  
The Investment Mandate for the Account is an investment primarily in Canadian dollar-denominated money market instruments.  

Investment objective  
The Fund’s investment objective is to achieve a high level of current income while seeking to protect capital and to maintain liquidity by investing primarily in Canadian dollar-denominated money market instruments.  

Summary of Investment strategies  
In pursuing the Fund’s investment objective, the sub-advisor:  
  o invests in Canadian dollar-denominated money market instruments of Canadian issuers, which may include short-term debt obligations of corporations (such as commercial paper), governments (such as treasury bills) and floating rate notes maturing within one year;  
  o may invest up to 10% of the Fund’s assets in Canadian dollar-denominated money market instruments of foreign issuers;  
  o to the extent permitted by applicable securities legislation, invests in securities of other money market funds.  
  o Floating rate evidences of indebtedness interest rate is reset no later than every 185 days and the principal amount of the indebtedness will continue to have a market value of approximately par at the time of each interest rate reset.  

Performance measurement  
The Account’s performance will be evaluated against the FTSE TMX Canada 91 Day T-Bill Index¹ and versus peers in the Canadian Money Market category as defined by CIFSC guidelines for Canadian mutual funds.  

The sole purpose of referencing a benchmark or other index in the Investment Guidelines is to measure performance. Accordingly, the weightings, composition and other characteristics of the Portfolio may be different from the benchmark or other index and the Portfolio may contain  

¹ Name changed from DEX 91 Day T-Bill Index to FTSE TMX Canada 91 Day T-Bill Index due to acquisition on July 1, 2014
securities outside the benchmark or other index. The objectives, goals and other performance measures described in these Investment Guidelines serve only as guidelines and not as requirements. The Investment Manager offers no guarantee of investment performance, profitability or those performance objectives will be met. *Benchmark performance will be compiled as gross total return figure where available.*

**Eligible investments**

- Treasury bills, bankers acceptances and bearer deposit notes, term deposits, floating rate notes, commercial paper, asset-backed commercial paper, bonds, debentures or similar instruments that receive a minimum R-1 (Low) (DBRS) or equivalent rating by a Designated Rating Agency (“DRO”).
- Cash equivalents above must meet definition of same in NI 81-102. Must be guaranteed as to principal and interest by the government of Canada or the government of a jurisdiction, the government of the United States of America, the government of a state of the United States of America, the government of another sovereign state or a permitted supranational agency, if in each case, the evidence of indebtedness has an approved credit rating.
- May also be guaranteed by a financial institution in Canada or outside Canada, provided that all evidences of indebtedness of the issuer or guarantor that are rated as short-term debt by approved credit rating organization have an approved credit rating.

**Risk Controls**

**Asset mix**

<table>
<thead>
<tr>
<th></th>
<th>Min(%)</th>
<th>Max (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treasury bills</td>
<td>30</td>
<td>100</td>
</tr>
<tr>
<td>Provincial</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>Corporate</td>
<td>0</td>
<td>70</td>
</tr>
<tr>
<td>Cash</td>
<td>0</td>
<td>15</td>
</tr>
</tbody>
</table>

**Liquidity**

- The portfolio must have at least 5% of its portfolio invested in cash or readily convertible to into cash within one business day, and
- 15% of its assets invested in cash or readily convertible to cash within one week.

**Foreign**

- Maximum of 10% in Canadian dollar-denominated money market instruments of foreign issuers

**Credit quality**

<table>
<thead>
<tr>
<th></th>
<th>Min(%)</th>
<th>Max (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>R-1 High</td>
<td>30</td>
<td>100</td>
</tr>
<tr>
<td>R-1 Mid</td>
<td>0</td>
<td>70</td>
</tr>
<tr>
<td>R-1 Low</td>
<td>0</td>
<td>30</td>
</tr>
</tbody>
</table>
Ratings are provided by Dominion Bond Rating Service (DBRS) or a comparable Designated Rating Agency ("DRO").

**Term to maturity**

- Each debt security held will have remaining term to maturity of 365 days or less; and
- The Fund maintains a weighted average term to maturity of 180 days or less.
- The Fund also maintains a weighted average term to maturity of 90 days or less, if term to maturity for each floating rate note is measured to the next rate reset date.

The above guidelines and restrictions are effective as of May 1, 2013 – guidelines are regularly reviewed by Sun Life Global Investments (Canada) and may be changed as regulatory and market conditions dictate. They are provided as guidelines only and if there are discrepancies between the guidelines/restrictions outlined and the Fund prospectus or National Instrument 81-102 restrictions it is the latter two that take precedent. For greater clarity, to the extent any guidelines/restrictions outlined are more restrictive then the Fund prospectus or National Instrument 81-102 it is the guidelines/restrictions that take precedent.

**National Instrument 81-102: Definition of a Money Market Fund**

2.18 Money Market Fund
This section comes into effect on October 30, 2012
(1) A mutual fund must not describe itself as a “money market fund” in its prospectus, a continuous disclosure document or a sales communication unless

(a) it has all of its assets invested in any of the following:
   (i) cash,
   (ii) cash equivalents,
   (iii) an evidence of indebtedness that has a remaining term to maturity of 365 days or less and an approved credit rating,
   (iv) a floating rate evidence of indebtedness if
      (A) the floating interest rate of the indebtedness is reset no later than every 185 days, and
      (B) the principal amount of the indebtedness will continue to have a market value of approximately par at the time of each change in the rate to be paid to the holders of the evidence of indebtedness, or
   (v) securities issued by one or more money market funds,

(b) it has a portfolio of assets, excluding a security described in subparagraph (a)(v), with a dollar-weighted average term to maturity not exceeding
   (i) 180 days, and
   (ii) 90 days when calculated on the basis that the term of a floating rate obligation is the period remaining to the date of the next rate setting,
(c) not less than 95% of its assets invested in accordance with paragraph (a) are
denominated in a currency in which the net asset value per security of the mutual fund is
calculated, and

(d) it has not less than
   (i) 5% of its assets invested in cash or readily convertible into cash within one
day, and
   (ii) 15% of its assets invested in cash or readily convertible into cash within one
week.

(2) Despite any other provision of this Instrument, a mutual fund that describes itself as a
“money market fund” must not use a specified derivative or sell securities short.

**Securities Lending/repos**

- No securities lending
- No repurchase or reverse repurchase transactions