



**PORTLAND**  
INVESTMENT COUNSEL®

PORTLAND GLOBAL DIVIDEND FUND  
**INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE**

MARCH 31, 2018

PORTFOLIO  
MANAGEMENT TEAM

**Christopher Wain-Lowe**  
Chief Investment Officer, Executive Vice President and Portfolio Manager

## Management Discussion of Fund Performance Portland Global Dividend Fund

This interim management report of fund performance contains financial highlights, but does not contain either interim or annual financial statements of the investment fund. You can get a copy of the interim or annual financial statements at your request, and at no cost, by calling 1-888-710-4242, by writing to us at 1375 Kerns Road, Suite 100, Burlington, ON L7P 4V7 or visiting our website at [www.portlandic.com](http://www.portlandic.com) or SEDAR at [www.sedar.com](http://www.sedar.com).

Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

The views of the portfolio management team contained in this report are as of March 31, 2018 and this report is not intended to provide legal, accounting, tax or specific investment advice. Views, portfolio holdings and allocations may have changed subsequent to this date. For current information please contact us using the above methods. All references to performance relate to Series F units. The performance of other units may be different than that of the Series F units due to differing fees or as a result of varying inception dates.

### INVESTMENT OBJECTIVE AND STRATEGIES

The investment objective of the Portland Global Dividend Fund (the Fund) is to provide income and long-term total returns by investing primarily in a high-quality portfolio of global dividend-paying equities. Its investment strategy is to invest primarily in a globally diversified portfolio of equities/American Depository Receipts (ADRs), income securities, preferred shares, options and exchange traded funds (ETFs).

### RISK

The overall risk level has not changed for the Fund and remains as discussed in the Prospectus. Investors should be able to accept a medium level of risk and plan to hold for the medium to long term.

### RESULTS OF OPERATIONS

For the period September 30, 2017 to March 31, 2018 while the Series F units of the Fund had a return of 0.7%, the Fund's benchmark index, the MSCI World Total Return Index rose 7.6%. For the full period since the launch of the Fund on May 29, 2014 to March 31, 2018, the Index had an annualized return of 12.0%. For the same period the Fund's Series F units had an annualized return of 4.6%. Unlike the Index, the Fund's return is after the deduction of its fees and expenses.

During the period, the Fund's exposure to financials, energy and materials were the top contributing sectors (notably BHP Billiton PLC, Royal Dutch Shell PLC, Barclays PLC and JPMorgan Chase & Co.) whereas being underweight in information technology and consumer discretionary detracted (notably Dufry AG, Dignity PLC and Aryzta AG). Currently, the Fund hedges approximately 45% of its non-Canadian dollar exposure, predominantly reflecting its exposure to the Australian dollar, Swiss franc, Euro, British pound, and U.S. dollar.

The Fund has a target of approximately 5% distribution per annum per unit which it has met since inception. The Fund's earnings from dividends, derivatives and net realized gains exceed the paid distributions. An indicator that the Fund may continue to meet its 5% distribution target includes the dividend yield (a financial ratio that shows how much a company pays out in dividends relative to its share price) of the equities of the Fund. Sourced from Thomson Reuters, the equity component's trailing weighted average dividend yield as at March 31, 2018 was 3.5%, compared to the Index's 2.4%.

During the period, the Fund profitably sold its positions in ABB Ltd, Canfor Corporation and Johnson Matthey PLC and profitably reduced its positions in: BP PLC, Compass Group PLC (global leader in food services); JPMorgan, (large US-based universal bank) Nestlé SA (the world's largest food company); and Wal-Mart Stores, Inc.

These divestments accommodated new positions in Brookfield Property Partners L.P., Dignity and Reckitt Benckiser Group PLC and increased stakes in Aryzta and Dufry. Brookfield is a multinational commercial real estate owner, operator and investor, encompassing approximately 280 million square feet of retail and 47 million square feet of industrial space. News that Brookfield was contemplating an acquisition that was not particularly attractive in the short-term, created weakness in its share price which we deemed an attractive entry point. Dignity is the U.K.'s largest provider of funeral services, which is experiencing a flattening death rate and increased competition as the bereaved, also seek lower cost arrangements. Dignity's share price fell to well within the range of what we believe to be an attractive entry point, albeit in building the position we acted prematurely. Walgreen Boots Alliance, Inc., the largest drugstore retailer in the U.S. (Walgreens) with a substantial presence in the U.K. and Europe (Boots), Mexico (Benavides) and Chile (Ahumada) has experienced pressure on its share price on fears that Amazon.com, Inc. will start direct delivery of pharmaceuticals and so cause increased competition for drug distribution companies and retail drugstore chains. While we are not complacent, we do believe that Walgreen's current valuation has factored in the disruptive threats of competition and so underestimates its ability to use its considerable free cash flows to good effect, for instance on share repurchases as its stock price has fallen to a 3 year low. Dufry is the clear market leader in the global travel retail industry with operations in 47 locations. Its recent share price decline is mainly explained by the uncertainty about the financial situation of the Chinese conglomerate HNA Group Co. Ltd., which owns 20.9% of Dufry. In early December, Standard & Poor's downgraded HNA's subsidiary Swissport to a 'junk' investment rating (B-) which understandably had a strong impact on HNA bonds. However, focusing on Dufry, rather than its shareholder, we see that recent figures from its main airports show that the business continues to be strong. We therefore considered the current share price weakness as a buying opportunity. Finally, we initiated a new position in Reckitt Benckiser, the manufacturer and distributor of a wide range of household, toiletry, health and food products on a global basis. Reckitt's share price fell on concerns of its future growth and fears management would overspend to grow. Subsequent to initiating our position, Reckitt management walked away from acquiring Pfizer Inc.'s healthcare business – a positive sign we believe that the management team are disciplined and that growth issues will be addressed less expensively.

The Fund's current investment themes place emphasis on:

- Food and Agriculture: Aryzta, Compass Group PLC, GEA Group AG, Nestlé, Wal-Mart ;
- Hard Assets and Resources: BHP Billiton, Royal Dutch Shell, South32 Limited, Total SA;
- Rise of emerging markets' consumers: Amcor Limited, Diageo PLC, Dufry, Mondelez International Inc., The Walt Disney Company;
- Industrial Efficiency and Business Services: Johnson Matthey, Rentokil Initial PLC;
- Infrastructure: AusNet Services; and
- Healthcare: Novartis AG and Roche Holding AG.

The Fund's net assets decreased from \$6.1 million to \$5.5 million during the period. The Manager does not believe the payouts had a material

impact upon the management of the Fund and every effort is made to fund payouts in a manner that optimizes the Fund's composition for now and the future.

## RECENT DEVELOPMENTS

As the west's Central Bankers begin to withdraw the liquidity measures which eased their economies through the global financial crisis, we appear, at a glacial pace, to be returning to more normalized economies where rising interest rates are applied to slow gently the pace of growth but seek to maintain modest levels of inflation mostly targeted at around 2%. We have been in a low but increasing inflationary environment and inflation expectations are rising, particularly in regards to oil and food. However, wage inflation in the U.S. has now returned and this, together with tax reductions, could spur growth in consumer spending.

We believe the U.S. has engaged in a long-term recovery plan and its economic prospects for the medium-term remain bright. For the U.K. and Eurozone, we are hopeful that the U.K. decision to exit the European Union (E.U.) will be the catalyst that starts the E.U. on a path of implementing the structural reforms that are so vital if it is to break out of the cycle of consistently poor economic performance that stretches back many years. However, divorces generally tend to be expensive and as such we continue to believe the impact of 'Brexit' will create uncertainties and quite possibly a period of recession as the U.K. adjusts to amended trading relationships and banks domiciled in the U.K. determine how best to do business in the rest of the E.U. Globally, we hope mature companies adopt bolder agendas to assimilate and integrate workforces around large-scale investment and infrastructure and initiate dramatic reforms of education and training. Energy prices and geopolitical events may engender elevated levels of volatility.

This period since the Great Recession is one of the longest ever stretches of rising markets. Cyclically and inflationary adjusted earnings over the last ten years compared to prices suggests in our view that the current market is fully valued. Therefore while we do not see a near-term catalyst to initiate a market correction, such as recession or weakening confidence, such a correction is, at least statistically, due in our view and vulnerable to geopolitical events. At such times, we believe a pivot towards 'value' rather than 'growth' criteria is likely to predominate as investors seek businesses that are attractively or reasonably priced particularly in a reflationary environment.

The Fund's focus is on value and stable growing companies – those firms able to deliver more consistent and visible (albeit slower) earnings and cash flows. While this theme has recently lagged the overall market, we believe it should reassert leadership and that overall, the Fund is currently well positioned to meet its investment objective for the medium to long-term. We will continue to evaluate opportunities that we believe may generate income, enhance returns and/or reduce risk wherever possible.

## RELATED PARTY TRANSACTIONS

The Fund's manager is Portland Investment Counsel Inc. (the Manager). The Manager is responsible for the day-to-day operation of and for providing investment management services to the Fund. The Manager receives a fee for providing these services. This is calculated daily based on the net asset value of the Fund and paid monthly. During the period ended March 31, 2018, the Manager received \$49,343 in management fees from the Fund compared to \$53,348 for the period ended March 31, 2017 (net of applicable taxes).

Any administrative services paid for or provided by the Manager are charged to the Fund and are grouped and presented by expense type in the statements of comprehensive income. Depending on their nature, some expenditures are allocated to the Fund based upon the net asset value or actual costs incurred. During the period ended March 31, 2018, the Manager was reimbursed \$14,987 for operating expenses incurred on behalf of the Fund, including amounts paid to affiliates, net of applicable taxes. This compares to \$16,461 for period ended March 31, 2017. In addition to the amounts reimbursed, the Manager absorbed \$53,535 of

operating expenses during the period ended March 31, 2018 compared to \$57,010 during the period ended March 31, 2017 (net of applicable taxes).

Affiliates of the Manager provide administrative services associated with the day-to-day operations of the Fund. These affiliates of the Manager were reimbursed \$661 during the period ended March 31, 2018 by the Fund for such services, compared to \$1,382 during the period ended March 31, 2017.

The Manager, its affiliates, officers and directors of the Manager (Related Parties) may own units of the Fund. Transactions to purchase or redeem units are made at net asset value per unit. Standing instructions from the IRC were not required or obtained for such transactions. As at March 31, 2018, Related Parties owned 0.8% (September 30, 2017: 0.9%) of the Fund.

The Board of Directors of the Manager is responsible for reviewing and approving the financial statements and overseeing management's performance of its financial reporting responsibilities.

## Notes

*Certain statements included in this Management Discussion of Fund Performance constitute forward-looking statements, including those identified by the expressions "anticipate," "believe," "plan," "estimate," "expect," "intend" and similar expressions to the extent they relate to the Fund. These forward-looking statements are not historical facts, but reflect the current expectations of the portfolio management team regarding future results or events of the Fund. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. The portfolio management team has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise, except as required by securities legislation.*

*Certain research and information about specific holdings in the Fund, including any opinion, is based upon various sources believed to be reliable, but it cannot be guaranteed to be current, accurate or complete. It is for information only, and is subject to change without notice.*

## Summary of Investment Portfolio as at March 31, 2018

## Top 25 Investments

	% of Net Asset Value
<b>Long Positions</b>	
Royal Dutch Shell PLC	8.1%
Dufry AG	8.0%
BHP Billiton PLC	8.0%
Total SA	5.5%
GEA Group AG	5.4%
Barclays PLC	4.9%
Dignity PLC	4.7%
Prudential PLC	4.1%
Mondelez International Inc.	3.8%
Aryzta AG	3.7%
AusNet Services	3.7%
LVMH Moët Hennessy Louis Vuitton SE	3.6%
Amcor Limited	3.5%
Compass Group PLC	3.3%
NN Group NV	3.2%
Rentokil Initial PLC	3.1%
Novartis AG	2.8%
Roche Holding AG	2.6%
Oaktree Strategic Income Corporation	2.2%
Brookfield Property Partners L.P.	2.2%
JPMorgan Chase & Co.	2.0%
BP PLC	1.9%
Nestlé SA	1.8%
South32 Limited	1.4%
Reckitt Benckiser Group PLC	1.0%
<b>Total</b>	<b>94.5%</b>
<b>Short Positions</b>	
WPP PLC ADR Put 75, 18/05/2018	-0.1%
Total SA ADR Call 62.5, 18/05/2018	0.0%
Crescent Point Energy Corp., Put 7, 20/04/2018	0.0%
BP PLC ADR Call 46, 20/04/2018	0.0%
Brookfield Property Partners L.P., Put 17.5, 18/05/2018	0.0%
Walgreens Boots Alliance, Inc., Put 60, 20/04/2018	0.0%
BHP Billiton PLC ADR Call 50, 15/06/2018	0.0%
The Walt Disney Company, Put 92.5, 20/04/2018	0.0%
The Kraft Heinz Company, Put 62.5, 20/04/2018	0.0%
<b>Total</b>	<b>-0.1%</b>

**Total net asset value** **\$5,540,576**

*The investment portfolio may change due to ongoing portfolio transactions of the investment fund. Quarterly updates are available within 60 days of each quarter end by visiting [www.portlandic.com](http://www.portlandic.com) or contacting us at 1-888-710-4242.*

## Portfolio Composition

<b>Investment Area</b>	
Consumer Discretionary	20.1%
Energy	16.1%
Financials	16.4%
Materials	12.9%
Consumer Staples	12.1%
Industrials	8.5%
Health Care	5.4%
Utilities	3.7%
Other Net Assets (Liabilities)	3.1%
Real Estate	2.2%
Exchange Traded Funds	0.2%
Short Positions - Derivatives	-0.1%
Currency Forwards	-0.6%
<b>Geographic Region</b>	
United Kingdom	39.7%
Switzerland	18.9%
United States	9.9%
France	9.1%
Australia	8.6%
Germany	5.4%
Netherlands	3.2%
Other Net Assets (Liabilities)	3.1%
Bermuda	2.2%
Canada	0.6%
Jersey	-0.1%
Currency Forwards	-0.6%

*Other Net Assets (Liabilities) refers to cash on hand plus all other assets and liabilities in the Fund excluding portfolio investments.*

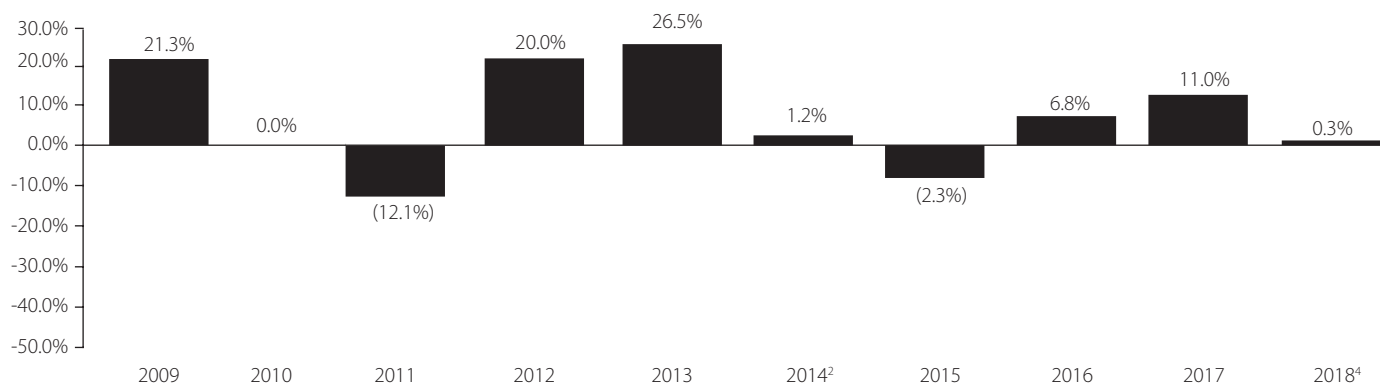
### Past Performance

The past performance information shown in this section is calculated using the net asset value per unit and assumes that all distributions made by the investment fund in the periods shown were reinvested in additional securities of the investment fund. The past performance information does not take into account sales, redemptions, distribution or other optional charges or income taxes payable by the unitholder that would have reduced returns or performance. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated.

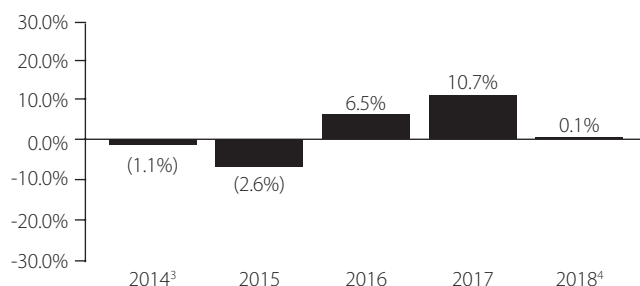
### Year-By-Year Returns

The following bar charts show the performance of each series of the Fund for each of the financial years shown and for the six-month period ended March 31, 2018. The charts show in percentage terms how an investment made on the first day of each financial year would have increased or decreased by the last day of each financial year. Note the Fund changed its financial year end from December 31 to September 30 in 2014.

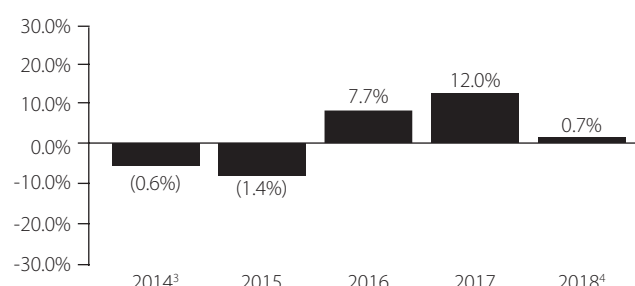
#### Series A2/Trust Units<sup>1</sup>



#### Series A Units



#### Series F Units



1. Prior to May 23, 2014 the Fund operated as Copernican International Premium Dividend Fund, a closed-end fund listed on the Toronto Stock Exchange under the symbol CPM.UN. On May 23, 2014 CPM.UN was re-structured, became a multi-class open end mutual fund, and changed its investment objectives and strategies. The Fund's simplified prospectus was authorized by securities regulators on May 29, 2014. If the re-structuring had not occurred and the investment objectives and strategies had remained the same, performance since then may have been different.
2. Return for 2014 represents a partial period starting January 1, 2014 to September 30, 2014.
3. Return for 2014 represents a partial period from May 29, 2014 to September 30, 2014.
4. Return for 2018 represents a partial period from October 1, 2017 to March 31, 2018.

### Management Fees

The Manager is responsible for the day-to-day management and administration of the Fund. The Manager monitors and evaluates the performance of the Fund, pays for the investment management services of the portfolio manager and arranges for the administrative services required to be provided to the Fund. As compensation for its service, the Manager is entitled to receive a fee, payable monthly, calculated based on the daily net asset value of the Fund.

Series of Units	Management Fee (%)	Expenses Paid Out of the Management Fee (%)		
		Dealer compensation	General administration, investment advice and profit	Absorbed expenses
Series A	2.00%	26%	-	74%
Series A2	1.85%	54%	-	46%
Series F	1.00%	-	-	100%

## Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the period. Information for 2018 is presented for the six month period ended March 31, 2018. For Series A and F, information for 2017, 2016, 2015 and 2014 is presented for the year ended September 30, or inception date to September 30 in the inception period as outlined in explanatory note 1(b).

The Fund changed its financial year end from December 31 to September 30 and was restructured in 2014. In 2014, information for Series A2 covers the period as outlined in explanatory note 1(b) and information for Series A2 in 2013 relates to the period from January 1 to December 31.

### Series A Units - Net Assets per unit<sup>(a)</sup>

For the periods ended	2018	2017	2016	2015	2014
Net assets, beginning of the period	\$9.45	\$9.01	\$8.99	\$9.71	\$10.00 †
Increase (decrease) from operations:					
Total revenue	0.14	0.28	0.33	0.34	0.09
Total expenses	(0.05)	(0.28)	(0.29)	(0.31)	(0.08)
Realized gains (losses)	0.43	0.76	0.12	0.20	0.38
Unrealized gains (losses)	(0.51)	0.14	0.37	(0.50)	(0.43)
Total increase (decrease) from operations <sup>2</sup>	0.01	0.90	0.53	(0.27)	(0.04)
Distributions to unitholders:					
From income	(0.04)	(0.07)	(0.20)	-	-
From dividends	-	(0.01)	(0.02)	-	-
From capital gains	-	-	-	-	-
Return of capital	(0.21)	(0.42)	(0.32)	(0.50)	(0.21)
Total annual distributions <sup>3</sup>	(0.25)	(0.50)	(0.54)	(0.50)	(0.21)
Net assets, end of period <sup>4</sup>	\$9.22	\$9.45	\$9.01	\$8.99	\$9.71

### Series A Units - Ratios/Supplemental Data

For the periods ended	2018	2017	2016	2015	2014
Total net asset value	\$141,538	\$141,388	\$120,767	\$111,996	\$113,665
Number of units outstanding	15,357	14,964	13,402	12,464	11,712
Management expense ratio <sup>5</sup>	2.83% *	2.83%	2.83%	2.84%	3.10% *
Management expense ratio before waivers or absorptions <sup>5</sup>	4.77% *	4.65%	4.40%	3.70%	3.10% *
Trading expense ratio <sup>6</sup>	0.17% *	0.05%	0.13%	0.14%	0.24% *
Portfolio turnover rate <sup>7</sup>	13.22%	6.97%	18.60%	44.92%	41.12%
Net asset value per unit	\$9.22	\$9.45	\$9.01	\$8.99	\$9.71

### Series A2 Units - Net Assets per unit<sup>(a)</sup>

For the periods ended	2018	2017	2016	2015	2014	2013
Net assets, beginning of the period	\$9.49	\$9.03	\$9.01	\$9.71	\$6.31	\$5.17
Increase (decrease) from operations:						
Total revenue	0.14	0.31	0.33	0.34	0.31	0.23
Total expenses	(0.04)	(0.26)	(0.27)	(0.29)	(0.24)	(0.23)
Realized gains (losses)	0.44	0.81	0.07	0.16	2.31	(0.09)
Unrealized gains (losses)	(0.47)	0.09	0.39	(0.28)	(2.31)	1.43
Total increase (decrease) from operations <sup>2</sup>	0.07	0.95	0.52	(0.07)	0.07	1.34
Distributions to unitholders:						
From income	(0.05)	(0.04)	(0.26)	-	-	-
From dividends	-	(0.01)	(0.02)	-	-	-
From capital gains	-	-	-	-	-	-
Return of capital	(0.20)	(0.45)	(0.29)	(0.50)	(0.26)	(0.20)
Total annual distributions <sup>3</sup>	(0.25)	(0.50)	(0.57)	(0.50)	(0.26)	(0.20)
Net assets, end of period <sup>4</sup>	\$9.27	\$9.49	\$9.03	\$9.01	\$9.71	\$6.30

### Series A2 Units - Ratios/Supplemental Data

For the periods ended	2018	2017	2016	2015	2014	2013
Total net asset value	\$4,247,325	\$4,777,254	\$5,357,629	\$6,886,194	\$9,453,820	\$23,458,512
Number of units outstanding	457,982	503,264	593,551	763,877	973,880	3,719,005
Management expense ratio <sup>5</sup>	2.55% *	2.55%	2.56%	2.55%	2.85% *	3.37%
Management expense ratio before waivers or absorptions <sup>5</sup>	4.49% *	4.38%	4.13%	3.41%	2.85% *	3.37%
Trading expense ratio <sup>6</sup>	0.17% *	0.05%	0.13%	0.14%	0.24% *	0.12%
Portfolio turnover rate <sup>7</sup>	13.22%	6.97%	18.60%	44.92%	41.12%	23.28%
Net asset value per unit	\$9.27	\$9.49	\$9.03	\$9.01	\$9.71	\$6.31
Current market price <sup>8</sup>		n/a	n/a	n/a	n/a	\$6.13

Series F Units - Net Assets per unit<sup>(a)</sup>

For the periods ended	2018	2017	2016	2015	2014
Net assets, beginning of the period	\$9.69	\$9.12	\$9.14	\$9.75	\$10.00 †
Increase (decrease) from operations:					
Total revenue	0.14	0.30	0.33	0.35	0.10
Total expenses	0.01	(0.16)	(0.18)	(0.19)	(0.04)
Realized gains (losses)	0.45	0.81	0.05	0.26	0.31
Unrealized gains (losses)	(0.49)	0.14	0.35	(0.10)	(0.44)
Total increase (decrease) from operations <sup>2</sup>	0.11	1.09	0.55	0.32	(0.07)
Distributions to unitholders:					
From income	(0.08)	(0.12)	(0.39)	-	-
From dividends	-	-	(0.04)	-	-
From capital gains	-	-	-	-	-
Return of capital	(0.17)	(0.38)	(0.25)	(0.50)	(0.21)
Total annual distributions <sup>3</sup>	(0.25)	(0.50)	(0.68)	(0.50)	(0.21)
Net assets, end of period <sup>4</sup>	\$9.51	\$9.69	\$9.12	\$9.14	\$9.75

## Series F Units - Ratios/Supplemental Data

For the periods ended	2018	2017	2016	2015	2014
Total net asset value	\$1,151,713	\$1,230,810	\$1,641,894	\$2,272,210	\$1,903,634
Number of units outstanding	121,124	127,077	179,954	248,627	195,275
Management expense ratio <sup>5</sup>	1.69% *	1.69%	1.70%	1.71%	2.00% *
Management expense ratio before waivers or absorptions <sup>5</sup>	3.64% *	3.52%	3.27%	2.57%	2.00% *
Trading expense ratio <sup>6</sup>	0.17% *	0.05%	0.13%	0.14%	0.24% *
Portfolio turnover rate <sup>7</sup>	13.22%	6.97%	18.60%	44.92%	41.12%
Net asset value per unit	\$9.51	\$9.69	\$9.12	\$9.14	\$9.75

† Initial offering price

\* Annualized

## Explanatory Notes

- a) The information for March 31, 2018 is derived from the Fund's unaudited semi-annual financial statements and for 2014 through 2017 is derived from the Fund's audited annual financial statements prepared in accordance with International Financial Reporting Standards. The information for prior years is derived from the Fund's audited annual financial statements prepared based on Canadian Generally Accepted Accounting Principles (GAAP).
- b) Copernican International Premium Dividend Fund was restructured on May 23, 2014, became a multi-class open-end mutual fund and changed its name to Portland Global Dividend Fund. As part of the restructuring, existing holders of trust units received 0.638457 series A2 units valued at \$10.00 per unit for each trust unit held. If that had occurred at the beginning of the period, the opening net asset value per unit above would have been \$9.87.

Per unit information in 2014 relates to the following period of each series:

Series A Units	May 23, 2014 - September 30, 2014
Series A2 Units	January 1, 2014 - September 30, 2014
Series F Units	May 23, 2014 - September 30, 2014

- Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted daily average number of units outstanding over the financial period.
- Distributions are paid out in cash/reinvested in additional units of the Fund, or both.
- This is not a reconciliation of the beginning and ending net assets per unit.
- The management expense ratio (MER) is based on total expenses (excluding foreign withholding taxes, commissions and other portfolio transaction costs but including management fee distributions paid to certain unitholders in the form of additional units) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The Manager may absorb certain expenses

otherwise payable by the Fund. The amount of expenses absorbed is determined annually at the discretion of the Manager.

The Fund may hold investments in other investment funds and exchange traded funds (ETFs). The MER is calculated taking into consideration the expenses of the Fund allocated to the series including expenses indirectly attributable to its investment in other investment funds and ETFs divided by the average daily net asset value of the series of the Fund during the period.

- The trading expense ratio (TER) represents total commissions and other portfolio transaction costs expressed as an annualized percentage of the daily average net asset value of the Fund.
- The TER is calculated taking into consideration the costs attributable to its investment in other investment funds and ETFs.

- The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a fund's portfolio turnover rate in a period, the greater the trading costs payable by the fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Portfolio turnover rate is calculated based on the lesser of the cumulative cost of purchases or cumulative proceeds of sales divided by the average market value of the portfolio, excluding short-term investments.

- Volume weighted average price on the last day of the reporting year is presented. If there was no volume on that day, the average between bid and ask price is presented.



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Historical annual compounded total returns as at March 31, 2018 include changes in unit value and distributions reinvested and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that would have reduced returns. Commissions, service fees, management fees and expenses may be associated with investment funds. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated. Please read the prospectus before investing. PORTLAND, PORTLAND INVESTMENT COUNSEL and the Clock Tower Design are registered trademarks of Portland Holdings Inc. Used under licence by Portland Investment Counsel Inc.

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