

# Annual Information Form

Respecting:

**Trust Funds**

**NCM Balanced Income Portfolio** (Series A, Series F, Series F6, Series I, Series T6, and Series M Units)

**NCM Conservative Income Portfolio** (Series A, Series F, Series F6, Series I, Series T6, and Series M Units)

**NCM Growth and Income Portfolio** (Series A, Series F, Series F6, Series I, Series T6, and Series M Units)

**NCM Norrep Fund** (Series A, Series F, and Series R Units)

**NCM Short Term Income Fund** (Series A, Series A (H), Series F, Series F (H), Series I, Series R and ETF Series Units)

– AND –

**Class Funds of NCM Opportunities Corp.**

**NCM Entrepreneurs Class** (Series A, Series F, and Series I Shares)

**NCM Global Income Growth Class** (Series A, Series F, Series F6, Series I, and Series T6 Shares)

**NCM Income Growth Class** (Series A, Series B, Series F, Series F6, Series I, and Series T6 Shares)

**NCM Small Companies Class** (Series A, Series F, and Series I Shares)

**NCM Core American (formerly, NCM US Dividend Class)** (Series A, Series F, Series R, and Series Z Shares)

- AND -

**Class Funds of NCM Core Portfolios Ltd.**

**NCM Core Canadian** (Series A, Series F, Series R, Series Z and Series M Shares)

**NCM Core Global** (Series A, Series F, Series R, Series Z, Series M and ETF Series Shares)

NCM Short Term Income Fund and NCM Core Global issue ETF Series securities directly to the Designated Broker and ETF Dealers. National Bank Financial Inc. will act as a Designated Broker and an ETF Dealer for the ETF Series securities of these Funds.

The ETF Series securities have been conditionally approved for listing on the Toronto Stock Exchange (“**TSX**”). Subject to satisfying the TSX’s original listing requirements, the ETF Series securities will be listed on the TSX and holders of ETF Series securities will be able to buy or sell ETF Series securities on the TSX through registered brokers and dealers in the province or territory where the investor resides. Investors may incur customary brokerage commissions in buying or selling the ETF Series securities of the Funds.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. The Funds and the securities of the Funds are not registered with the U.S. Securities and Exchange Commission and may be offered and sold in the United States only pursuant to an exemption from registration.

**May 20, 2020**

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## GLOSSARY

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In this Annual Information Form:

"**ABCA**" means the *Business Corporations Act* (Alberta).

"**Basket of Securities**" means, in relation to the ETF Series of a Fund, a group of securities and/or assets determined by the Manager from time to time, representing the constituents of the Fund.

"**Business Day**" means a day other than a Saturday, Sunday or statutory holiday in the province of Alberta or Ontario.

"**CDS**" means CDS Clearing and Depository Services Inc.

"**CDS Participant**" means a participant in CDS.

"**CIBC Mellon**" means CIBC Mellon Trust Company, the custodian of the Funds.

"**CIC**" means Cumberland Investment Counsel Inc.

"**Class Fund**" or "**Class Funds**" means one or more Funds that is a class of NCM Opportunities or of NCM Core Portfolios.

"**Constituent Securities**" means for each Fund that offers ETF Series securities, the issuers included in the portfolio of that Fund from time to time.

"**CPL**" means Cumberland Partners Limited.

"**CPWM**" means Cumberland Private Wealth Management Inc.

"**Designated Broker**" means a registered dealer that has entered into a designated broker agreement with the Manager, on behalf of one or more Funds offering securities of an ETF Series, pursuant to which the Designated Broker agrees to perform certain duties in relation to such securities.

"**Distribution Record Date**" means a date designated by the Manager as a record date for the determination of securityholders entitled to receive a distribution or dividend from an ETF Series of a Fund.

"**ETFs**" means exchange-traded funds.

"**ETF Dealer**" means a registered dealer (that may or may not be a Designated Broker) that has entered into a continuous distribution agreement with the Manager, on behalf of one or more Funds offering securities of an ETF Series.

"**ETF Series**" means, if applicable, the exchange-traded series of a Fund.

"**Fund(s)**" means one or more of the Trust Funds and Class Funds listed on the front cover of this Annual Information Form.

"**Independent Review Committee**" or "**IRC**" means the independent review committee for the Funds as contemplated under NI 81-107.

"**Manager**" means NCM Asset Management Ltd., the manager of the Funds and the portfolio manager of certain Funds.

**"Mutual Fund Series"** means all series of securities of a Fund other than any ETF Series;

**"NAV"** means net asset value.

**"NCM Core Portfolios"** means NCM Core Portfolios Ltd., a mutual fund corporation that currently offers two classes of shares, as listed on the cover page of this Annual Information Form. Each class is considered a separate mutual fund with its own investment objectives.

**"NCM Opportunities"** means NCM Opportunities Corp., a mutual fund corporation that currently offers six classes of shares, as listed on the cover page of this Annual Information Form. Each class is considered a separate mutual fund with its own investment objectives.

**"NI 81-102"** means National Instrument 81-102 - *Investment Funds*.

**"NI 81-107"** means National Instrument 81-107 - *Independent Review Committee for Investment Funds*.

**"NIMGI"** means Norrep Investment Management Group Inc.

**"Partnership"** means any of the limited partnerships managed by the Manager or such other limited partnerships as are determined from time to time by the Manager.

**"Prescribed Number of Securities"** means the number of ETF Series securities determined by us from time to time for the purpose of subscription orders, exchanges, redemptions or for other purposes.

**"Registered Plan"** means a trust governed by a registered retirement savings plan, registered retirement income fund, registered education savings plan, registered disability savings plan, tax-free savings account, or a deferred profit sharing plan (all as defined for purposes of the Tax Act).

**"Sub-Advisor"** means Cumberland Investment Counsel Inc., the portfolio manager of certain Funds and investment advisor for all the Funds.

**"Tax Act"** means the *Income Tax Act* (Canada) and the regulations promulgated thereunder, all as amended from time to time.

**"Trading Day"** means a day the TSX is open for trading.

**"Trust Fund"** or **"Trust Funds"** means one or more of the Funds indicated as a trust fund on the front cover of this Annual Information Form.

**"Trustee"** means the trustee of the applicable Trust Fund.

**"TSX"** means the Toronto Stock Exchange.

**"Valuation Time"** means, on each Trading Day, either 4:00 p.m. (Toronto time) or immediately before the TSX closes for the day, whichever is earlier.

**"We", "us", "our", and "NCM Investments"** means the Manager, portfolio manager and the Trustee, as applicable.

**"You"** and **"your"** means the person who invests in a Fund.

## **NAME, FORMATION, AND HISTORY OF THE FUNDS**

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The address of the head office of the Funds is the same as the Manager's address: Dome Tower – Suite 1850, 333 – 7<sup>th</sup> Avenue S.W., Calgary, Alberta T2P 2Z1. The telephone number of the Manager is (403)-531-2650 or 1-877-531-9355 (toll free). The e-mail address of the Manager is info@ncminvestments.com.

Effective December 1, 2014, as part of an internal restructuring, NIMGI acquired all of the common shares of the Manager, resulting in a change of control of the Manager. In connection with this internal restructuring, the Manager also changed its name from Hesperian Capital Management Ltd. to Norrep Capital Management Ltd. Effective as of May 1, 2018, CPL acquired all of the issued and outstanding shares of NIMGI, resulting in an indirect change of control of the Manager. The Manager is an indirect wholly-owned subsidiary of CPL. Effective as of August 27, 2018, the Manager continued to the federal jurisdiction of Canada and changed its name to NCM Asset Management Ltd.

Effective June 29, 2017, the name of MF Series was changed to Series A and the name of MF Series (H) was changed to Series A (H).

### ***ETF Series***

The ETF Series are exchange-traded series of securities offered by some of the Funds. ETF Series securities of the Funds are issued and sold on a continuous basis.

The ETF Series securities have been conditionally approved for listing on the TSX. Subject to satisfying the TSX's original listing requirements, the ETF Series securities will be listed on the TSX and holders of ETF Series securities will be able to buy or sell ETF Series securities on the TSX through registered brokers and dealers in the province or territory where the investor resides. Investors may incur customary brokerage commissions in buying or selling the ETF Series securities of the Funds.

### ***TRUST FUNDS***

#### ***NCM BALANCED INCOME PORTFOLIO***

The Fund was established on August 27, 2018 under the laws of the Province of Alberta pursuant to an Amended and Restated Master Trust Agreement between the Manager and Computershare Trust Company of Canada dated as of June 29, 2017, as amended. On May 15, 2020, the Manager became the trustee of the Fund.

NCM Premium Growth Class, a Class Fund of NCM Core Portfolios, was merged into the Fund effective October 31, 2018, and was terminated immediately upon the merger, resulting in securityholders of NCM Premium Growth Class becoming securityholders of the Fund. The Fund commenced offering Series M units on May 22, 2019.

#### ***NCM CONSERVATIVE INCOME PORTFOLIO***

The Fund was established on August 27, 2018 under the laws of the Province of Alberta pursuant to an Amended and Restated Master Trust Agreement between the Manager and Computershare Trust Company of Canada dated as of June 29, 2017, as amended. On May 15, 2020, the Manager became the trustee of the Fund.

NCM High Income Fund was merged into the Fund effective October 31, 2018, and was terminated immediately upon the merger, resulting in securityholders of NCM High Income Fund becoming securityholders of the Fund. The Fund commenced offering Series M units on May 22, 2019.

***NCM GROWTH AND INCOME PORTFOLIO***

The Fund was established on August 27, 2018 under the laws of the Province of Alberta pursuant to an Amended and Restated Master Trust Agreement between the Manager and Computershare Trust Company of Canada dated as of June 29, 2017, as amended. On May 15, 2020, the Manager became the trustee of the Fund.

NCM Tactical Opportunities Class, a Class Fund of NCM Core Opportunities, was merged into the Fund effective October 31, 2018, and was terminated immediately upon the merger, resulting in securityholders of NCM Tactical Opportunities Class becoming securityholders of the Fund. The Fund commenced offering Series M units on May 22, 2019.

***NCM NORREP FUND***

The Fund was established under the laws of the Province of Alberta pursuant to a Trust Agreement between Norrep Inc. and BNY Trust Company of Canada dated June 3, 1997 and restated on January 1, 2002. On March 21, 2000, the Trust Agreement was amended to change the valuation date from the last day of the month to daily and the redemption provisions were changed to allow redemption on any day, as well as a number of other administrative amendments. In May 2001, further amendments to the Trust Agreement were implemented to reduce the time from when you redeem units to when the Manager mails your cheque from five Business Days to three Business Days, and to change the date on which the value of units that are redeemed is determined. On January 1, 2002, the Trust Agreement was further amended and restated to align the provisions of the Trust Agreement with respect to the sale and redemption of units of the Fund with certain changes in securities legislation, as well as to amend the provisions with respect to amending the Trust Agreement. Effective August 16, 2011, the Fund was continued under a Trust Agreement between Norrep Inc. and TSX Trust as trustee. On May 15, 2020, the Manager became the trustee of the Fund.

The Fund began offering its units to the public on April 12, 2000. Prior to April 12, 2000, the Fund was a non-public mutual fund and sold its units to a limited number of investors on a private placement basis. The Fund was closed to new and additional purchases, except with respect to reinvested distributions, from March 1, 2005 until May 21, 2015; it was reopened on May 22, 2015 in connection with the Fund's 15<sup>th</sup> anniversary, and was closed again on December 31, 2015. The Fund has been re-opened in respect of Series R units on August 27, 2018. Series R is only available for purchase by the Funds and other funds and accounts managed or advised by the Manager and/or its affiliates. The Manager in its discretion may open or close the Fund or any series of the Fund to new and additional purchases at any time.

The Fund commenced offering Series F units on July 6, 2015 and Series R units on August 27, 2018. Effective August 27, 2018, the Fund changed its name to NCM Norrep Fund.

***NCM SHORT TERM INCOME FUND***

The Fund was established under the laws of the Province of Alberta pursuant to a Trust Agreement between Norrep Inc. and TSX Trust effective August 16, 2011 and commenced offering its units to the public on September 16, 2011. The Fund commenced offering Series A (H) units on May 2, 2014, Series F (H) units on May 14, 2014, Series R units on August 27, 2018. Effective August 27, 2018, the Fund changed its name to NCM Short Term Income Fund. On May 15, 2020, the Manager became the trustee of the Fund and effective May 15, 2020, the trustee amended and restated the Trust Agreement into a Declaration of Trust and created the ability to offer ETF Series units.

***NCM OPPORTUNITIES CORP.***

On December 16, 2004, Norrep II Fund Inc. and Norrep Opportunities Corp. were amalgamated by articles of amalgamation under the laws of the Province of Alberta, under the name Norrep Opportunities Corp. However, the amalgamation did not result in the merger of the Funds.

All of the assets and expenses of Norrep II Fund Inc. became the assets and expenses attributed to Norrep II Class. All of the assets and expenses of Norrep Q Class of the predecessor Norrep Opportunities Corp. became the assets and expenses attributed to Norrep Q Class (which was renamed Norrep Canadian Equity Class). Norrep Canadian Equity Class merged with NCM Core Canadian on June 17, 2016 and was terminated immediately upon the merger. Effective August 27, 2018, the corporation changed its name to NCM Opportunities Corp.

#### ***NCM ENTREPRENEURS CLASS***

The Fund (named Norrep Entrepreneurs Class) was created pursuant to articles of amendment dated April 6, 2010 and commenced offering its shares to the public on May 31, 2010. Effective August 27, 2018, the Fund changed its name to NCM Entrepreneurs Class.

#### ***NCM GLOBAL INCOME GROWTH CLASS***

The Fund (named Norrep Global Income Growth Class) was created pursuant to articles of amendment dated March 23, 2011 and commenced offering its shares to the public on May 31, 2011. On June 27, 2016, Norrep Global Class, another class of NCM Opportunities was merged into the Fund. As a result of the merger, shareholders of Norrep Global Class became shareholders of the Fund. The Fund commenced offering Series F6 and Series T6 shares on December 11, 2017 and December 12, 2017, respectively. Effective August 27, 2018, the Fund changed its name to NCM Global Income Growth Class.

#### ***NCM INCOME GROWTH CLASS***

The Fund (named Norrep Income Growth Class) was created pursuant to articles of amendment dated November 21, 2005 and commenced offering its shares to the public on December 31, 2005. The Fund commenced offering Series T6 and Series F6 shares on April 11, 2018 and July 13, 2018, respectively. Effective August 27, 2018, the Fund changed its name to NCM Income Growth Class.

#### ***NCM SMALL COMPANIES CLASS***

The Fund was incorporated under the laws of the Province of Alberta as Norrep II Fund Inc. pursuant to articles of incorporation dated August 30, 2001, and began to offer its shares to the public on February 15, 2002. Prior to filing its prospectus, the Fund existed as a non-public mutual fund. On December 16, 2004, the Fund became part of NCM Opportunities as a result of the amalgamation described above and changed its name to Norrep II Class. Effective August 27, 2018, the Fund changed its name to NCM Small Companies Class. On May 15, 2020, NCM Energy Plus Class, another class of NCM Opportunities was merged into the Fund. As a result of the merger, shareholders of NCM Energy Plus Class became shareholders of the Fund.

#### ***NCM CORE AMERICAN***

The Fund (named Norrep US Class) was created pursuant to articles of amendment dated November 21, 2005 and commenced offering its shares to the public on December 31, 2005. The Fund changed its name to Norrep US Dividend Plus Class pursuant to articles of amendment dated January 18, 2013. Effective as of January 31, 2013, the fundamental investment objectives of the Fund were changed with the approval of shareholders provided at a special meeting called for the purpose of considering such change. The Fund commenced offering Series R shares on August 27, 2018. Effective August 27, 2018, the Fund changed its name to NCM US Dividend Plus Class. Effective May 22, 2019, the Fund changed its name to NCM US Dividend Class. Effective May 20, 2020, the Fund changed its name to NCM Core American and commenced offering Series Z shares.

#### ***NCM CORE PORTFOLIOS LTD.***

The corporation was incorporated under the laws of the Province of Alberta as Norrep MG Fund Ltd. pursuant to articles of incorporation dated January 24, 2012. It changed its name to Norrep Premium Portfolios Ltd. by articles of amendment dated January 9, 2014 and it further changed its name to Norrep Core Portfolios Ltd. by articles of amendment dated January 18, 2016. The corporation changed its name to NCM Core Portfolios Ltd. by articles of

amendment dated August 27, 2018. The Corporation filed articles of amendment dated May 20, 2020 to create the ability to offer ETF Series shares.

#### **NCM CORE CANADIAN**

The Fund (named Norrep Core Canadian Pool) was created pursuant to articles of amendment dated January 18, 2016. The Fund authorized the creation of two series of shares, Series A and Series F, on January 18, 2016, but did not commence public distribution of the shares until February 16, 2016. On June 27, 2016, Norrep Canadian Equity Class, a class of NCM Opportunities was merged into the Fund. As a result of the merger, shareholders of Norrep Canadian Equity Class became shareholders of the Fund. Effective June 29, 2017, the Fund changed its name to Norrep Core Canadian. The Fund commenced offering Series Z shares on July 14, 2017, commenced offering Series R shares on August 27, 2018, and commenced offering Series M shares on May 22, 2019. Effective August 27, 2018, the Fund changed its name to NCM Core Canadian.

#### **NCM CORE GLOBAL**

The Fund (named Norrep Core Global Pool) was created pursuant to articles of amendment dated January 18, 2016. The Fund authorized the creation of two series of shares, Series A and Series F, on January 18, 2016, but did not commence public distribution of the shares until February 16, 2016. Effective June 29, 2017, the Fund changed its name to Norrep Core Global. The Fund commenced offering Series Z shares on August 15, 2017, commenced offering Series R shares on August 27, 2018, commenced offering Series M shares on May 22, 2019 and intends to commence offering ETF Series shares on or around June 3, 2020. Effective August 27, 2018, the Fund changed its name to NCM Core Global.

### **INVESTMENT RESTRICTIONS**

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The Funds are subject to certain restrictions and practices contained in securities legislation, including NI 81-102. This legislation is designed, in part, to ensure that the investments of the Funds are diversified and relatively liquid, and to ensure the proper administration of the Funds. The Funds are managed in accordance with these restrictions and practices.

Any change to the investment objectives of the Funds requires the approval of the holders of securities of a Fund by a majority of the votes cast at a meeting of unitholders or shareholders called for the purpose of considering the change.

Securities of the Funds are “qualified investments” under the Tax Act for Registered Plans. The Funds have not deviated in the last year from the rules under the Tax Act that applied to the status of the securities of the Funds as qualified investments within the meaning of the Tax Act for such plans and accounts. See *Income Tax Considerations* for more details.

Each Fund may invest up to all of its assets in a combination of different types of mutual funds managed or advised by the Manager (or its affiliates), which may change from time to time.

### **DESCRIPTION OF THE SECURITIES OF THE FUNDS**

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Unitholders and shareholders of each series of each of the Funds are permitted to vote on all matters that require securityholder approval under NI 81-102 or under the constating documents of the applicable Fund. These matters are:

- a change in the basis of the calculation of a fee or expense that is charged to a Fund or directly to its securityholders in a way that could result in an increase in charges to the Fund or its securityholders;



- the introduction of a fee or expense that is charged to a Fund or directly to its securityholders that could result in an increase in charges to the Fund or its securityholders;
- a change in the Manager, unless the new manager is an affiliate of the Manager;
- a change in the fundamental investment objectives of a Fund;
- a decrease in the frequency of the calculation of the NAV per security of a Fund;
- where a Fund undertakes a reorganization with, or transfers its assets to, another mutual fund, and the Fund ceases to continue after the reorganization or transfer of assets, and the transaction results in the securityholders of the Fund becoming securityholders in the other mutual fund; or
- where a Fund undertakes a reorganization with, or acquires assets from, another mutual fund, continues after the reorganization or acquisition of assets, and the transaction results in the securityholders of the other mutual fund becoming securityholders of the Fund, and the transaction would be a significant change to the Fund.

In the case of a Class Fund, in some cases only holders of a class or series of a class will vote on a particular matter stated above and in other cases holders of all the classes and series will vote on such matter. In the case of a Trust Fund, in some cases only the holders of a series will vote on a particular matter stated above and in other cases holders of all series will vote on such matter.

#### ***TRUST FUNDS***

Each Trust Fund may issue an unlimited number of units. The units of each Trust Fund are issued in the series set out on the cover page of this Annual Information Form. Each series of a Trust Fund has the right to participate in distributions the Trust Fund makes. Each unit has the right to one vote at a meeting of unitholders of the Trust Fund. Fractions of units may be issued and have the same rights as whole units although these rights are prorated in accordance with the fraction (except voting rights, which may only be exercised in whole numbers). After payment of the liabilities of a Trust Fund, each registered unitholder is entitled to receive its proportionate share of the value of the Trust Fund upon termination of the Trust Fund, based on its respective series NAV. You may redeem units of a Trust Fund. See ***Redemptions*** for details.

These rights can only be changed in accordance with the provisions of the securities legislation applicable to such Trust Fund units and the provisions of the trust agreement governing such Trust Fund.

NCM Short Term Income Fund offers Series A (H) and Series F (H) units, which are offered for purchase in U.S. dollars only. The Fund hedges against changes in the Canadian currency relative to the U.S. currency in respect of Series A (H) and Series F (H) units and in doing so attempts to reduce the fluctuations between the Canadian and U.S. currencies. Series A (H) and Series F (H) units are intended for investors who wish to purchase the Fund, which is a Canadian denominated fund, in U.S. currency and wish to minimize fluctuations between the Canadian and U.S. currencies. While Series A (H) and Series F (H) units will typically be substantially hedged using derivative instruments such as foreign currency forward contracts, there may be circumstances, from time to time, in which the Fund may not be able to fully hedge its Canadian exposure back to U.S. dollars in respect of Series A (H) and Series F (H) units.

#### ***CLASS FUNDS OF NCM OPPORTUNITIES***

NCM Opportunities has authorized 100 classes of special shares, each class being issuable in series (collectively the "**Special Shares**" for the purposes of this section) and a class of common shares. Currently, there are six classes of Special Shares offered to investors, each being a separate Class Fund, as set out on the cover page of this Annual Information Form.

Each class of Special Shares ranks equally with respect to dividends and returns of capital in the event of the liquidation, dissolution, or winding-up of NCM Opportunities based on its respective class NAV and in priority to the common shares. The holders of the common shares are entitled, subject to the rights, privileges, restrictions, and conditions attaching to the Special Shares or any series thereof of NCM Opportunities, to receive the remaining property of NCM Opportunities upon the liquidation, dissolution, or winding-up of NCM Opportunities.

Each series of a class of Special Shares ranks equally with respect to dividends and returns of capital in the event of the liquidation, dissolution, or winding-up of NCM Opportunities based on its respective series NAV.

All series of the Funds are redeemable on the basis as described under **Redemptions**.

The movement of your investment money from one Class Fund to another Class Fund within NCM Opportunities, or from one series to another series of the same Class Fund, is called a **conversion**. Any conversion from one Class Fund to another Class Fund within NCM Opportunities will be a taxable disposition for purposes of the Tax Act and, if you hold your shares in a non-registered account, you will generally realize a capital gain or loss. Capital gains are taxable. Conversions of one series to another series of the same Class Fund will not generally be considered a taxable disposition for purposes of the Tax Act. For a further discussion of the tax consequences, see **Income Tax Considerations**. If you wish to change your investment objective within NCM Opportunities, you may convert from one Class Fund to another Class Fund. In addition, if you wish to change the series of shares that you hold, you may also convert your shares provided you meet the criteria for the other series. Further details regarding conversions are provided in the Simplified Prospectus of the Funds.

Subject to the ABCA and applicable securities legislation, holders of Special Shares are not entitled to vote at any meeting of NCM Opportunities. At meetings at which holders of Special Shares are entitled to vote, each special shareholder shall have one vote for each one dollar of series NAV of Special Shares held by such shareholder as determined based on the series NAV per security at the close of business on the record date fixed by the Board of Directors for each such meeting, with no voting rights being attributed to portions of a dollar of such value. In addition, if a series of Special Shares of a class is affected differently from other series of that class, a separate vote of the series may be required under the ABCA. Each holder of a common share of NCM Opportunities will be entitled to one vote for each common share at all meetings of shareholders, except meetings at which only holders of any class of Special Shares or one or more series thereof are entitled to vote.

These rights can only be changed in accordance with the articles of NCM Opportunities, the ABCA, and applicable securities laws.

#### **CLASS FUNDS OF NCM CORE PORTFOLIOS**

NCM Core Portfolios has authorized 100 classes of special shares, each class being issuable in series (collectively the “**Special Shares**” for the purposes of this section) and a class of common shares. Currently, there are two classes of Special Shares offered to investors, as set out on the cover page of this Annual Information Form.

Each class of Special Shares ranks equally with respect to dividends and returns of capital in the event of the liquidation, dissolution, or winding-up of NCM Core Portfolios based on its respective class NAV and in priority to the common shares. The holders of the common shares are entitled, subject to the rights, privileges, restrictions, and conditions attaching to the Special Shares or any series thereof of NCM Core Portfolios, to receive the remaining property of NCM Core Portfolios upon the liquidation, dissolution, or winding-up of NCM Core Portfolios.

Each series of a class of Special Shares ranks equally with respect to dividends and returns of capital in the event of the liquidation, dissolution, or winding-up of NCM Core Portfolios based on its respective series NAV.

All series of the Funds are redeemable on the basis as described under **Redemptions**.

The movement of your investment money from one Class Fund to another Class Fund within NCM Core Portfolios, or from one series to another series of the same Class Fund, is called a **conversion**. Any conversion from one Class Fund to another Class Fund within NCM Core Portfolios will be a taxable disposition for purposes of the Tax Act and, if you hold your shares in a non-registered account, you will generally realize a capital gain or loss. Capital gains are taxable. Conversions of one series to another series of the same Class Fund will not generally be considered a taxable disposition for purposes of the Tax Act.] For a further discussion of the tax consequences, see **Income Tax Considerations**. If you wish to change your investment objective within NCM Core Portfolios, you may convert from one Class Fund to another Class Fund. In addition, if you wish to change the Mutual Fund Series of shares that you hold, you may also convert your Mutual Fund Series of shares to another Mutual Fund Series, provided you meet the criteria for the other series. You may not convert from Mutual Fund Series to ETF Series of the same or another Class Fund. Further details regarding conversions are provided in the Simplified Prospectus of the Funds.

Subject to the ABCA and applicable securities legislation, holders of Special Shares are not entitled to vote at any meeting of NCM Core Portfolios. At meetings at which holders of Special Shares are entitled to vote, each special shareholder shall have one vote for each one dollar of series NAV of Special Shares held by such shareholder as determined based on the series NAV per security at the close of business on the record date fixed by the Board of Directors for each such meeting, with no voting rights being attributed to portions of a dollar of such value. In addition, if a series of Special Shares of a class is affected differently from other series of that class, a separate vote of the series may be required under the ABCA. Each holder of a common share of NCM Core Portfolios will be entitled to one vote for each common share at all meetings of shareholders, except meetings at which only holders of any class of Special Shares or one or more series thereof are entitled to vote.

These rights can only be changed in accordance with the Articles of Incorporation of NCM Core Portfolios, the ABCA, and applicable securities laws.

## HOW WE CALCULATE SECURITY VALUES

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### GENERAL

The purchase, redemption, and switch price for a series of securities of a Fund will be the series NAV per security of the Fund, next calculated after the receipt of a purchase, switch, or redemption order in good order (see **How to Purchase, Switch, or Redeem Securities**). We usually calculate the series NAV per security at the Valuation Time on each Trading Day. In unusual circumstances, we may suspend the calculation of Fund prices. During any period of suspension of redemptions, there will be no calculation of series NAV. See **Suspension of Redemption Rights** for details. The series NAVs per security of the Funds are made available to the public, at no cost, on our website at [www.ncminvestments.com](http://www.ncminvestments.com), or by contacting the Manager at the address indicated on the back cover of this Annual Information Form.

The value of the assets held by a Fund is determined as follows:

- (a) the value of any cash on hand or on deposit, bills, demand notes, accounts receivable, prepaid expenses, cash dividends received (or to be received and declared to shareholders of record on a date before the date as of which the NAV of the Fund is being determined), and interest accrued and not yet received, is deemed to be the full amount thereof unless the Manager has determined that any such deposit, bill, demand note, account receivable, prepaid expense, cash dividend received or interest is not worth the full amount thereof, in which event the value thereof is deemed to be such value as the Manager determines to be the reasonable value thereof;
- (b) the value of any bonds, debentures, and other debt obligations is determined by taking the last price of such security at the Valuation Time. Short term investments including money market instruments shall be valued at cost plus accrued interest;

- (c) the value of any security that is listed or dealt in upon a stock exchange is determined by: (i) in the case of a security that was traded on the day as of which the NAV of the Fund is being determined, the closing price; or (ii) in the case of a security that was not traded on the day as of which the NAV of the Fund is being determined, the closing price of the security on the trading day immediately before such date will be used for the purpose of calculating the NAV of the Fund. The value of interlisted securities is computed in accordance with directions laid down from time to time by the Manager. If, in the opinion of the Manager, stock exchange or over-the-counter quotations do not properly reflect the prices that would be received by the Fund upon the disposal of shares or securities necessary to effect any redemptions of shares, the Manager may place such value upon such shares or securities as appears to it to most closely reflect the fair value of such shares or securities;
- (d) the value of any security or other asset for which a market quotation is not readily available shall be its fair market value as determined by the Manager or such other person as the Manager chooses;
- (e) the value of any security, the resale of which is restricted or limited by reason of a representation, undertaking, or agreement by the Fund or by a predecessor in title is determined using an economic model taking into account various factors including risk free rate of interest, volatility, market value, and length of the restriction;
- (f) the value of all assets of the Fund valued in terms of a currency other than Canadian currency and liabilities payable in a currency other than Canadian currency are translated to Canadian currency using the prevailing rate of exchange as quoted by customary banking sources on the date of valuation;
- (g) each transaction of purchase or sale of portfolio securities effected by the Fund is reflected in the computation of the NAV or series NAV of the Fund not later than the first computation of the NAV or series NAV of the Fund made after the date on which the transaction becomes binding;
- (h) the issue or redemption of securities of the Fund is reflected in the computation of the NAV or series NAV of the Fund not later than the next computation of the NAV or series NAV of the Fund made after the time as at which the NAV per security is determined for the purpose of the issue or redemption of the securities of the Fund;
- (i) for long positions in covered options, options on futures, over-the-counter options, debt-like securities, and listed warrants, the current market value is used;
- (j) the premium received when a covered option, option on futures or over-the-counter option is written is shown as a deferred credit. The value of the deferred credit is equal to the current market value of an option that would have the effect of closing the position. Any difference resulting from the revaluation is treated as an unrealized gain or loss. The deferred credit is deducted when the Manager calculates the NAV or series NAV of the Fund;
- (k) for futures contracts, forward contracts, or swaps, the current market value of the underlying interest is used, if daily limits are in effect. If daily limits are not in effect, the gain or loss realized if, on valuation day, the position of the contract were closed out, is used;
- (l) margin paid or deposited for futures and forward contracts is shown as an account receivable. Margin consisting of assets other than cash is shown as cash;

- (m) the fair value of investments in purchase share warrants is determined using a recognized economic model taking into account various factors including risk free rate of interest, dividend rates, volatility, market value, and trading volume of the underlying stock; and
- (n) the statement of net assets of the Fund records the securities sold short as a liability with the Fund's assets deposited as security with borrowing agents for securities sold short recorded as an asset. The dividends and other income received on borrowed securities in connection with securities sold short are shown as an expense on the statement of comprehensive income of the Fund.

The liabilities of the Fund are deemed to include:

- (a) all bills and accounts payable;
- (b) all administrative expenses payable and/or accrued;
- (c) all contractual obligations for the payment of money or property provided that the amount of any unpaid distribution (including any tax required by law to be deducted therefrom) declared payable in respect of any securities of an ETF Series of a Fund to Securityholders of record of the Securities of an ETF Series of the Fund on a distribution record date shall be deemed to be a liability of the Fund only in respect of a valuation date that occurs during the period commencing on and including the Trading Day that the rules of the exchange provide such Securities will commence trading on an ex-dividend basis and ending on, but not including, the Trading Day that is the distribution payment date for that distribution;
- (d) all securities sold short, if applicable;
- (e) all allowances authorized or approved for taxes or contingencies; and
- (f) all other liabilities of the Fund of whatever kind and nature, except liabilities represented by outstanding shares.

### **TRUST FUNDS**

The series NAV of each series of each Trust Fund is calculated by:

- adding up the assets of the Trust Fund and determining the share of assets of each series;
- subtracting the liabilities of the Trust Fund that are common to all series of that Trust Fund and determining the share of liabilities of each series; and
- subtracting the liabilities of the Trust Fund that are attributable solely to the series, such as management fees payable.

The series NAV per unit is equal to the series NAV of the relevant series divided by the number of units of that series then outstanding.

For the U.S. dollar series of NCM Short Term Income Fund, the NAV of each of Series A (H) and Series F (H) is calculated by converting the Canadian dollar NAV per unit of the series to the U.S. dollar equivalent using the applicable closing rate of exchange as quoted by customary banking sources on each Trading Day.

NCM Short Term Income Fund hedges Series A (H) and Series F (H) units against changes in the Canadian currency relative to the U.S. currency and in doing so attempts to reduce the fluctuations between the Canadian and U.S. currencies. There may be circumstances, from time to time, in which the Fund may not be able to fully hedge its Canadian exposure back to U.S. dollars in respect of Series A (H) and Series F (H) units.

#### ***CLASS FUNDS OF NCM OPPORTUNITIES***

The series NAV of each series of each class of NCM Opportunities is calculated by:

- adding up the assets of the class and determining the share of assets of each series;
- subtracting the liabilities of NCM Opportunities that are common to all classes and determining the share of liabilities of each class;
- subtracting the liabilities of the class that are common to all series of that class and determining the share of liabilities of each series; and
- subtracting the liabilities of the class that are attributable solely to the series, such as management fees payable or performance bonus payable.

The series NAV per share is equal to the series NAV of the relevant series of the relevant class divided by the number of shares of that series then outstanding.

#### ***CLASS FUNDS OF NCM CORE PORTFOLIOS***

The series NAV of each series of each class of NCM Core Portfolios is calculated by:

- adding up the assets of the class and determining the share of such assets attributable to each series of the class;
- subtracting the liabilities of NCM Core Portfolios that are common to all classes and determining the share of liabilities of each class;
- subtracting the liabilities of the class that are common to all series of that class and determining the share of liabilities of each series; and
- subtracting the liabilities of the class that are attributable solely to the series, such as management fees payable.

The series NAV per share is equal to the series NAV of the relevant series of the relevant class divided by the number of shares of that series then outstanding.

#### **HOW TO PURCHASE, SWITCH, OR REDEEM SECURITIES**

Each Fund offers the series of securities indicated on the cover page of this Annual Information Form:

- Series A, Series A (H), Series B, and Series T6 securities are available for purchase by all investors and may be subject to a sales charge.
- Series F, Series F (H), Series F6, and Series Z securities may only be purchased by investors who are participants in a fee-for-service or wrap account program sponsored by certain securities dealers, or at the

Manager's discretion. Your representative must notify the Manager if you are no longer enrolled in a fee-for-service or wrap account program. These series are not subject to a sales charge.

- Series I securities are available to certain investors at the Manager's discretion. To qualify to purchase Series I securities, you must have entered into an agreement with the Manager relating to your Series I securities.
- Series M securities are not available for general public purchase. The Manager and its affiliates offer wealth management services including fee-based and managed accounts under the Cumberland Private Wealth brand, and the Series M securities are intended for such accounts.
- Series R securities are only available for investment by the Funds and other funds and accounts managed or advised by the Manager and/or its affiliates and are not available for public purchase.
- Series Z shares may only be purchased by investors who are participants in a fee-for-service or wrap account program sponsored by certain securities dealers, or at the Manager's discretion. Series Z shares are not subject to a sales charge. Series Z shares are subject to a flat fee pricing model.
- ETF Series securities may only be purchased and sold on the TSX or another exchange or marketplace.

NCM Norrep Fund offered Series A under a prospectus from April 12, 2000 until the close of business on March 1, 2005. NCM Norrep Fund was closed to new and additional purchases, except with respect to reinvested distributions, from the close of business on March 1, 2005 until May 21, 2015. It was reopened on May 22, 2015 until December 31, 2015 during which time it offered Series A and Series F units. The Fund was re-opened in respect of Series R units on or around August 27, 2018. Series R is only available for purchase by the NCM Funds and other funds and accounts managed or advised by the Manager and/or its affiliates. The Manager in its discretion may open or close the Fund or any series of the Fund to new and additional purchases at any time.

If you are no longer eligible to hold certain series of securities, we may automatically sell or redesignate your securities to securities of another series of the same Fund. Please see ***Switches - Automatic Sales, Redesignations, or Conversions*** for details.

You can buy, switch, or sell securities of the Funds through your dealer. Selling your securities is known as redeeming. All purchases, switches and redemptions of Mutual Fund Series securities are based on the Fund's series NAV per Mutual Fund Series security next determined after we receive your purchase, switch, or redemption request in good order. You can buy or sell ETF Series securities at the market price on the TSX through a registered broker or dealer subject only to customary brokerage commissions.

We usually calculate the series NAV per security at the Valuation Time on each Trading Day. In unusual circumstances, we may suspend the calculation of Fund prices.

We calculate the NAV of each series by adding up the assets attributable to the series and subtracting the liabilities attributable to the series. The NAV per security for the series is equal to the NAV of that series divided by the number of securities of that series outstanding. See ***How We Calculate Security Values*** for more details.

For U.S. dollar pricing, NAVs are calculated by converting the Canadian dollar NAV per unit to the U.S. dollar equivalent using the applicable closing rate of exchange as quoted by customary banking sources on each Trading Day.

With respect to the Series A (H) and Series F (H) units of NCM Short Term Income Fund, the Manager intends to hedge against movements of the Canadian dollar relative to the U.S. dollar. While the Fund will attempt to hedge this risk, there can be no guarantee that it will be successful in doing so. Hedging transactions will be clearly attributable to each specific series. The costs and gains/losses of hedging transactions will accrue solely to the relevant Series A (H) and Series F (H) and will be reflected in the NAV per security of that series. However, there is

no segregation of liability between series of the Fund. Unitholders of the Fund are exposed to the risk that hedging transactions undertaken in Series A (H) or Series F (H) may impact unfavorably the NAV of the other series.

### **PURCHASES**

Orders to purchase Mutual Fund Series securities must be placed with your mutual fund dealer or securities dealer. Your securities must continue to be held in a dealer's account. Securities of the Funds, other than NCM Short Term Income Fund and NCM Core Global, are not currently available to residents of the territories of Canada. The Funds are not registered with the U.S. Securities and Exchange Commission and may be offered and sold in the United States only pursuant to an exemption from registration.

Orders to purchase or sell ETF Series securities can be made through a registered broker or dealer on the TSX or another exchange or marketplace. You may incur customary brokerage commissions in purchasing or selling ETF Series securities. No fees are paid by you to us or a Fund in connection with the purchasing or selling of ETF Series securities on the TSX or another exchange or marketplace. You may pay a commission to your dealer to purchase or sell ETF Series securities.

Mutual Fund Series securities are available in different series and under different purchase options. The choice of different purchase options offered by the Mutual Fund Series of the Funds may require you to pay different fees and expenses and may affect the amount of compensation paid to your dealer by us, depending on the purchase option you choose.

Unless the Manager otherwise agrees:

- The minimum initial investment in Series A, Series B, Series F, Series F6, or Series T6 securities is \$5,000 of the respective series securities of a single Fund per account and any additional investments (other than reinvestments) must be at least \$100 of the respective series securities of a single Fund per account.
- The minimum initial investment in Series A (H) or Series F (H) units is US\$5,000 of the respective series units per account and any additional investments (other than reinvestments) must be at least US\$100 of the respective series units per account.
- The minimum initial investment in Series I securities is \$250,000 of Series I securities of a single Fund per account and any additional investments (other than reinvestments) must be at least \$100 of Series I securities of a single Fund per account.
- The minimum initial investment in Series Z shares is (A) \$134,000 for NCM Core Canadian, (B) \$118,000 for NCM Core American; and (C) \$118,000 for NCM Core Global of Series Z shares of a single Fund per account. Any additional investments (other than reinvestments) must be at least \$100 of Series Z shares of a single Fund per account.
- There are no minimum initial or additional investment amounts for ETF Series securities.

Series A (H) and Series F (H) units are offered for purchase in U.S. dollars only.

Purchases of Series A shares of any Class Fund of NCM Opportunities (other than NCM Core American) are made under either the front end sales charge option or the low load deferred sales charge option. The sales charge option you choose will affect the compensation paid to your dealer. Purchases of Series A units of any Trust Fund, Series A shares of any Class Fund of NCM Core Portfolios, Series A shares of NCM Core American, Series A (H) units of NCM Short Term Income Fund, or Series T6 securities of any Fund are made under the front end sales charge option. Purchases of Series B shares of NCM Income Growth Class are made under the front end sales charge option or the low load deferred sales charge option. No commission or servicing charge is payable to the Manager for the purchase of Series F, Series F (H), Series F6, Series I, Series M, Series R, Series Z or ETF Series securities.



Trailing commissions may be payable to your dealer in respect of the purchase of Series A units of any Trust Fund, Series A (H) units of NCM Short Term Income Fund, Series A shares of any Class Fund, Series B shares of NCM Income Growth Class, and Series T6 securities of any Fund. We do not pay these trailing commissions to discount brokers for securities you purchase through any discount brokerage account. A sales charge is payable by you to your dealer when you purchase Series A, Series A (H), Series B or Series T6 of any Fund. With respect to purchases of Series I securities of any Fund, you may pay a negotiated trailer fee to your dealer under the terms of your arrangement with your dealer. This fee may be paid through the redemption of securities. The trailing commissions are described in the Simplified Prospectus of the Funds.

There are no sales charges or commissions payable in respect of purchases of Series M securities and Series R securities.

You may pay a commission to your dealer to purchase or sell ETF Series securities.

### ***MUTUAL FUND SERIES SECURITIES***

The purchase price for Mutual Fund Series securities is the series NAV per security of the relevant Fund calculated on the same Trading Day if the purchase order is received by the Fund before the Valuation Time. If the purchase order is received after the Valuation Time on a Trading Day or on a day that is not a Trading Day, it will be processed on the next Trading Day. Unless the calculation of Fund prices has been suspended, we calculate the NAVs as at the Valuation Time every Trading Day.

We reserve the right to reject a purchase of Mutual Fund Series securities within one Business Day after receipt by a Fund of the order. In such case, we will refund all cash received immediately in the same currency in which you ordered the securities.

If, for any reason we do not receive payment on or before the second Trading Day following the date on which the Mutual Fund Series purchase order was processed, the Mutual Fund Series securities that were purchased may be redeemed on the next Trading Day in the same currency in which you bought the securities.

If the proceeds of the redemption of the Mutual Fund Series securities exceed the purchase price, the Fund will be entitled to retain the difference. If the proceeds of redemption are less than the purchase price, the Manager will pay the difference to the Fund and will be entitled to collect such amount, together with all costs, charges, and expenses in so doing, from the dealer or the investor from whom the purchase order was received. A dealer may make provision in its arrangements with an investor to be entitled to collect such amount together with its costs, charges, and expenses in so doing, and interest thereon, from the investor who has failed to settle the order in question. An administration fee of \$50.00 is charged to an investor in respect of any dishonoured cheque or returned wire transfer submitted in payment for a purchase order.

### ***ETF Series Securities***

#### ***Designated Broker and ETF Dealers***

We, on behalf of each of the Funds that offers ETF Series securities, have entered into a designated broker agreement with a Designated Broker pursuant to which the Designated Broker agrees to perform certain duties relating to these Funds including, without limitation: (i) to subscribe for a sufficient number of ETF Series securities to satisfy the TSX's original listing requirements; (ii) to subscribe for ETF Series securities on an ongoing basis in connection with the rebalancing of and adjustments to the applicable portfolio and when cash redemptions of ETF Series securities occur; and (iii) to post a liquid two-way market for the trading of ETF Series securities on the TSX. We may, in our discretion from time to time, reimburse the Designated Broker for certain expenses incurred by the Designated Broker in performing these duties.

The designated broker agreement provides that we may from time to time and, in any event not more than once quarterly, require the Designated Broker to subscribe for ETF Series securities of a Fund for cash in a dollar amount not to exceed 0.3%, or any amount as mutually agreed, of the NAV of the Fund. The number of ETF Series securities issued will be the subscription amount divided by the NAV per security of the ETF Series next determined following the delivery by us of a subscription notice to the Designated Broker. Payment for the ETF Series securities must be made by the Designated Broker, and the ETF Series securities will be issued, by no later than the second Trading Day, or such other day as determined by us, after the subscription notice has been delivered.

#### *Issuance of ETF Series to Designated Broker and ETF Dealers*

Generally, all orders to purchase ETF Series securities directly from the Funds must be placed by the Designated Broker or ETF Dealers. We reserve the absolute right to reject any subscription order placed by a Designated Broker or ETF Dealer. No fees will be payable by a Fund to the Designated Broker or ETF Dealer in connection with the issuance of ETF Series securities. On the issuance of ETF Series securities, we may, in our discretion, charge an administrative fee to the Designated Broker or ETF Dealer to offset the expenses (including any applicable additional TSX listing fees) incurred in issuing the ETF Series securities.

On any Trading Day, the Designated Broker or ETF Dealer may place a subscription order for the Prescribed Number of Securities (or any multiple thereof) of a Fund. If a subscription order is received by the Fund by the Valuation Time on a Trading Day (or such later time on a Trading Day as we may agree to with the Designated Broker or ETF Dealer), the Fund will issue to the Designated Broker or ETF Dealer the Prescribed Number of Securities (or multiple thereof) based on the NAV of the ETF Series securities determined on that Trading Day. If the subscription order is not received by the Valuation Time on a Trading Day, subject to our discretion, the subscription order will be deemed to be received only on the next Trading Day. The Fund will issue the Prescribed Number of Securities (or multiple thereof) by no later than the second Trading Day after the date on which the subscription order is accepted, provided that payment for such ETF Series securities has been received.

For each Prescribed Number of Securities issued, the Designated Broker or ETF Dealer must deliver payment consisting of, in our discretion: (i) a Basket of Securities and cash in an amount sufficient so that the value of the securities and the cash received is equal to the NAV of the ETF Series securities next determined following the receipt of the subscription order; (ii) cash in an amount equal to the NAV of the ETF Series securities next determined following the receipt of the subscription order; or (iii) a combination of securities and cash, as determined by us, in an amount sufficient so that the value of the securities and cash received is equal to the NAV of the ETF Series securities next determined following the receipt of the subscription order.

The Basket of Securities for each Fund will be made available to such Fund's Designated Broker and ETF Dealers on each Trading Day. We may, in our discretion, increase or decrease the Prescribed Number of Securities from time to time. The Prescribed Number of Securities of each Fund will be available on our website at **[www.ncminvestments.com](http://www.ncminvestments.com)**.

#### *To Designated Broker in Special Circumstances*

ETF Series securities may be issued by a Fund to the Designated Broker in connection with the rebalancing of and adjustments to the Fund or its portfolio and when cash redemptions of ETF Series securities occur.

#### *Buying and Selling ETF Series*

Investors are able to buy or sell ETF Series securities through registered brokers and dealers in the province or territory where the investor resides. Investors may incur customary brokerage commissions in buying or selling ETF Series securities. The Funds issue ETF Series securities directly to the Designated Broker and ETF Dealers.

ETF Series securities must be purchased, transferred and surrendered for exchange or redemption by investors only through a CDS Participant. All rights as an owner of ETF Series securities must be exercised through, and all payments

or other property to which you are entitled will only be made or delivered by CDS or the CDS Participant through which you hold such securities. Upon purchase of any ETF Series securities, you will receive only the customary confirmation.

From time to time as may be agreed by a Fund and the Designated Broker and ETF Dealers, the Designated Broker and ETF Dealers may agree to accept Constituent Securities as payment for ETF Series securities from prospective purchasers.

The provisions of the so-called “early warning” requirements set out in applicable securities legislation do not apply in connection with the acquisition of ETF Series securities. In addition, the Funds have applied for exemptive relief from the Canadian securities regulatory authorities to permit securityholders to acquire more than 20% of the ETF Series securities of any Fund through purchases on the TSX without regard to the take-over bid requirements of applicable securities legislation, provided that any such securityholder, and any person acting jointly or in concert with the securityholder, undertakes to the Manager not to vote more than 20% of the ETF Series securities of that Fund at any meeting of securityholders.

## **SWITCHES**

### **SWITCHING BETWEEN FUNDS**

Switching your securities of a Fund, other than Series A (H) and Series F (H) securities, to securities of another Fund is permitted, provided you are qualified to purchase the series into which you are switching. This involves both a redemption and a purchase, resulting in a taxable disposition of the securities switched. All terms and conditions of the purchase, such as short-term redemption fees, will apply commencing with the date of purchase. Redeeming or selling your Fund securities is considered a sale for income tax purposes. If you hold your securities in a non-registered account, you will generally realize a capital gain or loss. Capital gains are taxable. For a further discussion of the tax consequences, see **Income Tax Considerations**.

The switching of Series A (H) and Series F (H) units of NCM Short Term Income Fund to any series of any other Fund, or vice versa, is not permitted.

Switching into ETF Series securities of another Fund or from ETF Series securities to Mutual Fund Series securities of another Fund is not permitted.

Generally, you may switch your securities on any Trading Day by delivering a written request to your mutual fund or securities dealer that specifies the number and series of securities to be switched. If you purchased any securities under the low load deferred sales charge option you may only switch them to another low load deferred sales charge option security. When you switch your securities your dealer may charge you a fee. You and your dealer negotiate this fee. If we receive instructions to do so, this fee may be deducted from the value of the securities that you switch.

### **REDESIGNATION OR CONVERSION BETWEEN MUTUAL FUND SERIES**

You may change your securities of one series of a Fund into securities of a different series of the same Fund if you are eligible to purchase the new series, subject to certain restrictions set out below. This change is processed as a redesignation, in the case of a Trust Fund, or a conversion, in the case of a Class Fund, and should not be considered a disposition for tax purposes. Accordingly, you should not realize a capital gain or loss. For a further discussion of the tax consequences, see **Income Tax Considerations**.

Here are some things to keep in mind about changing between series:

- You may not change between Series A (H) and Series F (H) units of NCM Short Term Income Fund and Series A, Series F, and Series I units of NCM Short Term Income Fund, or *vice versa*.

- You may change to Series F, Series F6, or Series Z securities of a Fund, or between Series A (H) and Series F (H) units of NCM Short Term Income Fund, provided you meet the eligibility requirements for the Series F, Series F6, Series F (H), or Series Z securities, as the case may be.
- You may not change between ETF Series securities of a Fund and Mutual Fund Series securities of the same Fund.
- If you purchased any series of securities under the low load deferred sales charge option, and a deferred sales charge is still payable on any redemption, you may only change them to another low load deferred sales charge option security.
- A redesignation or conversion from one series of a Fund to another series of the same Fund will likely result in a change in the number of securities of the Fund you hold since each series of a Fund generally has a different NAV per security.
- Generally, you may change your securities on any Trading Day by delivering a written request to your mutual fund or securities dealer that specifies the number and series of securities to be changed.

#### ***SWITCHING SHARES RECEIVED ON A ROLLOVER***

For investors receiving any Mutual Fund Series of shares of any Class Fund of NCM Opportunities on a rollover from a Partnership, no short term redemption fees are payable as a result of one switch to any other Mutual Fund Series of shares of any Class Fund of NCM Opportunities.

#### ***AUTOMATIC SALES, REDESIGNATIONS, OR CONVERSIONS***

If the Manager is notified that you no longer meet the eligibility criteria for Series F, Series F (H), Series F6, Series M, Series R or Series Z, we will sell or redesignate or convert your Series F, Series F (H), Series F6, Series M, Series R or Series Z securities in accordance with the instructions from your representative. In the absence of instructions, we may automatically sell your Series F, Series F (H), Series F6, Series M, Series R or Series Z securities or redesignate or convert them to Series A or Series A (H), as applicable. There may be tax implications arising from any sale. See ***Income Tax Considerations*** for more details.

If you are no longer eligible to hold Series I securities, we may automatically redesignate or convert your securities into Series F securities, as applicable. We will monitor your account on a quarterly basis to determine if an automatic redesignation or conversion of your securities is appropriate. No switch fees will be charged in connection with automatic redesignations or conversions of Series I securities to Series F securities.

#### ***REDEMPTIONS***

##### ***Redeeming Mutual Fund Series Securities***

You may redeem Mutual Fund Series securities of a Fund on any Trading Day by delivering a written request to your mutual fund or securities dealer that specifies the number and series of securities to be redeemed. The redemption price of the Mutual Fund Series securities of a Fund is based on the series NAV per security of the applicable Mutual Fund Series of the Fund next determined after the receipt by the Fund of the redemption order. The redemption price will be paid in the currency in which you bought the securities.

When you redeem Mutual Fund Series securities, we reserve the right to charge the short term redemption fee as described under ***Fees and Expenses*** and in the Simplified Prospectus of the Funds. The amount of the short term redemption fee depends primarily on the amount of your original investment and the length of time you own the shares. See ***Fees and Expenses*** in the Simplified Prospectus and ***Short Term Trading*** below for more information about these fees.

If you select the low load deferred sales charge option when you purchase Series A shares of a Fund or Series B shares of a Class Fund of NCM Opportunities (other than NCM Core American), you will pay a deferred sales charge if you redeem your securities within three years of buying them. The charge is dependent on the original cost of the securities and does not change regardless of subsequent switches.

If you purchase Mutual Fund Series shares of a Class Fund of NCM Opportunities (other than NCM Core American) under the low load deferred sales charge option, you can redeem up to 10% of your shares of such a Fund without paying the low-load redemption fees. At the beginning of each year, we calculate your 10% free redemption amount. This amount is equal to 10% of the number of shares you own. During the year, this amount is adjusted by adding 10% of the new shares purchased under the low load deferred sales charge option and by deducting the number of 10% free shares redeemed earlier in the year. If you do not use all of your 10% free redemption amount in a calendar year, you cannot carry it forward into the next year. We may change or cancel the use of the 10% free redemption program at any time. We will give you at least 60 days' notice of the change or cancellation.

Shares subject to the 10% free redemption amount are deemed to be redeemed first, as applicable. After this, your oldest securities are redeemed.

You will pay no short term redemption fee in respect of redemptions of reinvested Mutual Fund Series securities due to dividend or distribution payments by the Funds or other adjustments we make.

A Mutual Fund Series redemption request received by a Fund before the Valuation Time on a Trading Day will be processed at the series NAV per security calculated at the Valuation Time on that Trading Day. A Mutual Fund Series redemption request received the Valuation Time on a Trading Day, or on a day that is not a Trading Day, will be processed in the same way on the next Trading Day.

If we have not received all required documents on or before the second Business Day following the date on which your redemption request was received, we will notify you that your order is incomplete. If we still have not received all required documents by the tenth Business Day following the date on which your redemption request was received, the applicable Fund may buy back the securities on the next Business Day in the same currency in which you bought the securities. If the cost is less than the proceeds of redemption, the applicable Fund will be entitled to retain the difference. If the cost is greater than the proceeds of redemption, we will pay the difference to the Fund and will be entitled to collect such amount, together with all costs, charges, and expenses in so doing, from the dealer from whom the redemption request was received. A dealer may make provision in its arrangements with an investor to be entitled to collect such amount, together with its costs, charges, and expenses in so doing, and interest thereon, from the investor who has failed to settle the order in question.

Unless redemptions are suspended (which may only occur when the determination of the series NAV per security is suspended), payment of the redemption price for Mutual Fund Series securities tendered for redemption will be made (less any fees and tax required to be withheld), upon the direction of the Fund, by the registrar and transfer agent in the same currency in which you bought the securities within two Business Days of the date of processing such redemption.

If redemptions are suspended as described below, you may either withdraw your redemption request or receive payment based on the series NAV per security next determined after the termination of the suspension.

Due to the high cost of maintaining small accounts, we reserve the right to redeem holdings with respect to a Trust Fund or a Class Fund of NCM Opportunities with a current value of less than \$2,500 or with respect to a Class Fund of NCM Core Portfolios with a current value of less than \$1,000, upon ten days' notice to you.

**REDEEMING AND EXCHANGING ETF SERIES SECURITIES***Redemption of ETF Series Securities for Cash*

On any Trading Day, you may redeem ETF Series securities of a Fund for cash at a redemption price per security equal to the lesser of: (i) 95% of the closing price for the ETF Series securities on the TSX on the effective day of the redemption; and (ii) the NAV per security on the effective day of the redemption. Because you will generally be able to sell ETF Series securities at the market price on the TSX through a registered broker or dealer subject only to customary brokerage commissions, you are advised to consult your broker, dealer or investment advisor before redeeming your ETF Series securities for cash.

In order for a cash redemption to be effective on a Trading Day, a cash redemption request in the form prescribed by us from time to time must be delivered to the applicable Fund at its registered office by 9:00 a.m. on the Trading Day (or such later time on such Trading Day as we may permit). If a cash redemption request is not received by the delivery deadline noted immediately above on a Trading Day, the cash redemption request will be effective only on the next Trading Day. Payment of the redemption price will be made by no later than the second Business Day after the effective day of the redemption. The cash redemption request forms may be obtained from any broker or dealer.

If you exercise this cash redemption right during the period that begins one Business Day prior to a Distribution Record Date and ends on and includes that Distribution Record Date for any distribution, you will not be entitled to receive the applicable distribution in respect of those ETF Series securities.

We will pay redemption proceeds within two Business Days of receiving all necessary redemption documents. If all necessary documents are not received by us within ten Business Days of receiving a redemption request, you will be deemed to repurchase the ETF Series securities on the tenth Business Day at the ETF Series NAV per security calculated that day. The redemption proceeds will be applied to the payment of the issue price of the securities. If the cost to repurchase the ETF Series securities is less than the redemption proceeds, the difference will belong to the applicable Fund. We will pay any shortfall to the applicable Fund, but we may collect such amount, together with the charges and expenses incurred, with interest, from the broker or dealer who placed the redemption request. Your broker or dealer has the right to collect these amounts from you.

*Exchange of ETF Series Securities for Baskets of Securities*

On any Trading Day, you may exchange the Prescribed Number of Securities (or a multiple thereof) for cash.

To effect an exchange of ETF Series securities, you must submit an exchange request in the form prescribed by us from time to time to the applicable Fund at its registered office by 9:00 a.m. on a Trading Day (or such later time on such Trading Day as we may permit). The exchange price will be equal to the NAV of the ETF Series securities on the effective day of the exchange request, payable by delivery of Baskets of Securities and cash. The ETF Series securities will be redeemed in the exchange.

If an exchange request is not received by the submission deadline noted immediately above on a Trading Day, the exchange order will be effective only on the next Trading Day. Settlement of exchanges for Baskets of Securities and cash will be made by no later than the second Trading Day after the effective day of the exchange request. The securities to be included in the Baskets of Securities delivered on an exchange shall be selected by us in our discretion.

You should be aware that the ETF Series NAV per security will decline on the ex-dividend date of any distribution payable in cash on ETF Series securities. If you are no longer a holder of record on the applicable Distribution Record Date you will not be entitled to receive that distribution.

If Constituent Securities are cease traded at any time by order of a securities regulatory authority or other relevant regulator or stock exchange, the delivery of such securities to a securityholder on an exchange in the Prescribed Number of Securities may be postponed until such time as the transfer of the securities is permitted by law.

#### *Costs Associated with Exchange and Redemption*

The Manager may charge the Designated Broker or ETF Dealer, in its discretion, an administrative fee of up to 0.05% of the exchange or redemption proceeds of the Fund to offset certain transaction costs associated with the exchange or redemption of ETF Series securities of a Fund.

#### *Exchange and Redemption of ETF Series Securities through CDS Participants*

The exchange and redemption rights described above must be exercised through the broker or dealer (CDS Participant) through which the owner holds ETF Series securities. Beneficial owners of ETF Series securities should ensure that they provide exchange and/or redemption instructions to the CDS Participants through which they hold ETF Series securities sufficiently in advance of the cut-off times described above to allow such CDS Participants to notify CDS and for CDS to notify us prior to the relevant cut-off time.

#### **SUSPENSION OF REDEMPTION RIGHTS**

Under extraordinary circumstances, we may suspend your right to require a Fund to redeem your securities. Examples of these circumstances include during any period when normal trading is suspended on the TSX or any other stock exchange within or outside Canada on which securities owned by the Fund or an underlying fund, directly or indirectly, are listed and traded, if those securities represent more than 50% of the NAV of the Fund before allowance for liabilities. In addition, we may, with the consent of the Alberta Securities Commission, from time to time suspend your right to redeem any securities during any period in which we determine that conditions exist that render impractical the sale of the assets of the Fund or impair our ability to determine the value of the assets held by the Fund.

Any suspension shall take effect at such time as we declare and thereafter no securities of a Fund will be redeemed until we declare the suspension at an end, except that the suspension will terminate in any event on the first day after the circumstances that gave rise to the suspension cease to exist. All redemptions that would have taken place during the period of suspension will be deemed to occur at the close of business on the first Trading Day after the termination of such suspension unless, prior to such time, you have withdrawn your request for the redemption of such securities.

## **RESPONSIBILITY FOR MUTUAL FUND OPERATIONS**

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### ***DIRECTORS AND OFFICERS OF NCM OPPORTUNITIES AND NCM CORE PORTFOLIOS***

Here is a list of the directors and officers of NCM Opportunities and NCM Core Portfolios. Included are their names, the city and province in which they live, their position with each of NCM Opportunities and NCM Core Portfolios, and their present principal occupation and principal occupation within the preceding five years:

Name and Municipality of Residence	Position with NCM Opportunities	Position with NCM Core Portfolios	Principal Occupation(s)
Alexander M. Sasso, CFA Mississauga, Ontario	President, Chief Executive Officer, and Director	President, Chief Executive Officer, and Director	Chief Executive Officer, Portfolio Manager and Ultimate Designated Person with the Manager

Kelsey D. Stanton, CPA, CA Calgary, Alberta	Chief Financial Officer and Director	Chief Financial Officer and Director	Vice President, Accounting, with the Manager
Ellen Barbour Calgary, Alberta	Director	Director	Chief Compliance Officer with the Manager

### **MANAGER, PORTFOLIO MANAGER, TRUSTEE AND PROMOTER OF THE FUNDS**

NCM Asset Management Ltd. is the investment fund manager, portfolio manager and promoter of the Funds and is a private corporation incorporated under the federal laws of Canada. Under the terms of the master management agreement dated June 26, 2015, as amended, the Manager is responsible for managing the business, operations, and affairs of the Funds, including the day-to-day administration of the Funds. The head office of the Manager is Dome Tower – Suite 1850, 333 – 7<sup>th</sup> Avenue S.W., Calgary, Alberta T2P 2Z1. See the back cover of this Annual Information Form for the Manager’s telephone number, e-mail address, and website.

The Manager is also the portfolio manager of the Funds with authority to manage and direct the investment of the assets of the Funds, including the execution of portfolio transactions and the selection of the markets through which such transactions will be undertaken.

The Manager is also the trustee of each Trust Fund. As trustee of the Trust Funds, the Manager, holds title to the securities owned by the applicable Trust Funds on behalf of unitholders, has exclusive authority over the assets and affairs of the Funds and has a fiduciary obligation to act in the best interest of unitholders.

The master management agreement may be terminated on 90 days’ notice to securityholders by the Manager. All securityholders will be informed of the resignation and a meeting of securityholders will be called to appoint a replacement. The master management agreement may also be terminated by NCM Opportunities or NCM Core Portfolios, in respect of one or more of the classes of NCM Opportunities or NCM Core Portfolios, as applicable, on not less than 90 days’ prior written notice. The Manager may be terminated as manager of a Trust Fund only in the circumstances and following the procedures set out in the Trust Agreement with respect to such Funds.

In connection with an internal corporate restructuring, effective December 1, 2014, the Manager changed its name from Hesperian Capital Management Ltd. to Norrep Capital Management Ltd. Effective as of August 27, 2018, the Manager continued from the Province of Alberta to the federal jurisdiction of Canada and changed its name to NCM Asset Management Ltd.

The IRC provides input on the Manager’s written policies and procedures on conflicts of interest matters involving the Funds. It also reviews conflicts of interest matters referred to it by the Manager. See **Independent Review Committee** for more information.

Here is a list of the directors and officers of the Manager. We have included their names, the city and province in which they live, titles, length of service, and business experience for the last five years.

Name and Municipality of Residence	Title	Previous Positions in Last Five Years
Alexander M. Sasso, CFA Mississauga, Ontario	Chief Executive Officer, Portfolio Manager, Director and Ultimate Designated Person	May 2009 to Present, Chief Executive Officer and Portfolio Manager with the Manager
Keith J. Leslie, CFA Calgary, Alberta	Director	April 2011 to present Director with the Manager; September 2009 to December 31, 2019, Portfolio Manager with the Manager; February 2019 to June 2019, Chief Compliance Officer with the Manager



Wesley Diong, Oakville, Ontario	Chief Financial Officer	September 2018 to present, Chief Financial Officer with the Manager; May 2010 to present, Chief Financial Officer with CPWM
Ellen Barbour Calgary, Alberta	Chief Compliance Officer, Secretary and Director	May 2020 to present, Director with the Manager; March 2020 to present, Secretary of the Manager; June 2019 to present, Chief Compliance Officer with the Manager; November 2015 to June 2019, Senior Manager Investment Operations with the Manager

### ***SUB-ADVISOR TO THE FUNDS***

The Manager has entered into an investment advisory agreement dated effective as of August 27, 2018 with the Sub-Advisor, Cumberland Investment Counsel Inc., to provide portfolio management services with respect to all or a portion of the investments of certain Funds and to provide investment advice in respect of all the Funds. CIC is an affiliate of the Manager, as both are direct or indirect wholly-owned subsidiaries of CPL.

CIC is registered as a portfolio manager in Alberta, British Columbia, Ontario, and Quebec. Its head office is located in Toronto, Ontario.

The investment advisory agreement has an indefinite term and shall continue in force unless terminated by a party giving 90 days' prior written notice. The Manager is responsible for any fees payable to CIC as portfolio manager, but may direct a Fund to pay such fees and to credit such payments against fees otherwise payable by that Fund to the Manager.

The Manager and/or CIC provide investment advice with respect to a Fund's investment portfolio, as applicable and arrange for the acquisition and disposition of all portfolio investments, including all necessary brokerage arrangements, if applicable. In doing so, the Manager and/ or CIC may place orders on behalf of a Fund for the purchase and sale of portfolio securities through CPWM, a related entity. See **Brokerage** for more details.

Potential investment decisions relating to a Fund are identified by the individual portfolio manager(s) of the Fund. Except as noted, specific investment decisions are not subject to the oversight, approval, or ratification of a committee, but are made under the general oversight of the Manager's or CIC's (as applicable), Chief Investment Officer.

The Manager and CIC now act and may in the future act as advisers to other investment funds, accounts, and clients. The purchase and sale of portfolio securities for the Funds and such other investment funds, accounts, and clients shall be made on a fair and equitable basis as determined by and in accordance with the Manager's or CIC's trade allocation policies, as applicable.

The following are the names of the persons who are, as at the date hereof, principally responsible for the day-to-day management of a material portion of the portfolios of the Funds, implementing a particular material strategy, or managing a particular segment of the portfolio, and each person's business experience in the last five years.

Fund	Portfolio Manager	Title, Company, and Business Experience
NCM Balanced Income Portfolio	John Poulter, CFA	John Poulter is the Chief Investment Strategist and a portfolio manager with the Manager. Previously he was Senior Portfolio Manager with CIC. Prior to joining the Manager in 2017, John was a Senior Investment Consultant and Portfolio Manager with PIQ Research and Chief Investment Officer with Gravitas Securities Inc. John has been working in the investment management industry since 1997.
NCM Conservative Income Portfolio	John Poulter, CFA	See above.
NCM Growth and Income Portfolio	Jason Isaac, CFA	Jason Isaac is a portfolio manager with CIC. Previously he was a portfolio manager with Perron Asset Management Inc. Jason has been working in the investment management industry since 1997.
NCM Norrep Fund	Alexander M. Sasso, CFA (lead manager)	Alexander M. Sasso is the Ultimate Designated Person and a portfolio manager with the Manager. In addition to his role as a portfolio manager, he is the Chief Executive Officer and a director of the Manager. Prior to joining the Manager in 2004, Alex worked at a large retail and institutional manager. Alex has been working in the investment management industry since 1994.
NCM Short Term Income Fund	Bill Holy, MBA, CFA (co-lead manager)	Bill Holy is a portfolio manager with CIC. Prior to joining the Manager in 2013, Bill worked as a Director at CIT Group Inc., where he was responsible for investing in middle market corporate debt. Bill has been working in the investment management industry since 1998.
	Owen Morgan, CFA (co-lead manager)	Owen Morgan is a portfolio manager with CIC. Previously, he was a portfolio manager with the Manager. Prior to joining the Manager in 2015, Owen worked at CIT Group Inc. and was responsible for investing in Canadian and U.S. middle market leveraged loans. Owen has been working in the investment management industry since 1995.
NCM Entrepreneurs Class	Alexander M. Sasso, CFA	See above.
NCM Global Income Growth Class	Jason Isaac, CFA (lead manager)	See above.
	Bill Holy, MBA, CFA (fixed income)	
	Owen Morgan, CFA (fixed income)	
NCM Income Growth Class	Alexander M. Sasso, CFA (lead manager)	See above.
	Bill Holy, MBA, CFA (fixed income)	
	Owen Morgan, CFA (fixed income)	
NCM Small Companies Class	Alexander M. Sasso, CFA	See above.
NCM Core American	Phil D'Iorio, MBA, CFA (lead manager)	Phil D'Iorio is a portfolio manager with CIC. He has worked for 10 years as an investment analyst and portfolio manager with CIC. Previously, he was a portfolio manager with Sentry Investments. Phil has more than 15 years of research and portfolio management experience in U.S. and global equities with a primary focus on US equities.

Fund	Portfolio Manager	Title, Company, and Business Experience
NCM Core Canadian	Keith J. Leslie, CFA	Keith J. Leslie is a portfolio manager with CIC. He was the Vice-President and Chief Risk Officer of the Manager before October 2018. Prior to joining the Manager in 2001, Keith worked as a Quantitative Analyst at a Calgary-based investment firm. Keith has been working in the investment management industry since 1999.
NCM Core Global	Phil D'Iorio, CFA	See above.

## **BROKERAGE**

All decisions about the purchase and sale of securities and decisions as to the execution of these portfolio transactions, including the selection of market and dealer and the negotiation, where applicable, of commissions, are made by the Manager or CIC, as applicable, in respect of the portfolios of the Funds that it manages.

In the purchase and sale of securities, the Manager or CIC, as applicable, seeks to obtain prompt execution of orders on favourable terms. In selecting brokers to execute portfolio transactions, the Manager or CIC, as applicable, may consider price, speed, volume, certainty of execution, access to markets, and total transaction cost.

In addition to compensating brokers for order execution services, which are services directly related to the execution, handling, facilitation, and settlement of an order, the Manager or CIC, as applicable, in its discretion, may allocate brokerage commissions to compensate brokerage firms for “permitted” research goods and services (also known in the industry as “soft dollars”), such as general investment research, trading data, and other services that are designed to assist in carrying out investment decision-making services to the Funds for the portfolio management services provided. Such transactions will be allocated with appropriate regard to the principles of a reasonable brokerage fee, benefit to the Funds, and best execution of brokerage transactions.

“Permitted” research goods and services include: (i) advice as to the value of securities and the advisability of effecting transactions in securities; (ii) analyses, research, information, and reports concerning securities, issuers, industries, portfolio strategy, or economic or political factors and trends that may have an impact on the value of securities; (iii) access to analysts and industry experts; (iv) company meeting facilitation; and (v) electronic tools, such as databases, systems, or software, that support the foregoing. Such goods and services may be provided by the executing dealer directly or by a party other than the executing dealer (i.e., a third party). In certain circumstances, goods and services may be provided to the Manager or CIC, as applicable, in a bundled form and may include items that are not considered “permitted” research goods and services. In such cases, the Manager or CIC, as applicable, will make a reasonable allocation to directly pay for any non-permitted goods and services based on a good faith estimate of how the good or service is used.

None of the Funds, the Manager or CIC has contractual brokerage arrangements with any person or company in relation to the purchase or sale of securities on behalf of the Funds. In addition, there is no formal policy in respect of the allocation of brokerage business but the past practice has been, and the future practice is expected to be, that brokerage business will be allocated based on a combination of research and statistical assistance received by the Funds from, and block trading inventories of, the particular broker.

Each of the Manager and CIC may trade securities for the Funds through a related entity, CPWM. Each of the Manager, CIC and CPWM is a wholly-owned subsidiary of CPL. The Manager or CIC, as applicable, will employ the same process described above when determining whether to select CPWM as dealer for any portfolio transactions, including potentially allocating brokerage commissions to CPWM to compensate CPWM for “permitted” research goods and services (i.e., “soft dollars”) provided by CPWM. For more information regarding CPWM, see ***Principal Holders of Securities and Conflicts of Interest***.

A list of any other dealer, broker, or third party that provides research goods and services, other than order execution, in respect of a Fund, can be obtained upon request, at no cost, by contacting the Manager toll free at 1-877-531-9355, or via e-mail at info@ncminvestments.com.

Each of the Manager and CIC faces a potential conflict of interest by obtaining services using soft dollars. This conflict exists because the Manager or CIC, as applicable, is able to use these services to manage the Funds without paying cash for these services. This reduces the Manager's or CIC's expenses to the extent that it would have paid for these services directly had they not been paid for using soft dollars. Each of the Manager and CIC aims to make a good faith determination that the relevant Fund(s) receive reasonable benefit considering the use of the goods and services received and the amount of commissions paid. In making such a determination, the Manager or CIC, as applicable, may consider the benefit received by a Fund from a specific good or service paid for by commissions generated on behalf of the Fund and/or the benefits a Fund receives over a reasonable period of time from all goods or services obtained through soft dollar arrangements. It is, however, possible that Funds or accounts advised by the Manager or CIC, as applicable, other than those whose trades generated the soft dollar commissions, may benefit from the goods and services obtained through soft dollars, effectively cross-subsidizing the other Funds or accounts that benefit directly from the good or service.

#### ***CUSTODIAN***

CIBC Mellon is the custodian of the Funds, appointed pursuant to an amended and restated custodial services agreement with the Manager dated November 25, 2015, as amended from time to time, pursuant to which it holds the cash and securities of the Funds. The custodial services agreement will continue from year to year and may be terminated in accordance with its terms on written notice by the Manager or the Custodian. CIBC Mellon also provides fund accounting services to the Funds. The Custodian receives a fee from the Funds pursuant to the custodial services agreement for the services provided in respect of the Funds. The head office of CIBC Mellon is in Toronto, Ontario.

#### ***AUDITOR***

KPMG LLP, Calgary, Alberta, is the auditor of the Funds.

#### ***REGISTRAR FOR MUTUAL FUND SERIES***

CIBC Mellon Global Securities Services Company is the registrar and a service provider for the Mutual Fund Series securities of the Funds. The registers of Mutual Fund Series securities of the Funds are kept in Toronto, Ontario.

#### ***REGISTRAR AND TRANSFER AGENT FOR ETF SERIES***

TSX Trust Company is the registrar and transfer agent for the ETF Series securities and, in this capacity, makes arrangements to keep a record of all securityholders of the ETF Series and processes orders. The registers of the ETF Series securities of the Funds are kept in Toronto, Ontario.

#### ***SECURITIES LENDING AGENT***

The Bank of New York Mellon acts as agent for securities lending transactions for those Funds that engage in securities lending. The Bank of New York Mellon is independent of the Manager and its principal office is in Toronto, Ontario.

## PRINCIPAL HOLDERS OF SECURITIES AND CONFLICTS OF INTEREST

### OF COMMON SHARES OF NCM OPPORTUNITIES AND NCM CORE PORTFOLIOS

As at April 30, 2020, NIMGI owned of record and beneficially 100% of the issued and outstanding common shares of each of NCM Opportunities and NCM Core Portfolios.

### OF THE FUNDS

As at April 30, 2020, the persons known by the Manager to own, beneficially or of record, directly or indirectly, more than 10% of the outstanding securities of any of the Funds were the following:

Fund	Series	Number of Securities	% of Series of Fund	Type of Ownership	Investor*
NCM Norrep Fund	F	11394.943	15%	Beneficially and of Record	Ram R. Singh Investments Ltd.
NCM Norrep Fund	A	118706.93	10%	Beneficially and of Record	Individual Investor
NCM Norrep Fund	A	297808.02	26%	Beneficially and of Record	Perron Holdings Ltd.
NCM Norrep Fund	R	7555.767	16%	Beneficially and of Record	NCM Balanced Income Portfolio
NCM Norrep Fund	R	8562.645	18%	Beneficially and of Record	NCM Conservative Income Portfolio
NCM Norrep Fund	R	31831.547	66%	Beneficially and of Record	NCM Growth and Income Portfolio
NCM Global Income Growth Class	A	860450.771	14%	Beneficially and of Record	Perron Holdings Ltd.
NCM Global Income Growth Class	I	246671.587	30%	Beneficially and of Record	Individual Investor
NCM Global Income Growth Class	I	422697.254	51%	Beneficially and of Record	Individual Investor
NCM Global Income Growth Class	T6	5976.541	22%	Beneficially and of Record	Individual Investor
NCM Global Income Growth Class	T6	2831.335	10%	Beneficially and of Record	Individual Investor
NCM Global Income Growth Class	T6	5123.091	18%	Beneficially and of Record	Individual Investor
NCM Global Income Growth Class	T6	5386.294	19%	Beneficially and of Record	Individual Investor
NCM Global Income Growth Class	F6	1988.981	73%	Beneficially and of Record	Individual Investor
NCM Global Income Growth Class	F6	746.514	27%	Beneficially and of Record	Individual Investor
NCM Short Term Income Fund	R	156833.568	14%	Beneficially and of Record	NCM Balanced Income Portfolio
NCM Short Term Income Fund	R	341353.349	31%	Beneficially and of Record	NCM Conservative Income Portfolio
NCM Short Term Income Fund	R	388142.271	36%	Beneficially and of Record	NCM Growth & Income Fund

Fund	Series	Number of Securities	% of Series of Fund	Type of Ownership	Investor*
NCM Short Term Income Fund	I	31147.311	12%	Beneficially and of Record	754011 Alberta Ltd.
NCM Short Term Income Fund	I	205273.679	76%	Beneficially and of Record	NCM Income Growth Class
NCM Short Term Income Fund	A(H)	1431.638	28%	Beneficially and of Record	Individual Investor
NCM Short Term Income Fund	A(H)	2692.192	53%	Beneficially and of Record	Individual Investor
NCM Short Term Income Fund	A(H)	954.706	19%	Beneficially and of Record	Individual Investor
NCM Short Term Income Fund	F(H)	114208.389	22%	Beneficially and of Record	Individual Investor
NCM Short Term Income Fund	F(H)	196401.321	37%	Beneficially and of Record	Individual Investor
NCM Small Companies Class	A	26126.793	12%	Beneficially and of Record	Serena WM Holdings Inc.
NCM Small Companies Class	I	233367.08	97%	Beneficially and of Record	Individual Investor
NCM Core Global	R	60623.932	17%	Beneficially and of Record	NCM Balanced Income Portfolio
NCM Core Global	R	65035.727	18%	Beneficially and of Record	NCM Conservative Income Portfolio
NCM Core Global	R	241358.34	66%	Beneficially and of Record	NCM Growth & Income Portfolio
NCM Core Global	M	27212.081	19%	Beneficially and of Record	Individual Investor
NCM Core Global	M	27212.633	19%	Beneficially and of Record	Individual Investor
NCM Core Canadian	F	74999.629	54%	Beneficially and of Record	Individual Investor
NCM Core Canadian	R	22628.238	16%	Beneficially and of Record	NCM Balanced Income Portfolio
NCM Core Canadian	R	24405.183	17%	Beneficially and of Record	NCM Conservative Income Portfolio
NCM Core Canadian	R	92597.314	66%	Beneficially and of Record	NCM Growth & Income Portfolio
NCM Core Canadian	Z	16522.232	100%	Beneficially and of Record	The Sigma Trust
NCM Core Canadian	M	4612.676	15%	Beneficially and of Record	Individual Investor
NCM Core Canadian	M	8826.737	28%	Beneficially and of Record	Individual Investor
NCM Core Canadian	M	16166.717	51%	Beneficially and of Record	754011 Alberta Ltd.
NCM Income Growth Class	I	12923.561	30%	Beneficially and of Record	Individual Investor
NCM Income Growth Class	I	14120.909	33%	Beneficially and of Record	Individual Investor
NCM Income Growth Class	I	15963.305	37%	Beneficially and of Record	Individual Investor

Fund	Series	Number of Securities	% of Series of Fund	Type of Ownership	Investor*
NCM Income Growth Class	T6	2086.631	20%	Beneficially and of Record	Individual Investor
NCM Income Growth Class	T6	6742.462	65%	Beneficially and of Record	Individual Investor
NCM Income Growth Class	T6	1545.197	15%	Beneficially and of Record	Individual Investor
NCM Income Growth Class	F6	6819.937	64%	Beneficially and of Record	Individual Investor
NCM Income Growth Class	F6	3802.844	36%	Beneficially and of Record	Individual Investor
NCM Core American	F	19828.505	14%	Beneficially and of Record	Individual Investor
NCM Core American	R	23520.596	18%	Beneficially and of Record	NCM Balanced Income Portfolio
NCM Core American	R	25156.229	19%	Beneficially and of Record	NCM Conservative Income Portfolio
NCM Core American	R	83433.262	63%	Beneficially and of Record	NCM Growth & Income Portfolio
NCM Core American	I	33938.339	100%	Beneficially and of Record	Individual Investor
NCM Conservative Income Portfolio	A	23151.716	10%	Beneficially and of Record	Individual Investor
NCM Conservative Income Portfolio	I	10050.607	21%	Beneficially and of Record	Individual Investor
NCM Conservative Income Portfolio	I	32405.56	67%	Beneficially and of Record	754011 Alberta Ltd.
NCM Conservative Income Portfolio	T6	6956.333	50%	Beneficially and of Record	Individual Investor
NCM Conservative Income Portfolio	T6	1528.274	11%	Beneficially and of Record	Individual Investor
NCM Conservative Income Portfolio	T6	2882.841	21%	Beneficially and of Record	Individual Investor
NCM Conservative Income Portfolio	T6	2664.051	19%	Beneficially and of Record	Individual Investor
NCM Conservative Income Portfolio	F6	1000.698	18%	Beneficially and of Record	Individual Investor
NCM Conservative Income Portfolio	F6	702.821	12%	Beneficially and of Record	Individual Investor
NCM Conservative Income Portfolio	F6	1498.078	27%	Beneficially and of Record	Individual Investor
NCM Conservative Income Portfolio	F6	1516.804	27%	Beneficially and of Record	Individual Investor
NCM Conservative Income Portfolio	M	219.123	33%	Beneficially and of Record	Individual Investor
NCM Conservative Income Portfolio	M	219.123	33%	Beneficially and of Record	Individual Investor
NCM Conservative Income Portfolio	M	231.416	35%	Beneficially and of Record	Individual Investor
NCM Balanced Income Portfolio	F	28820.733	23%	Beneficially and of Record	The V-42 Foundation

Fund	Series	Number of Securities	% of Series of Fund	Type of Ownership	Investor*
NCM Balanced Income Portfolio	F	14184.618	11%	Beneficially and of Record	Individual Investor
NCM Balanced Income Portfolio	F	14403.366	11%	Beneficially and of Record	Individual Investor
NCM Balanced Income Portfolio	T6	3163.453	100%	Beneficially and of Record	Individual Investor
NCM Balanced Income Portfolio	F6	2287.384	49%	Beneficially and of Record	Individual Investor
NCM Balanced Income Portfolio	F6	1294.244	28%	Beneficially and of Record	Individual Investor
NCM Balanced Income Portfolio	F6	688.929	15%	Beneficially and of Record	Individual Investor
NCM Balanced Income Portfolio	M	2712.477	19%	Beneficially and of Record	Individual Investor
NCM Balanced Income Portfolio	M	3318.848	23%	Beneficially and of Record	Individual Investor
NCM Balanced Income Portfolio	M	5477.98	38%	Beneficially and of Record	Individual Investor
NCM Growth and Income Portfolio	F	65478.769	13%	Beneficially and of Record	Individual Investor
NCM Growth and Income Portfolio	A	59904.59	11%	Beneficially and of Record	Individual Investor
NCM Growth and Income Portfolio	T6	1910.614	100%	Beneficially and of Record	Individual Investor
NCM Growth and Income Portfolio	F6	20289.749	25%	Beneficially and of Record	Individual Investor
NCM Growth and Income Portfolio	F6	27347.818	34%	Beneficially and of Record	Individual Investor
NCM Growth and Income Portfolio	F6	12729.894	16%	Beneficially and of Record	Individual Investor
NCM Growth and Income Portfolio	M	2945.314	11%	Beneficially and of Record	Individual Investor
NCM Growth and Income Portfolio	M	2723.262	10%	Beneficially and of Record	Individual Investor
NCM Growth and Income Portfolio	M	5846.013	22%	Beneficially and of Record	Individual Investor
NCM Growth and Income Portfolio	M	7524.158	29%	Beneficially and of Record	Individual Investor
NCM Growth and Income Portfolio	M	5615.101	21%	Beneficially and of Record	Individual Investor
NCM Entrepreneurs Class	I	67724.456	97%	Beneficially and of Record	Perron Holdings Ltd.

\*To protect the privacy of individual investors, we have omitted the name of the individual investor. This information is available on request by contacting us at the telephone number listed on the back cover of this Annual Information Form.



**OF THE MANAGER**

This table shows the holders who own, beneficially or of record, directly or indirectly, more than 10% of the voting securities of the Manager as at April 30, 2020. The Manager is an indirect wholly-owned subsidiary of CPL. CIC, the Portfolio Manager of the Funds, is also a wholly-owned subsidiary of CPL. The Manager is held indirectly by CPL through CPL's 100% ownership of NIMGI, which holds 100% of the outstanding voting securities of the Manager. In aggregate, directors, officers, and employees of CPL and its subsidiaries own 100% of the voting securities of CPL.

Name and Municipality of Residence	Issuer of Securities Held	Class of Securities	Number of Securities	Percentage of Class
<b>Norrep Investment Management Group Inc.</b> Alberta corporation	NCM Asset Management Ltd.	Common Shares	100	100%
<b>Cumberland Partners Limited</b> Ontario corporation	Norrep Investment Management Group Inc.	Class A Common Shares Class B Common Shares	69,300 22,250	100% 100%
<b>Gary Perron*</b> Calgary, Alberta	Cumberland Partners Limited	Common Shares	685,460	34.682%
<b>Gerald Connor*</b> Toronto, Ontario	Cumberland Partners Limited	Common Shares	403,792	20.431%

\* Held directly or indirectly through a holding company.

Any conflicts of interest that arise involving the Funds and the Manager shall be dealt with on a basis consistent with the objectives of the Funds and the duties of the Manager to deal honestly, in good faith, and in the best interest of the Funds. See **Independent Review Committee**.

Each of Gary Perron and Gerald Connor is a director, officer, and employee of CPL and/or its subsidiaries. CPL also owns 100% of CPWM, which is a registered investment dealer in all of the provinces of Canada and is a member of the Investment Industry Regulatory Organization of Canada (IIROC). Each of Mr. Perron and Mr. Connor is an advising representative of CPWM. Mr. Perron and Mr. Connor may receive the benefit of commissions received by CPWM with respect to purchases of the Funds by applicable clients, and will also benefit, as a shareholder, from dividends or other distributions of profit from CPL, which is the parent company of CPWM. CPL may receive the benefit of commissions received by CPWM with respect to brokerage transactions conducted by the Funds and may also receive the benefit of purchases of the Funds by CPWM clients.

**INDEPENDENT REVIEW COMMITTEE**

As at April 30, 2020, members of the Independent Review Committee do not beneficially own, directly or indirectly, in aggregate, in excess of 10% of the securities outstanding of any of the Funds, nor do they own any securities of the Manager, or any other person that provides services to the Funds or the Manager.

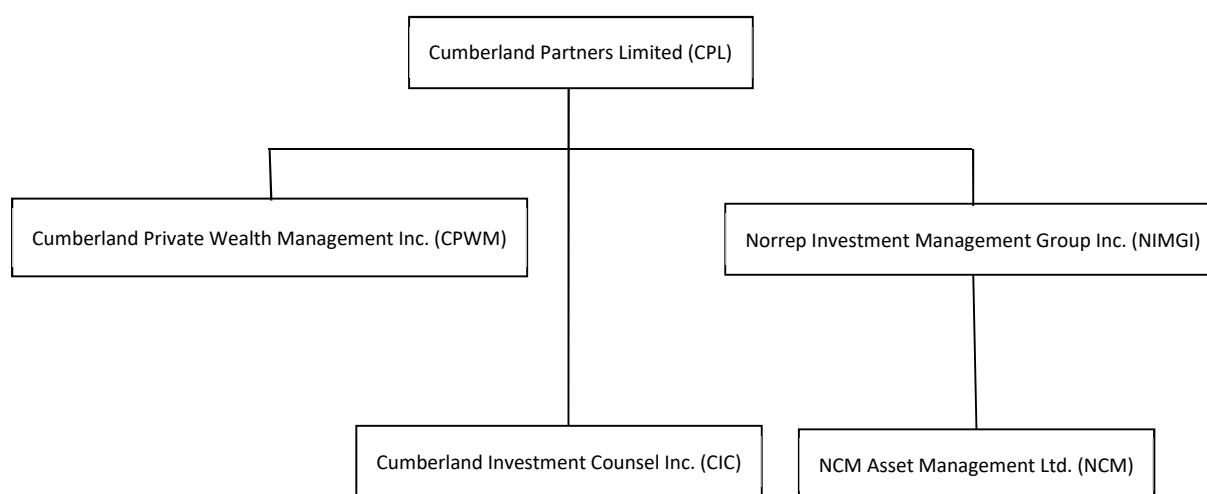
**OTHER**

As at April 30, 2020, other than as disclosed above, the directors and senior officers of each of the Funds and/or the Manager do not beneficially own, directly or indirectly, in aggregate, in excess of 10% of the securities outstanding of the Funds, nor do they own any securities of the Manager, or any other person that provides services to the Funds or the Manager.

As of April 30, 2020, there were no outstanding ETF Series securities.

### **AFFILIATED ENTITIES**

Other than as disclosed above regarding the potential provision of brokerage services by CPWM to the Funds and the provision of investment advisory services by CIC to the Funds, there is no person or company that provides services to the Funds or the Manager, in relation to the Funds, that is an affiliated entity of the Manager. Disclosure of the amount of any fees received from the Funds by CPWM and CIC is contained in the audited financial statements of the Funds.



### **DEALER MANAGED FUNDS**

The Funds are considered to be dealer managed mutual funds and follow the dealer manager provisions prescribed by NI 81-102, which contain certain restrictions relating to the Manager and CIC, with respect to their roles managing the investment portfolios of the Funds. As a result, a Fund may not, unless otherwise permitted by exemptive relief from Canadian securities regulatory authorities or subject to an exception provided under securities legislation, knowingly make an investment in any securities if a partner, director, officer, or employee of the Manager and/or CIC, as applicable, or a partner, director, officer, or employee of an affiliate or associate of the Manager and/or CIC, as applicable, is also a partner, director, or officer of the issuer of those securities, unless that partner, director, officer, or employee:

- does not participate in the formulation of investment decisions made on behalf of the Fund;
- does not have access before implementation to information concerning investment decisions made on behalf of the Fund; and
- does not influence, other than through research, statistical, and other reports generally available to clients, the investment decisions made on behalf of the Fund.

In addition, a Fund is not permitted to knowingly make an investment in securities during, or for 60 days after, the period in which the Manager and/or CIC, as applicable, or an associate or affiliate of the Manager and/or CIC, as applicable, acts as an underwriter in the distribution of such securities, except in certain circumstances provided under securities legislation.

## FUND GOVERNANCE

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The Manager has the responsibility to oversee all activities of the Funds. In particular, the Manager has authority over the assets of the Funds and over the business and affairs of the Funds, including responsibility for the investment decisions with respect to the Funds.

The names, residences, present positions, and principal occupations during the five preceding years of the current directors and officers of the Manager can be found under ***Responsibility for Mutual Fund Operations***.

The policies, practices, or guidelines applicable to the Funds relating to business practices, sales practices, risk management controls, and internal conflicts of interest are disclosed in this Annual Information Form under the headings: ***Name, Formation and History of the Funds, Investment Restrictions, How to Purchase, Switch, or Redeem Securities, Responsibility for Mutual Fund Operations, and Principal Holder Of Securities***.

The Manager has adopted a Code of Ethics, which is closely modelled on the IFIC Model Code of Ethics for mutual fund managers. The Code of Ethics has been adopted with the aim of ensuring that all employees of the Manager carry out their responsibilities with the sole purpose of ensuring that the interests of its clients are always paramount.

Derivatives may be used by the Funds to effect their investment objectives and strategies as disclosed in *Investment Strategies* under the sub-heading *What Does the Fund Invest In?* in Part B of each Fund profile of the Simplified Prospectus of the Funds. A description of the common types of derivatives and their corresponding risks is found in *Derivative Risk* under the sub-heading *What are the risks of investing in a mutual fund?* in Part A of the Simplified Prospectus of the Funds. Derivatives may be used in compliance with the requirements established by Canadian securities authorities. Derivative exposure is monitored as part of an overall compliance monitoring program and periodic reports are provided to the Chief Compliance Officer of the Manager. When required, margins required for derivative transactions are held by independent third parties with whom the Manager has appropriate arrangements.

The Manager has established written policies and procedures designed to manage the risks associated with the use of derivatives and designed to monitor and assess compliance with applicable legislation. In establishing these policies, the Manager considered the use of derivatives in conjunction with the provisions of NI 81-102 and the Chief Risk Officer or designate is responsible for establishing and ensuring that all trading limits or other controls are complied with. The Chief Risk Officer is required to report any instances of non-compliance to the Chief Compliance Officer, the Ultimate Designated Person, and to the Board of Directors of the Manager. The policies and procedures are reviewed on an as-needed basis, with at least one annual review.

Risk measurement procedures or simulations to test the derivatives portfolio of the Funds under stress have not been used.

Each Fund may, from time to time, engage in short selling. Written policies and procedures regarding objectives and risk management procedures were adopted by the Manager prior to the commencement of short selling activities. Such policies and procedures were developed and implemented and are monitored by senior management of the Manager and will be formally reviewed at least annually by the Manager and its board of directors. The authorization of short selling transactions will be the responsibility of senior portfolio managers of the Manager with post-trade review conducted by the Chief Investment Officer. No risk measurement procedures or simulations are used to test the portfolio under stress conditions.

The Funds have received exemptive relief from the Canadian securities regulatory authorities to permit the FundGrade A+ Awards and FundGrade Ratings to be referenced in sales communications relating to a Fund, subject to certain conditions.

The Manager, and the Funds, have also received exemptive relief in connection with the offering of the ETF Series securities to:

1. relieve the Fund from the requirement to prepare and file a long form prospectus for the ETF Series securities in accordance with National Instrument 41-101 General Prospectus Requirements in the form prescribed by Form 41-101F2 Information Required in an Investment Fund Prospectus, subject to the terms of the relief, provided that the Fund files a prospectus for the ETF Series securities in accordance with the provisions of National Instrument 81-101 Mutual Fund Prospectus Disclosure, other than the requirements pertaining to the filing of a fund facts document;
2. relieve the Fund from the requirement that a prospectus offering ETF Series securities contain a certificate of the underwriters;
3. relieve a person or company purchasing ETF Series securities in the normal course, through the facilities of the TSX or another exchange, from the take-over bid requirements of Canadian securities legislation;
4. permit the Fund to borrow cash from the custodian of the Fund and, if required by the custodian of the Fund, to provide a security interest over any of its portfolio assets as a temporary measure to fund the portion of any distribution payable to investors that represents, in the aggregate, amounts that are owing to, but not yet been received by, the Fund; and
5. treat the ETF Series and the Mutual Fund Series of the Fund as if such series were two separate funds in connection with their compliance with the provisions of Parts 9, 10 and 14 of National Instrument 81-102.

#### **SHORT TERM TRADING**

Excessive trading can harm the Funds' performance by forcing more cash to be kept in the Funds than would be otherwise needed or requiring the sale of investments at an inappropriate time. Potential examples of excessive trading includes moving quickly in and out of the Funds or using the Funds as short term investment vehicles. In order to deter short term trading, the Manager reserves the right to charge a short term redemption fee of 2.00% if you invest in Mutual Fund Series securities of the Funds for a 30 day period or less. CIBC Mellon Global Securities Services Company, on behalf of the Manager, monitors and detects short term trading and automatically charges a 2.00% short term redemption fee on Mutual Fund Series securities of a Fund invested for a 30 day period or less. The Manager assesses the short term redemption fee charged to an investor on a case by case basis and may, at its absolute discretion, reverse a short term redemption fee that has been charged to an investor. Short term trading fees are not applicable to investments in Series M or Series R securities of the Funds. Series M securities are not available for general public purchase. The Manager and its affiliates offer wealth management services including fee-based and managed accounts under the Cumberland Private Wealth brand, and the Series M securities are intended for such accounts. Series R securities are only available for investment by the Funds and other funds and accounts managed or advised by the Manager and/or its affiliates and are not available for public purchase. Except as disclosed above, there are no arrangements, whether formal or informal, with any person or company, to permit short term trades of securities of the Funds. See **Fees and Expenses** in the Simplified Prospectus of the Funds for more details.

We are currently of the view that it is not necessary to impose any short-term trading restrictions on ETF Series securityholders as ETF Series securities of the Funds are generally traded by investors on an exchange in the secondary market in the same way as other listed securities. In the few situations where ETF Series of the Funds are not purchased in the secondary market, purchases usually involve the Designated Broker or an ETF Dealer upon whom we may impose a redemption fee, which is intended to compensate the applicable Fund for any costs and expenses incurred in relation to the trade.

### **INDEPENDENT REVIEW COMMITTEE**

The Independent Review Committee of the Funds considers conflict of interest matters relating to the Funds that have been referred to it by the Manager for review or approval in accordance with the requirements in NI 81-107. The mandate of the Independent Review Committee is to review all conflict of interest matters relating to the Funds referred to it by the Manager and to provide a recommendation or approve or withhold its approval, as applicable, from such matters in accordance with its written charter, NI 81-107, and applicable securities laws.

As required by NI 81-107, the Manager has established written policies and procedures for dealing with conflict of interest matters and will maintain records in respect of these matters and provide assistance to the Independent Review Committee in carrying out its functions.

The Manager reports to the Independent Review Committee regularly on conflict of interest matters related to the operation of the Funds and periodically on compliance with its policies and procedures for dealing with conflict of interest matters and on reliance on standing instructions granted by the Independent Review Committee.

Each Fund, along with other retail mutual funds managed by the Manager, pays the fees and expenses of the Independent Review Committee on a proportionate basis.

The members of the Independent Review Committee are:

**James B. Rooney, Q.C.** is legal counsel with Dentons Canada LLP. Mr. Rooney is a graduate of the University of Western Ontario and earned his law degree from Dalhousie University (1970). His practice is primarily based on securities litigation and regulation issues. He represents three national investment banks on litigation and regulatory issues, has chaired Alberta Securities Commission inquiries, and has previously been a public member of the Investment Dealers Association (now IIROC).

**Michael J. Robinson C. M.** is the CEO of the Bill Reid Trust and Director of the Bill Reid Gallery of Northwest Coast Art in Vancouver. He is also the principal of Michael Robinson Consulting, a management practice advising boards and senior management in the cultural sector. Mike attended Oxford University as a Rhodes Scholar, and has degrees in law and anthropology. During his 30 year career history in Calgary, Mike was a senior regulatory compliance officer in the oil patch, and a professor and research institute director at the University of Calgary and CEO and President of the Glenbow Museum. In 2004 he became a member of the Order of Canada.

**Ian T. Brown, BSc, P.Geol, ICD.D** is the Chairman of the Board for Nuance Energy Ltd., which is an exploration company. He was the exploration advisor and a director of TUSK Energy Corporation, up until its takeover by Polar Star on April 9, 2009. Ian started his career in April 1970 with The Texaco Exploration Company in Calgary. Since then he has worked for a number of exploration and production companies of various sizes in the junior sector such as Midas Resources Ltd. (1992 to 1998), Petrorep Resources Ltd. (1998 to 2000), and TUSK Energy Inc. (2000 to 2004). From November 2004 to November 2005, Ian was the President and Chief Executive Officer of TUSK Energy Corporation and Vice President Exploration of TKE Energy Trust.

### **PROXY VOTING GUIDELINES**

The Manager believes the right to vote is one of the most effective tools for promoting good corporate governance. Promoting sound corporate governance policies in the companies in which the Manager invests is a responsibility the Manager takes very seriously. The Manager sees strong corporate governance as an essential element in the realization of the growth potential of companies which, ultimately, increases shareholder value.

The Manager has developed guidelines regarding how it intends to vote on both routine issues and on issues that are not routine and, in fact, may be potentially contentious. These guidelines also set out procedures designed to ensure that portfolio securities held by the Funds are voted in accordance with instructions of the Funds. Generally, the Manager attempts to vote all proxies as follows:

- On routine or commonly raised issues, the Manager will vote according to management's recommendations, unless the Manager believes there is sufficient and worthy reason to suspect that the management recommendation should not be supported because a vote in favour of management's recommendation is not in the best interests of the shareholders of that particular company. In such instances, the matter will be considered by the portfolio manager, who will make the decision.
- On non-routine issues and issues that may be potentially contentious, the matter is delegated to the portfolio manager for the particular Fund for detailed consideration. The portfolio manager will then decide whether to consult with, and obtain the opinion of, external industry experts or independent proxy research services in respect of the vote. Ultimately, the portfolio manager will be responsible for making the judgment as to how to vote or to refrain from voting.

The Manager's proxy voting guidelines are not viewed by the Manager as a strict set of rules but, rather, are utilized as a directive regarding the Manager's treatment of most issues that result in a vote. Ultimately, these guidelines communicate the Manager's general voting practice on most matters.

If there is a conflict of interest, the Manager will vote in the best interests of the Funds on a matter. Where appropriate, conflict of interest matters are referred to the Independent Review Committee.

Lastly, with the aim of ensuring that the Manager's guidelines are adhered to, the Manager's Chief Compliance Officer reviews the proxy voting record on an annual basis.

The policies and procedures the Manager follows when voting proxies relating to portfolio securities are available on request, at no cost, by calling 1-877-531-9355 or by writing to:

Dome Tower – Suite 1850  
333 – 7<sup>th</sup> Avenue S.W.  
Calgary, Alberta T2P 2Z1

Each Fund's proxy voting record for the most recent period ended June 30 of each year is available free of charge to any securityholder of the Fund upon request at any time after August 31 of that year. The proxy voting record is also available at [www.ncminvestments.com](http://www.ncminvestments.com).

## **FEES AND EXPENSES**

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### ***MANAGEMENT FEE REDUCTION PROGRAMS***

In certain circumstances, the Manager may agree to a reduction in the management fees charged in order to achieve management fees that are competitive for such investments. Any reduction in management fees is fully negotiable between the Manager and you. The negotiated fees may vary from investor to investor and may be determined based on a variety of factors, including the size of the investment in the Funds, the expected level of account activity, and the assets under administration, at the Manager's sole discretion. The Manager will confirm in writing to your dealer the details of any such reduction to the management fee. The Manager may, in its sole discretion, make changes to or discontinue this practice at any time and without notice to investors.

In the case of a Trust Fund, the amount of the fee reduction will be distributed to the relevant investor as a special distribution, which is made first out of income and capital gains to the extent available, and then out of capital. In the case of a Class Fund, the benefit of such a reduction in management fees will be distributed by the Manager to the relevant investor by a management fee rebate. Management fee distributions and management fee rebates will be automatically reinvested in additional securities of the same series of the Fund at the NAV for such securities on the payment date of the management fee distribution or management fee rebate.

## **SERIES M AND SERIES R**

Series M securities are not available for general public purchase. The Manager and its affiliates offer wealth management services including fee-based and managed accounts under the Cumberland Private Wealth brand, and the Series M securities are intended for such accounts. There are no management fees payable in respect of Series M securities. The accounts managed or advised by the Manager and/or its affiliates that invest in Series M securities are charged an advisory fee.

Series R securities are only available for investment by the Funds and other funds and accounts managed or advised by the Manager and/or its affiliates and are not available for public purchase. There is no management fee payable by the Funds or such other funds and accounts with respect to Series R securities.

## **INCOME TAX CONSIDERATIONS**

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The following is a general summary of the principal Canadian federal income tax considerations as of the date of this Annual Information Form, generally applicable to the acquisition, ownership, and disposition of securities of the Funds by you if, for the purposes of the Tax Act, you are an individual (other than a trust that is not a Registered Plan) resident in Canada, you hold your securities as capital property, and you deal at arm's length and are not affiliated with the Funds.

This summary is based on the current provisions of the Tax Act and the current published administrative policies and assessing practices of the Canada Revenue Agency, and takes into account all specific proposals to amend the Tax Act publicly announced by the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**"). This summary assumes that the Tax Proposals will be enacted as proposed. However, there is no assurance that the Tax Proposals will be enacted in the form proposed or at all, or that the CRA will not change its administrative policies or assessing practices. Except for the Tax Proposals, this summary does not take into account or anticipate any changes in law, whether by legislative, regulatory, administrative, or judicial action. Furthermore, this summary is not exhaustive of all possible income tax considerations and, in particular, does not take into account provincial or foreign income tax legislation or considerations.

**This summary is not exhaustive of all possible Canadian Federal income tax considerations applicable to an investment in securities of the Funds. The income and other tax consequences of acquiring, holding, or disposing of securities of the Funds vary according to your status, the provinces or territories in which you reside or carry on business, and, generally, your own particular circumstances. The following description of income tax matters is, therefore, of a general nature only, does not address all of the tax considerations relating to the taxation of the Funds or you and is not intended to constitute specific advice to you. You should seek independent advice regarding the tax consequences of investing in securities of the Funds, based upon your own particular circumstances.**

This summary is based on the assumption that each of the Trust Funds qualifies or will qualify, and will continue to qualify at all relevant times, as a "mutual fund trust" (for the purposes of the Tax Act) and that each of NCM Opportunities and NCM Core Portfolios qualifies, and will continue to qualify at all relevant times, as a "mutual fund corporation" (for the purposes of the Tax Act). If a Trust Fund were to fail or cease to qualify as a "mutual fund trust" or a "registered investment", or if either NCM Opportunities or NCM Core Portfolios were to fail or cease to qualify as a "mutual fund corporation", the tax considerations discussed below would in some respects be materially and adversely different.

This summary is also based on the assumption that a Trust Fund will not, at any time, be a "SIFT trust" as defined in the rules in the Tax Act relating to the tax for SIFT trusts and SIFT partnerships. One of the conditions for a trust to be a SIFT trust is that investments in the trust must be listed or traded on a stock exchange or other public market, which includes a trading system or other organized facility on which securities that are qualified for public distribution are listed or traded, but does not include a facility that is operated solely to carry out the issuance of a

security or its redemption, acquisition, or cancellation by the issuer. Other than the ETF Series units, the units of the Trust Funds will not be listed or traded on a stock exchange and it is not expected that the units will trade on any other trading system or organized facility. On this basis, none of the Trust Funds other than NCM Short Term Income Fund should be a SIFT trust. If NCM Short Term Income Fund holds a "non-portfolio property" (as defined in the Tax Act) at any time during its taxation year, that Fund will be a "SIFT trust" for the purposes of the Tax Act for the taxation year. Generally, a SIFT trust is subject to tax under Part I of the Tax Act at corporate income tax rates on its "non-portfolio earnings" (as defined in the Tax Act), which includes income from non-portfolio property and net taxable capital gains realized on the disposition of non-portfolio property, even when the non-portfolio earnings are paid or payable to unitholders of the Fund. Moreover, Unitholders who receive a distribution of non-portfolio earnings would be deemed to receive an "eligible dividend" for tax purposes.

### **GENERAL**

Each of NCM Opportunities and NCM Core Portfolios and each Trust Fund is required to compute its net income and net realized capital gains in Canadian dollars for the purposes of the Tax Act and may, as a consequence, realize income or capital gains by virtue of changes in the value of the U.S. dollar or other relevant currency relative to the Canadian dollar. Gains and losses in connection with derivative activities will be on capital account or income account depending on the particular circumstances, including whether the derivatives are used for hedging or non-hedging purposes.

Unitholders and shareholders are required to compute their net income and net realized capital gains in Canadian dollars for purposes of the Tax Act.

Generally, management fees paid by a unitholder or shareholder on Series I or Series Z securities are not deductible for tax purposes.

### **TAXATION OF NCM OPPORTUNITIES AND NCM CORE PORTFOLIOS**

The taxable income of each of NCM Opportunities and NCM Core Portfolios, including taxable capital gains (net of allowable capital losses), and not including taxable dividends from taxable Canadian corporations, will be subject to tax at full corporate rates.

Taxes payable by NCM Opportunities or NCM Core Portfolios on any net realized taxable capital gains will be refundable to NCM Opportunities or NCM Core Portfolios, respectively, when shares are redeemed or when NCM Opportunities or NCM Core Portfolios, respectively, pays dividends which it elects to be treated as capital gains dividends ("**Capital Gains Dividends**"). Capital gains may be realized by either NCM Opportunities or NCM Core Portfolios in a variety of circumstances, including on the disposition of portfolio assets of NCM Opportunities or NCM Core Portfolios as a result of shareholders of a class of NCM Opportunities converting their shares of such class into shares of another class of NCM Opportunities, or as a result of shareholders of a class of NCM Core Portfolios converting their shares of such class into shares of another class of NCM Core Portfolios, as the case may be. In particular, with respect to NCM Opportunities, significant capital gains may arise where the particular portfolio assets that are disposed of as a result of such conversion were transferred to NCM Opportunities on a rollover from a Partnership.

Each of NCM Opportunities and NCM Core Portfolios will generally be subject to a refundable tax under Part IV of the Tax Act on taxable dividends received by it from taxable Canadian corporations, which tax will be refundable upon payment of a sufficient amount of taxable dividends by NCM Opportunities and NCM Core Portfolios, as the case may be, to holders of its shares.

All of NCM Core Portfolios' revenues, deductible expenses, capital gains, and capital losses in connection with all of NCM Core Portfolios' investment portfolios, and other items relevant to the tax position of NCM Core Portfolios (including the tax attributes of all of NCM Core Portfolios' assets), will be taken into account in determining the income or loss of NCM Core Portfolios and applicable taxes payable by NCM Core Portfolios as a whole, including



refundable capital gains taxes payable. For example, all deductible expenses of NCM Core Portfolios, both expenses common to all classes of NCM Core Portfolios, and expenses attributable to particular classes or series, will be taken into account in computing the income or loss of NCM Core Portfolios as a whole. Similarly, capital losses of NCM Core Portfolios in respect of any of NCM Core Portfolios' investment portfolio referable to a particular class may be applied against capital gains of NCM Core Portfolios in respect of any of NCM Core Portfolios' investment portfolio referable to another class or classes in determining any refundable capital gains taxes payable by NCM Core Portfolios as a whole. In addition, any ordinary operating losses of NCM Core Portfolios (whether from the current year or carried forward from prior years) attributable to any particular class may be applied against income of NCM Core Portfolios attributable to any other class or classes.

All of NCM Opportunities' revenues, deductible expenses, capital gains, and capital losses in connection with all of NCM Opportunities' investment portfolios, and other items relevant to the tax position of NCM Opportunities (including the tax attributes of all of NCM Opportunities' assets), will be taken into account in determining the income or loss of NCM Opportunities and applicable taxes payable by NCM Opportunities as a whole, including refundable capital gains taxes payable. For example, all deductible expenses of NCM Opportunities, both expenses common to all classes of NCM Opportunities, and expenses attributable to particular classes or series, will be taken into account in computing the income or loss of NCM Opportunities as a whole. Similarly, capital losses of NCM Opportunities in respect of any of NCM Opportunities' investment portfolio referable to a particular class may be applied against capital gains of NCM Opportunities in respect of any of NCM Opportunities' investment portfolio referable to another class or classes in determining any refundable capital gains taxes payable by NCM Opportunities as a whole. In addition, any ordinary operating losses of NCM Opportunities (whether from the current year or carried forward from prior years) attributable to any particular class may be applied against income of NCM Opportunities attributable to any other class or classes.

#### ***TAXATION OF THE TRUST FUNDS***

Each Trust Fund intends to distribute its net income for tax purposes and net realized capital gains, if any, for each taxation year of the Fund to unitholders to such an extent that the Fund generally will not be liable in any taxation year for income tax under Part I of the Tax Act on such net income and net realized capital gains after taking into account any applicable losses of the Fund and any capital gains refunds to which the Fund is entitled. All of the deductible expenses of each Trust Fund, respectively, including expenses common to all series of the Fund and management fees and other expenses specific to a particular series of the Fund will be taken into account in determining the income or losses of the Fund as a whole.

#### ***TAXATION OF UNITHOLDERS AND SHAREHOLDERS***

##### ***TAXABLE SHAREHOLDERS OF NCM OPPORTUNITIES AND NCM CORE PORTFOLIOS***

Taxable dividends paid by NCM Opportunities or NCM Core Portfolios, other than Capital Gains Dividends, whether received in cash or reinvested in additional shares, will be included in computing a shareholder's income. "Eligible dividends" are those dividends that qualify, in the hands of individuals resident in Canada, for an enhanced dividend gross up and tax credit. As NCM Opportunities and NCM Core Portfolios generally receive dividends that are eligible for the enhanced rate gross up and credit mechanisms, it is anticipated that substantially all dividends that are in turn paid by NCM Opportunities and NCM Core Portfolios to its shareholders will also qualify as eligible dividends.

NCM Opportunities and NCM Core Portfolios may also make distributions to shareholders of realized capital gains by way of Capital Gains Dividends. As a consequence of rollovers of property to NCM Opportunities from Partnerships, a shareholder of a series of a class of NCM Opportunities may receive Capital Gains Dividends that relate to gains on the property that accrued prior to the property being owned by NCM Opportunities. Capital gains may be realized by either NCM Opportunities or NCM Core Portfolios in a variety of circumstances including, on the disposition of portfolio assets of NCM Opportunities or NCM Core Portfolios as a result of shareholders of a class of NCM Opportunities converting their shares of such class into shares of another class of NCM Opportunities, or as a result of shareholders of a class of NCM Core Portfolios converting their shares of such class into shares of another

class of NCM Core Portfolios, as the case may be. Capital Gains Dividends may be paid by NCM Opportunities or NCM Core Portfolios to shareholders of any particular class or classes in order to obtain a refund of capital gains taxes payable by NCM Opportunities or NCM Core Portfolios, respectively, as a whole, whether or not such taxes relate to the investment portfolio attributable to such class or classes. Capital Gains Dividends paid by NCM Opportunities or NCM Core Portfolios will be treated as realized capital gains in the hands of its shareholders and will be subject to the general rules relating to the taxation of capital gains which are described below.

An investor who purchases shares of NCM Opportunities or NCM Core Portfolios may be taxed on income, accrued but unrealized capital gains and realized but undistributed capital gains that are in NCM Opportunities or NCM Core Portfolios, as the case may be, at the time the shares are purchased and that are reflected in the purchase price of the shares.

Returns of capital received by a shareholder of a series of a class of shares of either NCM Opportunities or NCM Core Portfolios will not be included in income. Instead, returns of capital will reduce the adjusted cost base of the shareholder's shares of the applicable class on which the distribution was made. To the extent that the adjusted cost base of the shares would otherwise be a negative amount, the shareholder will be deemed to have realized a capital gain from the disposition of the shares equal to the negative amount, and the adjusted cost base of the shares will be increased to nil.

A shareholder of NCM Opportunities or NCM Core Portfolios generally is required to include in his or her income for tax purposes for a particular year any rebate to the shareholder of management fees paid by the NCM Opportunities or NCM Core Portfolios, as the case may be. However, in certain circumstances, the shareholder may elect under the Tax Act that such management fee rebates instead may be deducted in computing the cost to the shareholder of shares of such Fund.

Any conversions of shares between two classes of a single mutual fund corporation (such as NCM Opportunities or NCM Core Portfolios) will be treated as a disposition of those shares at their fair market value and the aggregate cost of the shares received on the conversion will be equal to the fair market value of the shares that were converted. Conversions of a series of one class of NCM Opportunities or NCM Core Portfolios into a different series of the same class should not be treated as a disposition of those shares.

The redemption of shares of NCM Opportunities or NCM Core Portfolios in order to satisfy the negotiable conversion fee payable to a shareholder will be a disposition of such shares by the shareholder and will give rise to a capital gain (capital loss) equal to the amount by which the proceeds of disposition of such shares exceeds (or is less than) the aggregate of the adjusted cost base of such shares and any reasonable costs of disposition.

#### ***TAXABLE UNITHOLDERS OF THE TRUST FUNDS***

A unitholder will generally be required to include in income for tax purposes for any year the amount (computed in Canadian dollars) of income and net taxable capital gains, if any, paid or payable by the applicable Fund to the unitholder in the year (including by way of management fee distributions), whether or not such amounts are paid in cash or are reinvested in additional units of the Fund and regardless whether the income and capital gains accrued to the Fund or were realized by the Fund before the unitholder acquired the units of the Fund.

Any amount received by a unitholder in excess of the unitholder's share of the net income of the applicable Fund generally will not be required to be included in the unitholder's income but, except to the extent that it constitutes the unitholder's share of the non-taxable portion of capital gains realized by the Fund and designated to the unitholder, generally will reduce the adjusted cost base of the unitholder's units. To the extent that the adjusted cost base of a unit would otherwise be less than zero, the negative amount will be deemed to be a capital gain realized by the unitholder from the disposition of the unit and the unitholder's adjusted cost base will be increased by the amount of such deemed capital gain.

Each Fund will designate to the extent permitted by the Tax Act the portion of the net income distributed to unitholders as may reasonably be considered to consist of taxable dividends received by the Fund on shares of taxable Canadian corporations and net taxable capital gains of the Fund. Any such designated amount will be deemed for tax purposes to be received or realized by unitholders in the year as a taxable dividend and as a taxable capital gain, respectively. In the case of a unitholder who is an individual, the dividend gross-up and tax credit treatment normally applicable to taxable dividends paid by a taxable Canadian corporation will apply to amounts so designated as taxable dividends.

Capital gains designated by the applicable Fund will be subject to the general rules relating to the taxation of capital gains described below. In addition, the applicable Fund will similarly make designations in respect of its income from foreign sources, if any, so that, for the purpose of computing any foreign tax credit available to a unitholder, the unitholder will be deemed to have paid as tax to the government of a foreign country that portion of the taxes paid by the Fund to that country that is equal to the unitholder's share of the Fund's income from sources in that country.

Unitholders will be informed each year of the composition of the amounts distributed to them (in taxable dividends, net taxable capital gains, foreign source income and returns of capital, and other trust income where applicable) and of the amount designated by the applicable Fund as taxable dividends on shares of taxable Canadian corporations and taxable capital gains and of the amount of any foreign taxes paid by the Fund in respect of which the unitholder may claim a credit for tax purposes to the extent permitted by the Tax Act, where those items are applicable.

Any loss of the applicable Fund for tax purposes cannot be allocated to the unitholders of such Fund.

#### ***CAPITAL GAINS AND TAXABLE UNITHOLDERS AND SHAREHOLDERS***

Upon the actual or deemed disposition of securities, including on the redemption of securities by the Funds, a capital gain (or capital loss) will generally be realized by the holder to the extent that the proceeds of disposition of the securities exceed (or are exceeded by) the aggregate of the adjusted cost base to the holder of the securities and any reasonable costs of disposition.

For the purpose of determining the adjusted cost base to a holder of securities, when a security of a particular Fund is acquired, whether on the reinvestment of distributions or otherwise, the adjusted cost base of each of the holder's securities, as the case may be, is determined by averaging the cost of the newly-acquired security with the adjusted cost base to the holder of all other such securities, as the case may be, of the Fund held by the holder immediately before that time.

A holder will be considered to realize a capital gain as a result of distributions designated as such by a Trust Fund and as a result of receiving Capital Gains Dividends from NCM Opportunities or NCM Core Portfolios.

Generally, one-half of a capital gain (a "**taxable capital gain**") realized or considered to be realized by a holder will be included in the holder's income and one-half of a capital loss (an "**allowable capital loss**") realized by a holder may be deducted from the holder's taxable capital gains subject to the detailed rules of the Tax Act.

Where ETF securities of a Fund are exchanged by the redeeming unitholder for Baskets of Securities, the proceeds of disposition to the holder will generally be equal to the fair market value of the securities so received, plus the amount of any cash received on the exchange. The cost for tax purposes of securities acquired by a redeeming holder will generally be the fair market value of such securities at that time.

#### ***MINIMUM TAX***

Amounts designated as taxable dividends from taxable Canadian corporations and net realized capital gains paid or payable to a securityholder by a Fund or realized on the disposition of securities of a Fund may increase the securityholder's liability for alternative minimum tax.

**NON-TAXABLE UNITHOLDERS AND SHAREHOLDERS**

In general, the amount of distributions or dividends paid to a Registered Plan from a Fund, and proceeds of disposition from dispositions of securities of a Fund held in a Registered Plan, will not be taxable under the Tax Act while such amounts are held in the Registered Plan. However, withdrawals from a tax-free savings account are not taxable, and withdrawals from registered education savings plans and registered disability savings plans are subject to special rules.

**ELIGIBILITY FOR INVESTMENT FOR REGISTERED PLANS**

The Manager anticipates that each Trust Fund will qualify as a "mutual fund trust", and that NCM Opportunities and NCM Core Portfolios will qualify as "mutual fund corporations", under the Tax Act at all relevant times. Provided that they so qualify, securities of the Funds will be a qualified investment under the Tax Act for Registered Plans.

Notwithstanding the foregoing, if securities of a Fund are "prohibited investments" for a registered retirement savings plan, registered retirement income fund tax-free savings account, registered disability savings plan, or registered education savings plan, the annuitant, holder, or subscriber (the "plan holder") of such Registered Plan will be subject to a penalty tax. Provided that the plan holder does not have a "significant interest" (within the meaning of the Tax Act) in any of the Trust Funds, NCM Opportunities or NCM Core Portfolios and that the plan holder deals at arm's length with such entities, or provided that the securities of a Fund are "excluded property" (within the meaning of the Tax Act) for the particular Registered Plan, the securities of such a Fund will not be a "prohibited investment" under the Tax Act for the particular Registered Plan. Investors should consult their own tax advisors on whether or not securities of a Fund are, or may become, a "prohibited investment" for their Registered Plan. In the case of an exchange of ETF Series of a Fund by a registered plan for a Basket of Securities of the Fund, the registered plan will receive securities. The securities so received may or may not be qualified investments for the registered plan and may or may not be prohibited investments for the registered plan.

**TAX RECORDS**

Each Fund will provide you each year with income tax information necessary to allow you to complete your income tax returns. You should keep records of the cost of securities acquired and other relevant information so that any capital gain or loss on redemption or other disposition can be accurately determined for tax purposes.

**INTERNATIONAL INFORMATION REPORTING**

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Pursuant to the Intergovernmental Agreement for the Enhanced Exchange of Tax Information under the Canada-United States Tax Convention and related Canadian legislation found in Part XVIII of the Tax Act, certain securityholders may be requested to provide information to their registered dealer, relating to their citizenship, residency, and, if applicable, a U.S. federal tax identification number or such information relating to controlling persons in the case of certain entities. If a securityholder (or a controlling person of certain entities) is identified as a U.S. person (including a U.S. citizen who is resident in Canada) or if a securityholder does not provide the requested information, Part XVIII of the Tax Act will generally require certain information about the securityholder's investment in a Fund to be reported to the CRA, unless the investment is held in a Registered Plan. It is expected that the CRA will then provide that information to the U.S. Internal Revenue Service.

In addition, Part XIX of the Tax Act implements the Organisation for Economic Cooperation and Development Common Reporting Standard (the "CRS") and requires certain information about the securityholder's investment in a Fund to be reported to the CRA about accounts maintained for individuals and entities whose residency for tax purposes is in a jurisdiction outside of Canada and the U.S., unless the investment is held in a Registered Plan. It is expected that the CRA will then provide that information to foreign jurisdictions with which it has established a partnership in the context of the CRS.

## REMUNERATION OF DIRECTORS, OFFICERS, AND TRUSTEES

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None of the directors or officers of the Manager receives any direct compensation for carrying out the management function on behalf of the Funds. None of the directors or officers of NCM Opportunities or NCM Core Portfolios receives any direct compensation for their services to NCM Opportunities or NCM Core Portfolios.

### **INDEPENDENT REVIEW COMMITTEE**

Individual IRC members are compensated by way of a quarterly retainer fee and a meeting attendance fee, as well as being reimbursed for expenses associated with IRC duties. The Chairman is paid an additional fee to compensate him for the additional duties associated with the Chairman role. These costs are allocated amongst the Funds and other retail mutual funds managed by the Manager.

For the year ended September 30, 2019, the individual IRC members were compensated from the Funds as follows:

Name	Total Compensation	Expenses Reimbursed
James Rooney (Chair)	\$42,158	Nil
Michael Robinson	\$27,500	\$1,995
Ian Brown	\$27,500	Nil

### **TRUSTEE**

The Trustee of each Trust Fund is compensated by way of an annual maintenance fee per applicable Trust Fund. For the year ended September 30, 2019, the total compensation earned by TSX Trust, as Trustee of NCM Norrep Fund and NCM Short Term Income Fund, was \$18,000. For the year ended September 30, 2019, the total compensation earned by Computershare Trust Company of Canada, as Trustee of NCM Balanced Income Portfolio, NCM Conservative Income Portfolio, and NCM Growth and Income Portfolio was \$17,650.

Effective May 15, 2020, the Manager became the trustee of each Trust Fund. It does not receive any compensation for acting as trustee of a Trust Fund. The Manager receives a management fee for acting as manager of the Fund.

## MATERIAL CONTRACTS

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The following contracts are material to the Funds:

- The amended and restated trust agreement dated August 16, 2011 between NIMGI and the Manager, with respect to NCM Norrep Fund, described under ***Name, Formation, and History of the Funds***.
- The amended and restated trust agreement dated August 16, 2011 between NIMGI and the Manager, with respect to NCM Short Term Income Fund, described under ***Name, Formation, and History of the Funds***.
- The amended and restated master trust agreement dated as of June 29, 2017 between Computershare Trust Company of Canada and the Manager with respect to each Trust Fund other than NCM Norrep Fund and NCM Short Term Income Fund, described under ***Name, Formation, and History of the Funds***.
- The appointment, assignment and assumption agreement dated as of May 15, 2020 between Computershare Trust Company of Canada and the Manager with respect to each Trust Fund other

than NCM Norrep Fund and NCM Short Term Income Fund, described under ***Name, Formation, and History of the Funds.***

- The articles of NCM Opportunities dated December 16, 2004 (as amended), described under ***Name, Formation, and History of the Funds.***
- The articles of NCM Core Portfolios dated January 24, 2012 (as amended), described under ***Name, Formation, and History of the Funds.***
- The amended and restated master management agreement dated May 19, 2020 (as amended) between the Manager (as manager and portfolio manager of the Funds), NCM Opportunities, and NCM Core Portfolios, described under ***Manager of the Funds.***
- The investment advisory agreement dated August 27, 2018 between the Manager (as manager and portfolio manager of the Funds) and the Portfolio Manager, described under ***Portfolio Manager to the Funds.***
- The amended and restated custodial services agreement dated November 25, 2015 between the Manager and CIBC Mellon Trust Company (as amended), described under ***Custodian.***

You can review any of the foregoing during regular business hours at this address:

Dome Tower – Suite 1850  
333 – 7<sup>th</sup> Avenue S.W.  
Calgary, Alberta T2P 2Z1

**CERTIFICATE OF THE NCM OPPORTUNITIES CORP. FUNDS**

NCM ENERGY PLUS CLASS  
NCM ENTREPRENEURS CLASS  
NCM GLOBAL INCOME GROWTH CLASS  
NCM INCOME GROWTH CLASS  
NCM SMALL COMPANIES CLASS  
NCM US DIVIDEND CLASS

EACH A CLASS OF NCM OPPORTUNITIES CORP.

This Annual Information Form, together with the Simplified Prospectus and the documents incorporated by reference into the Simplified Prospectus, constitute full, true, and plain disclosure of all material facts relating to the securities offered by the Simplified Prospectus, as required by the securities legislation of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Québec, Prince Edward Island, Nova Scotia, Newfoundland and Labrador, Northwest Territories, Yukon Territory and Nunavut and do not contain any misrepresentations.

Dated May 20, 2020.

(signed) "Alexander M. Sasso"

Alexander M. Sasso  
Chief Executive Officer  
NCM Opportunities Corp.

(signed) "Kelsey D. Stanton"

Kelsey D. Stanton  
Chief Financial Officer  
NCM Opportunities Corp.

On behalf of the Board of Directors of NCM Opportunities Corp.

(signed) "Ellen Barbour"

Ellen Barbour  
Director

**CERTIFICATE OF THE NCM CORE PORTFOLIOS LTD. FUNDS**

NCM CORE CANADIAN  
NCM CORE GLOBAL

EACH, A CLASS OF NCM CORE PORTFOLIOS LTD.

This Annual Information Form, together with the Simplified Prospectus and the documents incorporated by reference into the Simplified Prospectus, constitute full, true, and plain disclosure of all material facts relating to the securities offered by the Simplified Prospectus, as required by the securities legislation of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Québec, Prince Edward Island, Nova Scotia, Newfoundland and Labrador, Northwest Territories, Yukon Territory and Nunavut and do not contain any misrepresentations.

Dated May 20, 2020.

*(signed) "Alexander M. Sasso"*

\_\_\_\_\_  
Alexander M. Sasso  
Chief Executive Officer  
NCM Core Portfolios Ltd.

*(signed) "Kelsey D. Stanton"*

\_\_\_\_\_  
Kelsey D. Stanton  
Chief Financial Officer  
NCM Core Portfolios Ltd.

On behalf of the Board of Directors of NCM Core Portfolios Ltd.

*(signed) "Ellen Barbour"*

\_\_\_\_\_  
Ellen Barbour  
Director



**CERTIFICATE OF THE TRUST FUNDS**

NCM NORREP FUND  
NCM BALANCED INCOME PORTFOLIO  
NCM CONSERVATIVE INCOME PORTFOLIO  
NCM GROWTH AND INCOME PORTFOLIO  
NCM SHORT TERM INCOME FUND

This Annual Information Form, together with the Simplified Prospectus and the documents incorporated by reference into the Simplified Prospectus, constitute full, true, and plain disclosure of all material facts relating to the securities offered by the Simplified Prospectus, as required by the securities legislation of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Québec, Prince Edward Island, Nova Scotia, Newfoundland and Labrador, Northwest Territories, Yukon Territory and Nunavut and do not contain any misrepresentations.

Dated May 20, 2020.

*(signed) "Alexander M. Sasso"*

\_\_\_\_\_  
Alexander M. Sasso  
Chief Executive Officer  
NCM Asset Management Ltd., as Manager of the  
Trust Funds on behalf of the Trustee

*(signed) "Wesley Diong"*

\_\_\_\_\_  
Wesley Diong  
Chief Financial Officer  
NCM Asset Management Ltd., as Manager of the  
Trust Funds on behalf of the Trustee

On behalf of the Board of Directors of NCM Asset Management Ltd.  
as Manager of the Trust Funds on behalf of the Trustee

*(signed) "Keith J. Leslie"*

\_\_\_\_\_  
Keith J. Leslie  
Director

*(signed) "Ellen Barbour"*

\_\_\_\_\_  
Ellen Barbour  
Director

**CERTIFICATE OF THE MANAGER AND THE PROMOTER  
OF  
THE FUNDS**

This Annual Information Form, together with the Simplified Prospectus and the documents incorporated by reference into the Simplified Prospectus, constitute full, true, and plain disclosure of all material facts relating to the securities offered by the Simplified Prospectus, as required by the securities legislation of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Québec, Prince Edward Island, Nova Scotia, Newfoundland and Labrador, Northwest Territories, Yukon Territory and Nunavut and do not contain any misrepresentations.

Dated May 20, 2020.

NCM Asset Management Ltd.  
the Manager and the Promoter of the Funds

*(signed) "Alexander M. Sasso"*

\_\_\_\_\_  
Alexander M. Sasso  
Chief Executive Officer  
NCM Asset Management Ltd.

*(signed) "Wesley Diong"*

\_\_\_\_\_  
Wesley Diong  
Chief Financial Officer  
NCM Asset Management Ltd.

On behalf of the Board of Directors of NCM Asset Management Ltd.,  
as Manager and Promoter of the Funds

*(signed) "Keith J. Leslie"*

\_\_\_\_\_  
Keith J. Leslie  
Director

*(signed) "Ellen Barbour"*

\_\_\_\_\_  
Ellen Barbour  
Director

# Annual Information Form

RESPECTING:

## Trust Funds

**NCM Balanced Income Portfolio** (Series A, Series F, Series F6, Series I, Series T6, and Series M Units)

**NCM Conservative Income Portfolio** (Series A, Series F, Series F6, Series I, Series T6, and Series M Units)

**NCM Growth and Income Portfolio** (Series A, Series F, Series F6, Series I, Series T6, and Series M Units)

**NCM Norrep Fund** (Series A, Series F, and Series R Units)

**NCM Short Term Income Fund** (Series A, Series A (H), Series F, Series F (H), Series I, Series R and ETF Series Units)

– AND –

## Class Funds of NCM Opportunities Corp.

**NCM Entrepreneurs Class** (Series A, Series F, and Series I Shares)

**NCM Global Income Growth Class** (Series A, Series F, Series F6, Series I, and Series T6 Shares)

**NCM Income Growth Class** (Series A, Series B, Series F, Series F6, Series I, and Series T6 Shares)

**NCM Small Companies Class** (Series A, Series F, and Series I Shares)

**NCM Core American (formerly, NCM US Dividend Class)** (Series A, Series F, Series R, and Series Z Shares)

- AND -

## Class Funds of NCM Core Portfolios Ltd.

**NCM Core Canadian** (Series A, Series F, Series R, Series Z and Series M Shares)

**NCM Core Global** (Series A, Series F, Series R, Series Z, Series M and ETF Series Shares)

Additional information about the Funds is available in the Fund Facts or ETF Facts, management reports of fund performance, and financial statements of the Funds.

You can get a copy of these documents, at your request, and at no cost, by calling the Manager toll free at 1-877-531-9355, or from your dealer or by e-mail at [info@ncminvestments.com](mailto:info@ncminvestments.com). These documents are also available at [www.ncminvestments.com](http://www.ncminvestments.com).

These documents and other information about the Funds, such as information circulars and material contracts, are also available at [www.ncminvestments.com](http://www.ncminvestments.com) or at [www.sedar.com](http://www.sedar.com).

The Manager of the Funds is:

**NCM Asset Management Ltd.**

Dome Tower – Suite 1850  
333 – 7<sup>th</sup> Avenue S.W.  
Calgary, Alberta T2P 2Z1

99 Yorkville Avenue, Suite 310  
Toronto, Ontario M5R 3K5  
(416) 640-6718

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