

Canadian Fixed Income Platform

Q1 2016

Investment Team



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Chief Investment Officer
28 years / 17 at FAM



Barbara Berry
Portfolio Manager, Money Market
19 years / 19 at FAM



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16 years / 10 at FAM



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16 years / 13 at FAM



Sui Wang, CFA
Fixed Income Analyst
5 years / 2 at FAM

Wide Range of Fixed-Income Investment Solutions Available

Active / Diversified

- Money market
- Short-term universe
- Short-term credit
- Investment-grade credit (including commercial mortgage-backed and asset backed)
- Core universe
- Long duration (corporate, provincial, federal)

Custom Solutions

- Asset liability matching
- Socially Responsible Investing

An established Canadian corporate credit investor since 1998, Foresters Asset Management Inc. (FAM) manages more than \$8 billion CAD in debt investments, primarily for institutions and insurance companies.

FAM specializes in total return benchmark outperformance, in addition to asset liability matching, and has considerable experience and expertise on the longer end of the Canadian yield curve.

Investment Philosophy

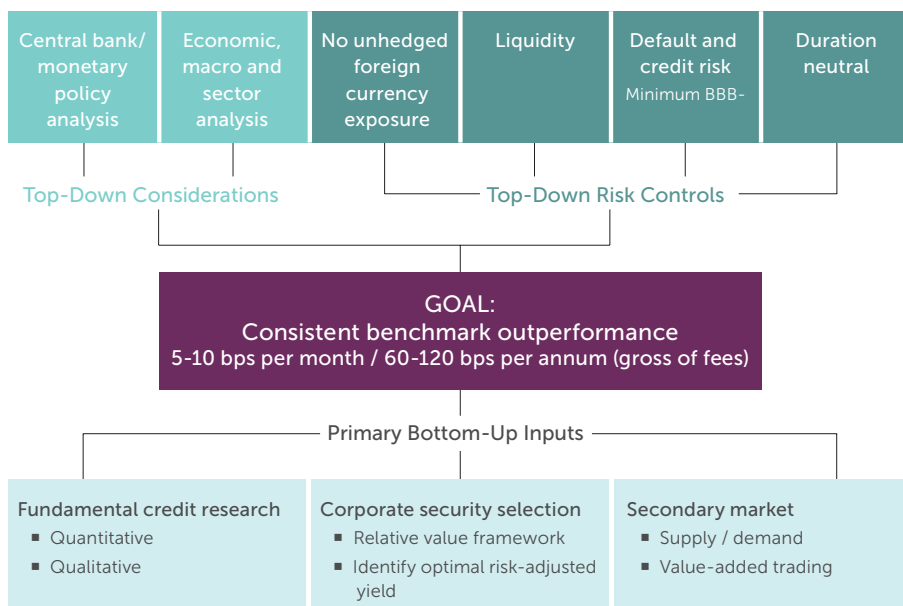
- Focus is to provide exceptional income and capital preservation strategies for our clients.
- We add value through our proprietary bottom-up research, which applies a prudent, disciplined and repeatable investment process to every investment decision.
- The result is low-volatility portfolios designed to provide consistent risk-adjusted returns over the long term.

Investment Process

Founding principles:

- Overweight non-government bonds vs. the benchmark index
- Canadian investment-grade universe
- Duration-neutral to the underlying benchmark index
- 100% Canadian dollar

Investment Process

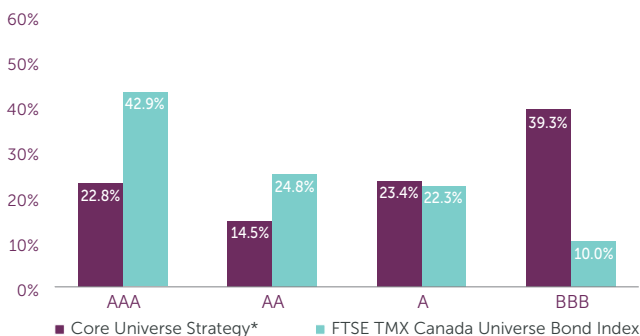


Case Study Portfolio – Core Universe as at March 31, 2016

Portfolio Characteristics

	Fund*	Benchmark**
Number of issues	88	1382
Corporate bond weighting (Target 70%–90%)	82.0%	27.8%
Issuer weighting	<10%	Variable
Asset-backed securities (Target <30%)	25.2%	0.6%
Yield	2.9%	2.0%
Modified duration	7.5	7.5
Credit quality	Min BBB-	Min BBB-
Average rating quality	A	AA
Cash (target <1%)	0.6%	0.0%

Credit Quality – Investment Grade



Performance

Targeted benchmark outperformance 5-10 bps per month / +120-180 bps per annum (gross of fees)

Calendar Year Returns	2016 (YTD)	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Core Universe Strategy – gross of fees*	1.6%	3.8%	9.7%	0.9%	6.4%	10.9%	9.6%	11.0%	5.3%	1.8%	5.0%
FTSE TMX Canada Universe Bond Index	1.4%	3.5%	8.8%	-1.2%	3.6%	9.7%	6.7%	5.4%	6.4%	3.7%	4.1%
Over/under-performance gross of fees	0.2%	0.3%	0.9%	2.1%	2.8%	1.2%	2.9%	5.6%	-1.1%	-1.9%	0.9%

*imaxx™ Canadian Bond Fund

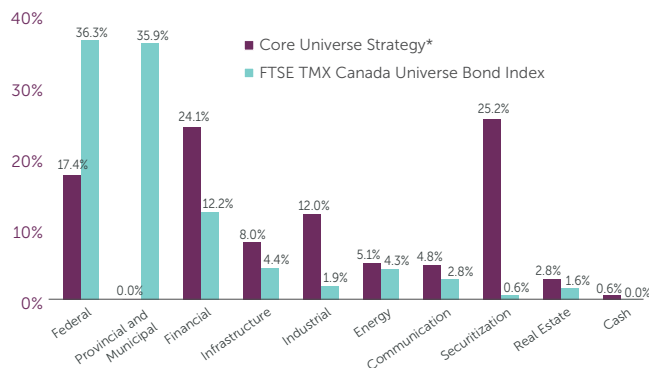
**FTSE TMX Canada Universe Bond Index

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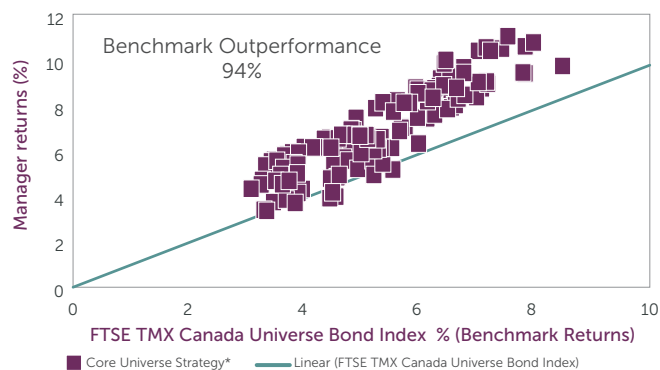
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Sector Allocation



Performance Consistency

Performance Consistency - 3 Year Rolling Returns Since Inception



Annualized Returns	3 months	6 months	1 year	3 years	5 years	10 years
Core Universe Strategy – gross of fees*	1.6%	2.4%	1.3%	4.7%	6.5%	6.6%
FTSE TMX Canada Universe Bond Index	1.4%	2.4%	0.8%	3.9%	5.2%	5.2%
Over/under-performance gross of fees	0.2%	0.0%	0.5%	0.8%	1.3%	1.4%