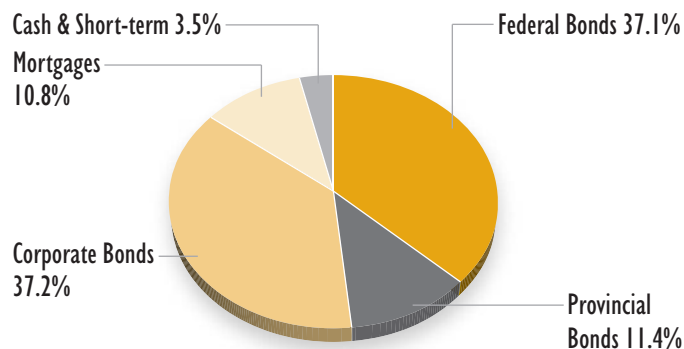


CUMIS Short-Term Bond & Mortgage Fund (PH&N)

PHILLIPS, HAGER & NORTH
Investment Management®



INVESTOR PROFILE

Suited to investors with a moderate tolerance for risk and a short-term investment time horizon.

INVESTMENT OBJECTIVE

The fundamental investment objectives of the Fund are to provide relatively high yields and stability of capital by investing primarily in a well-diversified portfolio of short-term fixed income securities issued by Canadian governments and corporations, and first mortgages on property located in Canada.

INVESTMENT STRATEGY

- PH&N invests in high-quality Canadian corporate bonds, government bonds and up to 40% of the Fund's net assets in conventional first mortgages and mortgages guaranteed under the National Housing Act (Canada). The average term to maturity of the portfolio is generally three years.
- If the Fund has more than 10% of its portfolio invested in mortgages, National Policy Statement No. 29 of the Canadian Securities Administrators will apply.
- The value of any one investment at month-end must not exceed 15% of the Fund's net assets at market value. This does not apply to government or government-guaranteed debt instruments.

RATES OF RETURN

| | Annual Returns to March 31 (%) | | | | | | | | | | Annualized Returns to March 31, 2017 (%) ¹ | | | | | |
|-----------|--------------------------------|------|------|------|------|------|------|------|------|------|---|-----|------|------|------|-------|
| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | Qtr | YTD | 1 yr | 3 yr | 5 yr | 10 yr |
| Fund | 4.8 | 5.5 | 6.5 | 3.6 | 4.3 | 3.2 | 2.5 | 4.1 | 1.7 | 1.9 | 0.8 | 0.8 | 1.9 | 2.5 | 2.6 | 3.8 |
| Benchmark | 6.4 | 6.9 | 3.3 | 3.4 | 4.4 | 2.9 | 1.9 | 3.9 | 1.1 | 1.3 | 0.7 | 0.7 | 1.3 | 2.1 | 2.2 | 3.5 |

¹ Annualized compound rates of return on periods over one year.

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FUND FACTS

as at March 31, 2017

| | |
|---------------------------------|---------------------------------------|
| Fund type: | Fixed Income Fund |
| Fund size: | \$937,216 |
| Underlying fund size: | \$5,629 Million |
| Underlying fund name: | PH&N Short-Term Bond & Mortgage Fund |
| Fund inception date: | January 1994 |
| Underlying fund inception date: | December 1993 |
| Number of holdings: | 369 |
| Volatility rating: | Low |
| Benchmark: | FTSE TMX Canada Short Term Bond Index |

TOP TEN HOLDINGS

as at March 31, 2017

| | |
|---|--------------|
| Government of Canada 0.500% 01Feb2019 | 8.3% |
| Province of Ontario 4.400% 02Jun2019 | 4.2% |
| Canada Housing Trust No. 1 1.950% 15Jun2019 | 3.1% |
| Canada Housing Trust No. 1 1.250% 15Dec2020 | 3.0% |
| Province of Ontario 4.200% 02Jun2020 | 2.8% |
| Canada Housing Trust No. 1 1.250% 15Jun2021 | 2.5% |
| Government of Canada 0.500% 01Mar2022 | 2.5% |
| Toronto-Dominion Bank 1.680% 08Jun2021 | 2.4% |
| Government of Canada 1.500% 01Mar2020 | 2.1% |
| Canada Housing Trust No. 1 1.450% 15Jun2020 | 2.0% |
| Total Percentage of Fund | 32.9% |