

FIRST ASSET CANADIAN DIVIDEND OPPORTUNITY FUND



Interim Financial Statements for the period
January 1, 2016 to June 30, 2016

FIRST ASSET CANADIAN DIVIDEND OPPORTUNITY FUND

NOTICE TO READER:

These interim financial statements and related notes for the six-month period ended June 30, 2016 have been prepared by First Asset Investment Management Inc. The external auditors of the Fund have not audited or reviewed these interim financial statements.

FIRST ASSET CANADIAN DIVIDEND OPPORTUNITY FUND

STATEMENTS OF FINANCIAL POSITION (Unaudited)

As at

	June 30, 2016 \$	December 31, 2015 \$
ASSETS		
Current assets		
Investments, at fair value (note 2)	35,271,387	46,298,428
Unrealized gain on forward foreign currency contracts	110,112	368,012
Cash and cash equivalents	21,324,467	15,953,199
Subscriptions receivable	—	100
Dividends receivable	98,382	188,961
Interest receivable	2,938	—
	<u>56,807,286</u>	<u>62,808,700</u>
LIABILITIES		
Current liabilities		
Unrealized loss on forward foreign currency contracts	—	828,784
Accounts payable and accrued liabilities	55,212	84,137
Management fee payable	89,670	93,720
Due to broker	162,450	—
Redemptions payable	239,864	64,493
Distributions payable to holders of redeemable securities (note 9)	168,491	189,006
	<u>715,687</u>	<u>1,260,140</u>
Net assets attributable to holders of redeemable securities	<u>56,091,599</u>	<u>61,548,560</u>
Net assets attributable to holders of redeemable securities per class		
Class A	52,321,228	57,898,938
Class F	3,770,371	3,649,622
Net assets attributable to holders of redeemable securities per security		
Class A	\$10.59	\$10.51
Class F	\$10.39	\$10.27

See accompanying notes to financial statements.

FIRST ASSET CANADIAN DIVIDEND OPPORTUNITY FUND

STATEMENTS OF COMPREHENSIVE INCOME (Unaudited)

For the six months ended June 30

	2016 \$	2015 \$
INCOME		
Net gains (losses) on investments		
Dividends	449,689	884,086
Interest for distribution purposes	32,398	9,704
Change in unrealized appreciation (depreciation) of investments	154,561	(534,777)
Net realized gain on sale of investments	1,833,523	3,768,588
Change in unrealized appreciation (depreciation) on forward foreign currency contracts	570,884	(158,774)
Net realized gain (loss) on forward foreign currency contracts	139,184	(1,960,701)
Net gains (losses) on investments⁽¹⁾	3,180,239	2,008,126
Securities lending income ⁽²⁾	10,670	5,830
Net realized foreign exchange gain (loss)	(8,708)	770,343
Change in unrealized appreciation (depreciation) on other assets	(503,810)	16,677
	2,678,391	2,800,976
EXPENSES		
Management fee (notes 8 and 12) ⁽³⁾	554,235	741,783
Transaction costs (note 8) ⁽⁴⁾	57,041	79,363
Harmonized Sales Tax	56,548	97,116
Securityholder reporting costs	52,294	96,589
Custodial and fund valuation fees	11,203	13,329
Audit fees	7,500	9,360
Withholding Tax (note 10)	6,228	69,593
Independent Review Committee fees (note 12)	876	2,029
Legal fees	641	12,393
Interest expense	4	281
	746,570	1,121,836
Increase in net assets attributable to holders of redeemable securities from operations (excluding distributions)	1,931,821	1,679,140
Increase (decrease) in net assets attributable to holders of redeemable securities from operations (excluding distributions) per class		
Class A	1,786,256	1,587,747
Class F	145,565	91,393
Increase (decrease) in net assets attributable to holders of redeemable securities from operations (excluding distributions) per security (note 2)		
Class A	\$0.34	\$0.23
Class F	\$0.42	\$0.31

FIRST ASSET CANADIAN DIVIDEND OPPORTUNITY FUND

STATEMENTS OF COMPREHENSIVE INCOME (Unaudited) (continued)

For the six months ended June 30

(1)

Comprised of:

	2016 \$	2015 \$
Financial assets and liabilities designated at FVTPL	2,470,171	4,127,601
Financial assets and liabilities classified as held for trading	710,068	(2,119,475)
	<u>3,180,239</u>	<u>2,008,126</u>

(2) Securities lending

The value of securities loaned and collateral received from securities lending at June 30 is as follows:

	2016 \$	2015 \$
Value of securities loaned	6,969,311	7,630,749
Value of collateral received (non-cash)	7,349,355	8,020,636
Gross Amounts generated from the securities lending transactions	17,786	9,837
Amounts paid to Canadian Imperial Bank of Commerce (40% of gross amount)	(7,116)	(4,007)
Net securities lending income as reported in the Statement of Comprehensive Income	<u>10,670</u>	<u>5,830</u>

(3) Management fee rates (note 8 and 12)

	Management Fee
Class A	2.00%
Class F	1.00%

(4) Brokerage commissions and soft dollar (note 8)

	2016 \$	2015 \$
Total soft dollar commissions	<u>4,081</u>	<u>720</u>

See accompanying notes to financial statements.

FIRST ASSET CANADIAN DIVIDEND OPPORTUNITY FUND

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SECURITIES (Unaudited)

For the six months ended June 30, 2016

	Class A \$	Class F \$	Total \$
Net assets attributable to holders of redeemable securities, beginning of period	57,898,938	3,649,622	61,548,560
Increase in net assets attributable to holders of redeemable securities from operations (excluding distributions)	1,786,256	145,565	1,931,821
Distributions to holders of redeemable securities (note 9)			
From capital gains	(1,367,182)	(91,869)	(1,459,051)
Return of capital	(181,472)	(13,895)	(195,367)
	(1,548,654)	(105,764)	(1,654,418)
Redeemable securities transactions (note 6)⁽¹⁾			
Issuance of securities	327,960	428,905	756,865
Redemption of securities	(6,673,165)	(416,440)	(7,089,605)
Reinvestment of distributions	529,893	68,483	598,376
	(5,815,312)	80,948	(5,734,364)
Net increase (decrease) in net assets attributable to holders of redeemable securities	(5,577,710)	120,749	(5,456,961)
Net assets attributable to holders of redeemable securities, end of period	52,321,228	3,770,371	56,091,599

For the six months ended June 30, 2015

	Class A \$	Class F \$	Total \$
Net assets attributable to holders of redeemable securities, beginning of period	85,870,907	2,427,399	88,298,306
Increase in net assets attributable to holders of redeemable securities from operations (excluding distributions)	1,587,747	91,393	1,679,140
Distributions to holders of redeemable securities (note 9)			
From capital gains	(1,642,476)	(72,155)	(1,714,631)
Return of capital	(416,062)	(19,248)	(435,310)
	(2,058,538)	(91,403)	(2,149,941)
Redeemable securities transactions (note 6)⁽¹⁾			
Issuance of securities	365,524	1,669,738	2,026,262
Redemption of securities	(14,519,621)	(886,902)	(15,406,523)
Reinvestment of distributions	637,731	69,143	706,874
	(13,525,366)	851,979	(12,673,387)
Net increase (decrease) in net assets attributable to holders of redeemable securities	(13,996,157)	851,969	(13,144,188)
Net assets attributable to holders of redeemable securities, end of period	71,874,750	3,279,368	75,154,118

⁽¹⁾ Redeemable securities issued and outstanding

	2016		2015	
	Class A #	Class F #	Class A #	Class F #
Securities outstanding, beginning of period	5,507,032	355,325	7,630,967	222,697
Issuance of securities	32,123	41,870	31,332	154,414
Reinvested distributions	51,093	6,740	56,234	6,277
Redemption of securities	(647,484)	(41,043)	(1,274,991)	(81,162)
Securities outstanding, end of period	4,942,764	362,892	6,443,542	302,226

See accompanying notes to financial statements.

FIRST ASSET CANADIAN DIVIDEND OPPORTUNITY FUND

STATEMENTS OF CASH FLOWS (Unaudited)

For the six months ended June 30

	2016 \$	2015 \$
OPERATING ACTIVITIES		
Increase in net assets attributable to holders of redeemable securities from operations (excluding distributions)	1,931,821	1,679,140
Adjustments to reconcile cash flows from operating activities		
Proceeds from sale of investments	33,903,810	42,125,196
Purchases of investments	(20,888,685)	(20,955,686)
Change in due to broker	162,450	—
Change in other assets and liabilities	54,666	(83,107)
Net realized (gain) loss on sale of investments	(1,833,523)	(3,768,588)
Change in unrealized (appreciation) depreciation of investments	(154,561)	534,777
Change in unrealized (appreciation) depreciation on forward foreign currency contracts	(570,884)	158,774
Change in unrealized (appreciation) depreciation on other assets	—	(16,677)
Cash flows from operating activities	12,605,094	19,673,829
FINANCING ACTIVITIES		
Subscriptions received	756,965	2,020,712
Distributions to securityholders	(1,076,557)	(1,491,423)
Redemption of securities	(6,914,234)	(15,618,606)
Cash flows used in financing activities	(7,233,826)	(15,089,317)
Net increase (decrease) in cash and cash equivalents during the period	5,371,268	4,584,512
Cash and cash equivalents, beginning of period	15,953,199	7,322,816
Cash and cash equivalents, end of period	21,324,467	11,907,328
Interest received, net of withholding tax	29,460	9,576
Dividends received, net of withholding tax	540,268	876,947
Interest paid	(4)	(282)

See accompanying notes to financial statements.

FIRST ASSET CANADIAN DIVIDEND OPPORTUNITY FUND

SCHEDULE OF INVESTMENT PORTFOLIO (Unaudited)

As at June 30, 2016

	Number of shares, units and par value	Description	Average Cost \$	Fair Value \$	% of Net Assets
EQUITIES					
Canada					
	9,500	Agnico Eagle Mines Ltd.	510,894	656,830	
	30,000	Alamos Gold Inc., Class 'A'	301,935	333,300	
	25,000	Algonquin Power & Utilities Corp.	288,250	297,250	
	2,800	Alimentation Couche-Tard Inc.	153,244	155,344	
	22,000	Barrick Gold Corp.	385,470	606,760	
	14,300	BCE Inc.	809,104	874,302	
	1,425	Brookfield Asset Management Inc.	61,634	60,905	
	81	Brookfield Business Partners L.P.	2,796	1,973	
	22,800	Canadian Real Estate Investment Trust	1,095,891	1,101,240	
	15,000	Chartwell Retirement Residences	186,314	236,550	
	77,900	Cott Corp.	1,286,155	1,409,703	
	56,000	Crius Energy Trust	473,200	469,280	
	118,400	Crombie Real Estate Investment Trust	1,485,862	1,817,440	
	27,000	Detour Gold Corp.	672,864	872,640	
	34,000	DH Corp.	1,313,461	1,091,740	
	118,700	Element Financial Corporation	1,672,407	1,626,190	
	6,200	Emera Inc.	289,416	301,444	
	33,000	EnerCare Inc.	503,250	564,300	
	214,200	First Asset Active Canadian Dividend ETF	2,035,477	2,052,036	
	18,100	Fortis Inc.	729,372	790,427	
	12,500	Franco-Nevada Corp.	1,046,636	1,228,000	
	24,200	Goldcorp Inc.	535,724	598,224	
	94,700	Hydro One Ltd.	2,208,551	2,458,412	
	12,000	Loblaw Companies Limited	747,803	829,320	
	26,000	Milestone Apartments Real Estate Investment Trust	424,380	491,140	
	51,100	Northland Power Inc.	849,019	1,134,420	
	29,100	Osisko Gold Royalties Ltd.	455,344	491,499	
	9,550	Osisko Gold Royalties Ltd., Warrants (Expire 2/26/19)	—	35,813	
	260,000	Pure Industrial Real Estate Trust	1,169,059	1,339,000	
	17,000	Quebecor Inc.	520,422	629,340	
	50,000	Richmont Mines Inc.	571,368	599,500	
	4,101	Royal Bank of Canada	309,331	313,070	
	98,400	Superior Plus Corporation	1,312,578	1,048,944	
	5,800	The Toronto-Dominion Bank	262,247	321,784	
	76,000	TransAlta Renewables Inc.	760,544	1,015,360	
	162,300	Tricon Capital Group, Inc.	1,392,229	1,412,010	
USD	77,000	WPT Industrial Real Estate Investment Trust	1,081,245	1,101,999	
Total Canada			27,903,476	30,367,489	54.14%
United States					
USD	6,000	Johnson & Johnson	882,691	945,194	
USD	7,800	McDonald's Corporation	1,242,832	1,219,027	
USD	16,000	Medtronic PLC	1,430,421	1,803,011	
USD	1,900	NextEra Energy, Inc.	293,678	321,766	
Total United States			3,849,622	4,288,998	7.64%
Total equities			31,753,098	34,656,487	61.78%

FIRST ASSET CANADIAN DIVIDEND OPPORTUNITY FUND

SCHEDULE OF INVESTMENT PORTFOLIO (Unaudited) (continued)

As at June 30, 2016

Number of shares, units and par value	Description	Average Cost \$	Fair Value \$	% of Net Assets
CONVERTIBLE DEBENTURES				
	Algonquin Power & Utilities Corp.			
1,430,000	5.00%, March 31, 2026	476,190	614,900	
Total convertible debentures		476,190	614,900	1.10%
Adjustment for transaction costs		(28,801)	—	—%
Total investments		32,200,487	35,271,387	62.88%
Total unrealized gain on forward foreign currency contracts			110,112	0.20%
Other assets, net of liabilities			20,710,100	36.92%
Net assets attributable to holders of redeemable securities			56,091,599	100.00%

UNREALIZED GAIN ON FORWARD FOREIGN CURRENCY CONTRACTS

Settlement Date	Currency Buy	Position	Currency Sell	Position	Contract Rates	Counterparty	Credit Rating*	Unrealized Gain (\$)
8-Jul-16	CAD	12,317,760	USD	9,400,000	1.3104	Canadian Imperial Bank of Commerce	A+	110,112
								110,112

* Credit rating provided by Standard & Poor's.

PORTFOLIO CONCENTRATION

As a percentage of net assets (%)	June 30, 2016	December 31, 2015
Equities		
Canada	54.14	63.17
United States	7.64	12.05
Convertible Debentures	1.10	—
Total unrealized gain on forward foreign currency contracts	0.20	0.60
Other assets, net of liabilities	36.92	25.53

See accompanying notes to financial statements.

FIRST ASSET CANADIAN DIVIDEND OPPORTUNITY FUND

FUND SPECIFIC NOTES TO FINANCIAL STATEMENTS (Unaudited)

June 30, 2016

(A) THE FUND

First Asset Canadian Dividend Opportunity Fund (the "Fund") was formed as a closed-end investment trust under the laws of the Province of Ontario on March 22, 2010. On April 19, 2012, the Fund converted into an open-end mutual fund (the "Conversion"). As part of the conversion process, the units were re-designated as Class A units as of the close of business on April 19, 2012. Also, Class F units of the Fund were created as of April 19, 2012.

The Fund's investment objectives are to provide holders with monthly distributions and the opportunity for capital appreciation, by investing in an actively managed portfolio comprised primarily of high-quality dividend paying Canadian equity securities of Canadian utility issuers, pipeline issuers and telecommunications issuers and select higher yielding equity securities. The portfolio also includes securities of dividend issuers like banks and financial services issuers that have strong track records of maintaining and raising distributions.

The Manager, Trustee and Investment Advisor of the Fund is First Asset Investment Management Inc. ("First Asset").

(B) FAIR VALUE OF FINANCIAL INSTRUMENTS

The following tables show financial instruments recorded at fair value, analyzed between those whose fair value is based on quoted market prices (Level 1), those involving valuation techniques where all the model inputs are observable in the market (Level 2) and those where the valuation technique involves the use of non-observable market inputs (Level 3).

As at June 30, 2016

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets				
Equities	34,656,487	—	—	34,656,487
Convertible debentures	—	614,900	—	614,900
Derivatives	—	110,112	—	110,112
	34,656,487	725,012	—	35,381,499

As at December 31, 2015

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets				
Equities	46,298,428	—	—	46,298,428
Derivatives	—	368,012	—	368,012
	46,298,428	368,012	—	46,666,440
Financial liabilities				
Derivatives	—	828,784	—	828,784
	—	828,784	—	828,784

Financial assets and liabilities transferred from Level 1 to Level 2 are the result of securities no longer being traded in an active market. For the periods ended June 30, 2016 and December 31, 2015, there were no transfers of financial assets and liabilities from Level 1 to Level 2.

Financial assets and liabilities transferred from Level 2 to Level 1 are the result of securities now being traded in an active market. For the periods ended June 30, 2016 and December 31, 2015, there were no transfers of financial assets and liabilities from Level 2 to Level 1.

The Funds did not hold any significant positions of Level 3 investments at the beginning of, during, or at the end of the reporting periods.

FUND SPECIFIC NOTES TO FINANCIAL STATEMENTS (Unaudited) (continued)

(C) INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SECURITIES FROM OPERATIONS (EXCLUDING DISTRIBUTIONS) PER SECURITY

The increase (decrease) in net assets attributable to holders of redeemable securities per security for the periods ended June 30, 2016 and 2015 is calculated as follows:

	June 30, 2016		June 30, 2015	
	Class A	Class F	Class A	Class F
Increase (decrease) in net assets attributable to holders of redeemable securities from operations (excluding distributions)	\$1,786,256	\$145,565	\$1,587,747	\$91,393
Weighted average securities outstanding during the period	5,215,625	353,739	6,959,328	299,338
Increase (decrease) in net assets attributable to holders of redeemable securities from operations (excluding distributions) per security	\$0.34	\$0.42	\$0.23	\$0.31

(D) MANAGEMENT OF FINANCIAL RISKS**Interest rate risk**

	Fair Value	
	June 30, 2016	December 31, 2015
	\$	\$
Less than 1 year	—	—
1-3 years	—	—
3-5 years	—	—
Greater than 5 years	614,900	—

As at June 30, 2016, if the prevailing interest rates had been raised or lowered by 1%, assuming a parallel shift in the yield curve, with all other factors remaining constant, net assets could possibly have decreased or increased, respectively, by approximately \$35,804 or 0.06% of net assets (December 31, 2015 — \$— or —%).

Currency risk

The tables below indicate the foreign currencies to which the Fund has significant exposure in Canadian dollar terms, including the underlying principal amount of forward foreign currency contracts. The tables also illustrate the potential impact on the net assets attributable to holders of redeemable securities of the Fund, all other variables held constant, as a result of a 5% change in these currencies relative to the Canadian dollar.

As at June 30, 2016

Currency	Investments	Cash	Other	Forward Foreign Currency Contracts	Total	Impact on Net Assets
United States dollar	\$5,390,997	\$7,055,869	\$6,330	(\$12,317,760)	\$135,436	\$6,772
Total	\$5,390,997	\$7,055,869	\$6,330	(\$12,317,760)	\$135,436	\$6,772
As a % of Net Assets	9.6%	12.6%	0.0%	(22.0)%	0.2%	0.0%

As at December 31, 2015

Currency	Investments	Cash	Other	Forward Foreign Currency Contracts	Total	Impact on Net Assets
United States dollar	\$8,619,927	\$11,065,342	\$24,759	(\$18,625,325)	\$1,084,703	\$54,235
Total	\$8,619,927	\$11,065,342	\$24,759	(\$18,625,325)	\$1,084,703	\$54,235
As a % of Net Assets	14.0%	18.0%	0.0%	(30.3)%	1.8%	0.1%

FUND SPECIFIC NOTES TO FINANCIAL STATEMENTS (Unaudited) (continued)

(D) MANAGEMENT OF FINANCIAL RISKS (continued)

Other price risk

The table below indicates how net assets attributable to holders of redeemable securities would have increased or decreased had the value of the Fund's benchmark increased or decreased by 10%. This change is estimated based on the historical correlation between the return of the Fund's securities as compared to the return of the benchmark as at period end, with all other variables held constant. Regression analysis has been utilized to estimate the historical correlation. The analysis uses daily data points from April 20, 2010 to the applicable period end. The historical correlation may not be representative of the future correlation, and accordingly the impact on net assets attributable to holders of redeemable securities could be different.

Benchmark	Impact on net assets attributable to redeemable securities	
	June 30, 2016	December 31, 2015
	\$	\$
S&P/TSX Composite Total Return Index	2,349,930	3,037,760

(E) RELATED PARTY TRANSACTIONS

The Fund invests in redeemable securities of other investment funds ("underlying funds") managed by First Asset to gain exposure to the investment objectives and strategies of the underlying funds. Each underlying fund is generally financed through the capital invested by the Fund, along with other investors, which entitles securityholders to a proportionate share of the underlying fund's net assets. The Fund does not provide additional financial or other support to the underlying funds. All underlying funds were established in and carry out their operations in Canada. The Fund's interests in underlying funds are reported at fair value in its Statements of Financial Position and in its Schedule of Investment Portfolio, which represents the Fund's maximum exposure to financial loss.

Underlying Funds	As at June 30, 2016		As at December 31, 2015	
	% of Net Assets	Ownership Interest %	% of Net Assets	Ownership Interest %
First Asset Active Canadian Dividend ETF	3.66%	23.80%	0.41%	9.07%
First Asset Morningstar Canada Dividend Target 30 Index ETF	-	-	1.29%	2.12%
First Asset Morningstar US Dividend Target 50 Index ETF	-	-	3.52%	2.04%
First Asset Tech Giants Covered Call ETF	-	-	3.10%	3.11%
	3.66%		8.32%	

NOTES TO THE FINANCIAL STATEMENTS (Unaudited)

June 30, 2016

1. GENERAL INFORMATION

These notes are an integral part of these financial statements, and contain important information about the following First Asset open-end mutual funds (individually, a Fund, and collectively, the Funds):

- First Asset Canadian Convertible Bond Fund
- First Asset Canadian Dividend Opportunity Fund
- First Asset Canadian Dividend Opportunity Fund II
- First Asset Canadian Energy Convertible Debenture Fund
- First Asset Global Dividend Fund
- First Asset REIT Income Fund
- First Asset Resource Fund Inc.
- First Asset Utility Plus Fund
- First Asset Canadian Convertible Debenture Fund

Refer to the Fund Specific Notes for details of the organization of the Funds, investment objectives and strategies and inception dates of each Fund.

The manager of each Fund is First Asset Investment Management Inc. (First Asset). First Asset is a subsidiary of CI Financial Corp. (TSX: CIX).

Each Fund's registered office is at 95 Wellington Street West, Suite 1400, Toronto, Canada.

The Schedule of Investment Portfolio for each Fund is as at June 30, 2016. The Statements of Financial Position for each Fund are as at June 30, 2016 and December 31, 2015, where applicable. The Statements of Comprehensive Income, Statements of Changes in Net Assets Attributable to Holders of Redeemable Securities and Statements of Cash Flows for each Fund are for the six-month period ended June 30, 2016 and 2015, except for Funds or classes established during the period, in which case the information for that Fund or class is provided for the period from Inception Date of the Fund or Launch Date of the class to June 30 of the applicable year.

These annual financial statements of the Funds for the period ended June 30, 2016 were approved and authorized for issuance by the Board of Directors of First Asset on August 26, 2016.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial statements of the Funds have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting (IAS 34) as issued by the International Accounting Standards Board (IASB). The financial statements have been prepared on a going concern basis using the historical cost convention except for financial assets and financial liabilities measured at fair value through profit or loss. The Funds' accounting policies for measuring fair value of investments and derivatives are consistent with those used in measuring the net asset value (NAV) for transactions with securityholders.

Functional and presentation currency

The primary objective of the Funds is to generate returns in Canadian dollars, their capital-raising currency. The liquidity of the Funds is managed on a day-to-day basis in Canadian dollars in order to handle the issuance and redemption of the Funds' redeemable securities. The Funds' performance is evaluated in Canadian dollars. Therefore, First Asset considers Canadian dollars as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in Canadian dollars, which is the functional currency of the Funds, and all values are rounded to the nearest dollar.

Financial instruments

(i) Classification and recognition of financial instruments

The Funds classify financial assets and financial liabilities at initial recognition into the following categories, in accordance with IAS 39, Financial Instruments: Recognition and Measurement.

Financial assets and liabilities at fair value through profit or loss

The category of financial assets and liabilities at fair value through profit or loss (FVTPL) is sub-divided into:

Financial assets and liabilities held for trading: Financial assets are classified as held for trading if they are acquired for the purpose of selling and/or repurchasing in the near term. All derivatives and liabilities from short sales of financial instruments are classified as held for trading unless they are designated as effective hedging instruments as defined by IAS 39. The Funds' policy is not to apply hedge accounting.

Financial instruments designated as fair value through profit or loss upon initial recognition: All investments held by the Funds (other than derivatives and securities sold short) are designated as fair value through profit or loss upon initial recognition. The Funds include equities, bonds, and other interest-bearing investments in this

NOTES TO THE FINANCIAL STATEMENTS (Unaudited) (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

category. These financial assets are designated upon initial recognition on the basis that they are part of a group of financial assets that are managed and have their performance evaluated on a fair value basis, in accordance with risk management and investment strategies of the Funds, as set out in each Fund's prospectus.

Their classification depends on the purpose for which the financial instruments were acquired or issued, their characteristics and each Fund's designation of such instruments. Regular way purchases and sales of financial assets and liabilities are recognized at their trade date.

Loans and receivables

All other financial assets not measured at FVTPL are measured at amortized cost. Included in this category are subscriptions receivable, accrued income, dividends receivable, interest receivable and due from broker. Financial assets are shown at the amount required to be received, discounted, when appropriate, at the contract's effective interest rate.

Other financial liabilities

All other financial liabilities not measured at FVTPL are measured at amortized cost. Included in this category are due to broker, accounts payable and accrued liabilities, management fee payable, redemption payable and distributions payable to holders of redeemable securities. Financial liabilities are shown at the amount required to be paid, discounted, when appropriate, at the contract's effective interest rate.

(ii) Valuation of financial instruments

Financial assets and financial liabilities at FVTPL are recorded in the Statements of Financial Position at fair value upon initial recognition. All transaction costs, such as brokerage commissions incurred in the purchase and sale of securities for such instruments are recognized directly in profit or loss. All other financial assets and liabilities (other than those classified as FVTPL) are measured initially at their fair value plus any directly attributable incremental costs of acquisition or issue. For financial assets and liabilities where the fair value at initial recognition does not equal the transaction price, the Funds recognize the difference in the Statements of Comprehensive Income, unless specified otherwise.

After initial measurement, the Funds measure financial instruments which are classified as FVTPL at fair value. Subsequent changes in the fair value of those financial instruments are recorded as unrealized appreciation (depreciation) on investments in the Statements of Comprehensive Income. Net realized gain (loss) on sale of investments and unrealized appreciation (depreciation) on investments are determined on an average cost basis. Average cost does not include amortization of premiums or discounts on fixed income securities with the exception of zero coupon bonds.

Other financial assets and liabilities (other than those classified as FVTPL) are measured at amortized cost.

The Funds' obligation for net assets attributable to holders of redeemable securities is presented at the residual amount (total assets less total liabilities of each Fund).

The Funds meet the definition of an investment entity within IFRS 10 Consolidated Financial Statements and are required to measure their subsidiaries, if any, at FVTPL rather than consolidate them. The fair values of each specific type of investment and derivative are determined in the following manner:

Portfolio investments

In the case of publicly traded securities, fair value means the close or last traded price when the price falls within the day's bid-ask spread. For bonds and debentures, fair value means the most recent price provided by independent security pricing services. In the circumstance where the close or last traded price falls outside of the bid-ask spread, then fair value is determined by using bid price for long positions and ask price for short positions, or a different point within the bid-ask spread that First Asset determines to be more representative of fair value.

Investments held that are not traded in an active market are recorded at estimated fair value as determined by First Asset using appropriate and accepted industry valuation techniques including valuation models. The fair value of a security determined using valuation models requires the use of inputs and assumptions, which, at times, may not be supported by observable market data.

Derivatives

Certain Funds are permitted to invest in forward foreign currency contracts to hedge foreign currency exposure on the investment portfolio. The value of forward currency contracts is recorded as the unrealized gain or loss that would be realized if the position was to be closed out and recorded as an unrealized appreciation (depreciation) on forward foreign currency contracts in the Statements of Financial Position. Upon maturity of the contracts, the difference between the carrying value and the fair value is included in net realized gain or loss on forward foreign currency contracts in the Statements of Comprehensive Income.

Other financial assets and liabilities

Other assets and liabilities are short-term in nature and are carried at amortized cost.

(iii) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount presented in the Statements of Financial Position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS (Unaudited) (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income recognition

(i) Interest income for distribution purposes

The interest for distribution purposes shown in the Statements of Comprehensive Income represents the coupon interest received by the Funds accounted for on an accrual basis. The Funds do not amortize premiums paid or discounts received on the purchase of fixed income securities except for zero coupon bonds which are amortized on a straight line basis. The interest for distribution purposes is the tax basis of calculating the interest received and which is subject to tax.

(ii) Dividend revenue

Dividend revenue is recognized when the Funds' right to receive the payment is established. Dividend revenue is presented gross of any non-recoverable withholding taxes, which are disclosed separately in the Statements of Comprehensive Income.

(iii) Securities lending

The Funds have entered into a securities lending program with their custodian. These transactions involve the temporary exchange of securities for collateral with a commitment to re-deliver the same securities on a future date. Income is earned from these transactions in the form of fees paid by the counterparty and, in certain circumstances, interest paid on cash or securities held as collateral. Income from securities lending is included in the Statements of Comprehensive Income and is recognized when earned.

The aggregate market value of all securities loaned by a Fund cannot exceed 50% of the assets of that Fund. Collateral received consists of qualified securities and securities that are immediately convertible into, or exchangeable for securities of the same type, the same term and in the same number as those loaned by each Fund, or cash or letters of credit with market values of at least 102% of the market value of the loaned securities. CIBC Mellon Global Securities Services Company is entitled to receive payments out of the gross amount generated from the securities lending transactions of the Funds and bears all operational costs directly related to securities lending as well as the cost of borrow default indemnification. Aggregate values of securities on loan and related collateral held as well as the gross amount generated from the securities lending transactions of the Funds to the revenue from securities lending disclosed in the Funds' Statements of Comprehensive Income as at June 30, 2016 and 2015 are disclosed as a footnote to the Statements of Comprehensive Income.

Investment transactions and expense recognition

Expenses directly attributable to a class are charged to that class. Other expense, income, realized gains and losses from investment transactions are allocated proportionately to each class based on the relative NAV of each class. Realized and unrealized gains and losses on forward foreign currency contracts entered into to hedge currency exposure of hedged classes are allocated only to that class.

Cash and cash equivalents

Cash and cash equivalents are comprised of cash and short-term investments with a term to maturity of less than three months from date of purchase. Cash and cash equivalents are categorized as held for trading and therefore are carried at fair value. Short-term investments are valued at cost plus accrued interest, which approximates fair value.

Redeemable participating securities

Each Fund's redeemable securities do not meet the criteria in IAS 32 for classification as equity and, therefore, have been classified as financial liabilities. These securities are redeemable at the securityholder's option at prices based on the Fund's NAV per security at the time of redemption.

Foreign currency translation

Transactions during the period, including purchases and sales of securities, income and expenses, are translated at the rate of exchange prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rate of exchange ruling at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Foreign currency transaction gains and losses on financial instruments classified as FVTPL are included in the Statements of Comprehensive Income as part of "net realized and unrealized gain (loss) on sale of investments" and foreign exchange gains and losses relating to cash and other assets and liabilities are presented as "net realized foreign exchange gain (loss)".

Increase (decrease) in net assets attributable to holders of redeemable securities per security

Increase / (decrease) in net assets attributable to holders of redeemable securities per security of each class is calculated by dividing the "Increase (decrease) in net assets attributable to holders of redeemable securities from operations (excluding distributions)" as disclosed in the Statements of Comprehensive Income, by the weighted average number of securities outstanding during the period. Refer to the Fund Specific Notes for the calculation.

NOTES TO THE FINANCIAL STATEMENTS (Unaudited) (continued)

3. STANDARDS ISSUED BUT NOT YET EFFECTIVE

Standards issued but not yet effective up to the date of issuance of the Funds' financial statements are listed below. The Funds will adopt any applicable standards when they become effective.

IFRS 9, Financial Instruments - Classification and Measurement

In July 2014, the IASB issued the final version of IFRS 9, Financial Instruments (IFRS 9), which replaces the guidance in IAS 39, Financial Instruments: Recognition and Measurement (IAS 39). The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. First Asset is currently assessing the impact of adopting this standard.

IFRS 15, Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15, Revenue from Contracts with Customers, which clarifies the principles for recognizing revenue and cash flows arising from contracts with customers. The standard is effective for annual periods beginning on or after January 1, 2018, with early application permitted. First Asset is currently assessing the impact of adopting this standard, but it is not expected to have a material impact to the Funds.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities at the reporting date and the reported amounts of income and expenses during the reporting year. Significant judgments and estimates include the valuation of investments and derivatives, classification of redeemable securities and classification of the Funds as investment entities.

First Asset has made an assessment of the Funds' ability to continue as a going concern and is satisfied that the Funds have the resources to continue in business for the foreseeable future. Furthermore, First Asset is not aware of any material uncertainties that may cast significant doubt upon the Funds' ability to continue as a going concern. Therefore, the financial statements of the Funds continue to be prepared on a going concern basis.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed in these notes. The Funds based their assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Funds. Such changes are reflected in the assumptions when they occur.

5. MANAGEMENT OF FINANCIAL RISKS

In the normal course of business, the Funds are exposed to various financial risks, including credit risk, liquidity risk and market risk (consisting of interest rate risk, currency risk and other price risk). The Funds' overall risk management program seeks to minimize potentially adverse effects of these risks on the Funds' financial performance by employing professional, experienced portfolio advisors, by monitoring daily the Funds' positions and market events and by diversifying the investment portfolio within the constraints of the investment guidelines and periodically may use derivatives to hedge certain risk exposure. To assist in managing risk, First Asset maintains a governance structure that oversees the Funds' investment activities and monitors compliance with the Funds' stated investment strategies, investment guidelines and securities regulations. Refer to the Fund Specific Notes for specific risk disclosures related to each Fund.

(i) Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Funds.

For those funds that invest in fixed income securities or derivative contracts, the value presented on the Schedule of Investment Portfolio includes consideration of the creditworthiness of the issuer, and accordingly, represents the maximum credit risk exposure of the Funds. The Funds' holdings are continually monitored in regards to credit quality and relative value. In order to mitigate credit risk, First Asset attempts to focus on only highly creditworthy issuers that are less likely to suffer harshly during a downturn in the economic environment. As well, credit risk is managed by selecting Schedule I Banks operating in Canada as counterparties to the forward foreign currency contracts, if applicable, and by regular monitoring of credit exposures. Carrying amounts for accrued income represent minimal credit risk exposure as they will be settled in the short term. Credit ratings are obtained from Standard & Poors. Where more than one rating is obtained for a security, the lowest rating has been used. See the Schedule of Investment Portfolio for the credit ratings of counterparties from over-the-counter derivative contracts, where applicable.

As well, the Funds may enter into securities lending transactions with approved counterparties. Credit risk associated with these transactions is considered minimal as all counterparties have a sufficient approved credit rating and the market value of collateral held by the Fund must be at least 102% of the fair value of securities loaned.

All transactions executed by the Funds in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

(ii) Liquidity risk

Liquidity risk is the risk that the Funds may not be able to meet their obligation on time or at a reasonable price.

NOTES TO THE FINANCIAL STATEMENTS (Unaudited) (continued)

5. MANAGEMENT OF FINANCIAL RISKS (continued)

The Funds' exposure to liquidity risk is concentrated in the daily cash redemptions of securities. Generally, the Funds invest in securities that are considered readily realizable as they are actively traded on public exchanges. Certain securities may be less liquid than other securities and involve the risk that First Asset may not be able to dispose of them at the current market prices. As such, it may be difficult to significantly alter the composition of a Fund's portfolio in a short period of time.

The maturity of the Funds' financial liabilities are all between 1 to 3 months, except for the redeemable securities which are redeemable on demand at the holder's option. First Asset does not expect that this contractual maturity is representative of the actual cash outflows, as holders of these instruments typically retain them for a longer period.

(iii) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial instruments.

Certain Funds invest in interest bearing financial instruments. As such, these Funds are exposed to the risk that the value of such financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. Prices of longer-term fixed income securities will generally fluctuate more in response to interest rate changes than would shorter-term securities. For portfolios that contain fixed income securities, First Asset reviews the remaining term-to-maturity dates on a regular basis to ensure diverse and balanced exposure, within the limits of the Funds' investment objectives and strategies.

(iv) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

Certain Funds invest a portion of their assets in securities that are denominated in a currency other than the Canadian dollar, which represents the functional currency of the Fund. Consequently, these Funds are exposed to currency risk as the value of the portfolio securities denominated in currencies other than the Canadian dollar will vary due to changes in foreign currency exchange rates. For Funds with hedged classes, currency risk is mitigated by entering into forward foreign currency contracts and, as such, the hedged classes do not have significant exposure to currency risk.

(v) Other price risk

Other price risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

All investments in securities present a risk of loss of capital. The maximum market price risk resulting from these investments is equivalent to their fair value. The value of the portfolios will be influenced by factors which are not within the control of the Funds including the performance of the portfolio securities, the condition of the equity markets generally and other factors. Market price risk is mitigated through the careful selection and diversification of securities within the limits of the Funds' investment objectives and strategies as well as the daily monitoring of the Funds' investment portfolio by First Asset.

6. FAIR VALUE MEASUREMENT HIERARCHY

Funds classify financial instruments into three levels based on inputs used to value the financial instruments. Level 1 securities are valued based on quoted prices in active markets for identical securities. Level 2 securities are valued based on significant observable market inputs, such as quoted prices from similar securities and quoted prices in inactive markets or based on observable inputs to models. Level 3 securities are valued based on significant unobservable inputs that reflect First Asset's determination of assumptions that market participants might reasonably use in valuing the securities.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Funds determine whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the beginning of each reporting period.

Refer to the Fund Specific Notes for the relevant disclosure.

7. REDEEMABLE SECURITIES

First Asset Canadian Convertible Bond Fund, First Asset Canadian Dividend Opportunity Fund, First Asset Canadian Energy Convertible Debenture Fund, First Asset Global Dividend Fund, First Asset REIT Income Fund and First Asset Utility Plus Fund

The Funds are authorized to issue an unlimited number of classes of units, and may offer and sell an unlimited number of units (referred to as security or securities) of each class. All securities of a Fund have equal rights and privileges and are substantially the same except for the fees and sales and redemption charges associated with a particular class and the existence or absence of currency hedging arrangements. Each class of securities is convertible into any other class of securities on the basis of their respective net asset values.

The Funds are offered for sale on a continuous basis and may be purchased or redeemed on any valuation date at the net asset value per security of a particular class.

First Asset Global Dividend Fund offers four classes of securities. Class A and Class F (currency hedged securities), and Class A1 and Class F1 (non-currency hedged

NOTES TO THE FINANCIAL STATEMENTS (Unaudited) (continued)

7. REDEEMABLE SECURITIES (continued)

securities). Each of First Asset Canadian Convertible Bond Fund, First Asset Canadian Dividend Opportunity Fund, First Asset Canadian Energy Convertible Debenture Fund and First Asset REIT Income Fund currently offers 2 classes of securities: Class A and Class F (both of which are currency-hedged).

First Asset Canadian Convertible Debenture Fund and First Asset Canadian Dividend Opportunity Fund II

The Funds are authorized to issue an unlimited number of transferable units (referred to as security or securities), each of which represents an equal, undivided interest in the net asset value of the respective Fund. These Funds are closed to new purchases.

Securityholders of First Asset Canadian Convertible Debenture Fund are entitled to redeem their securities daily at net asset value less an investor fee equal to the pro rata portion of the Note Receivable then outstanding. Effective December 31, 2015, the Note Receivable has been fully repaid.

Securityholders for First Asset Canadian Dividend Opportunity Fund II are entitled to redeem their securities daily at net asset value less a redemption fee payable to First Asset as follows:

- From March 8, 2014 until and including February 28, 2015, a redemption fee of \$0.20 per security;
- From March 1, 2015 until and including February 29, 2016, a redemption fee of \$0.15 per security;
- From March 1, 2016 until and including February 28, 2017, a redemption fee of \$0.10 per security; and
- Effective March 1, 2017 and thereafter, no redemption fee.

First Asset Resource Fund Inc.

First Asset Resource Fund Inc. is authorized to issue an unlimited number of common shares and an unlimited number of shares of Class A, B, C, D, E and F, in series. An affiliate of First Asset owns the one issued and outstanding common share of the Fund. The Fund's Class A shares (referred to as security or securities) are offered for sale on a continuous basis and may be purchased or redeemed on any business day at net asset value per security.

8. EXPENSES

First Asset Canadian Convertible Bond Fund, First Asset Canadian Dividend Opportunity Fund, First Asset Canadian Energy Convertible Debenture Fund, First Asset Global Dividend Fund, First Asset REIT Income Fund and First Asset Utility Plus Fund

The Funds pay First Asset an annual management fee calculated as a percentage of the net asset value of each class of the Funds. This fee is calculated daily and paid monthly in arrears. The entire amount of the service fee paid to registered dealers in respect of the Class A and A1 securities as well as a fee to the Investment Sub-Advisor, if applicable, is paid by First Asset out of the management fee.

First Asset Canadian Convertible Debenture Fund and First Asset Canadian Dividend Opportunity Fund II

The Funds pay First Asset an annual management fee calculated as a percentage of the net asset value of the Funds. This fee is calculated daily and paid monthly in arrears. In addition, First Asset is entitled to an amount equal to the service fee payable to registered dealers. This fee is calculated daily and paid quarterly in arrears.

First Asset Resource Fund Inc.

The Fund pays First Asset an annual management fee calculated as a percentage of the net asset value of the Fund. This fee is calculated daily and paid monthly in arrears. First Asset pays the portfolio manager and the dealer service fees out of its management fee.

The annual management fee rates and service fee rates, if applicable, are disclosed in a footnote to the Statements of Comprehensive Income.

The Funds are responsible for all costs relating to their operation and administration.

In addition to covering brokerage services on security transactions, commissions paid to dealers may also cover research services provided to First Asset or the relevant portfolio manager of the Funds. The value of research services included in commissions and other transaction costs during the period is presented as a footnote to the Statements of Comprehensive Income.

9. DISTRIBUTIONS

Except for First Asset Resource Fund Inc., each Fund distributes to its securityholders on a monthly or quarterly basis. The amounts of distributions are based on First Asset's assessment of anticipated cash flow of the Funds from time to time.

If, in any year, after such distributions, there would otherwise remain in the Funds additional net income or net realized capital gains, the Funds will make, on or before December 31 of that year, a special distribution of such portion of the remaining net income or net realized capital gains as is necessary to ensure that the Funds will not be liable for income tax under the Income Tax Act (Canada) (the Tax Act).

10. TAXATION

Except for First Asset Resource Fund Inc. each Fund qualifies as a mutual fund trust under the provisions of the Tax Act, and accordingly, is not subject to tax on its net taxable income for the tax year, including net realized capital gains, which is paid or payable to its securityholders as at the end of the tax year which ends December 15. Such distributed income is taxable in the hands of the securityholders. Income tax on net realized capital gains not paid or payable is generally recoverable, as redemptions occur, by virtue of refunding provisions contained in the Tax Act. No provision for income taxes has been recorded in the accompanying

NOTES TO THE FINANCIAL STATEMENTS (Unaudited) (continued)

10. TAXATION (continued)

financial statements as all income and net realized taxable capital gains are distributed to securityholders.

First Asset Resource Fund Inc. qualifies and intends to continue to qualify as a mutual fund corporation under the Tax Act. Mutual fund corporations are generally subject to tax in the same manner as other public corporations except that income taxes payable on realized capital gains are refundable on a formula basis when shares of the Fund are redeemed or capital gains dividends are paid by the Fund to its shareholders. The Fund is subject to a special tax at the rate of 33 1/3% on taxable dividends received from taxable Canadian corporations. The tax is refundable to the Fund upon the payment of taxable dividends to its securityholders at the rate of \$1 for every \$3 of dividends paid. The tax year end is December 31 for First Asset Resource Fund Inc.

As at the Funds' taxation year-ends, certain Funds have capital and non-capital loss carryforwards for income tax purposes and are disclosed in a footnote to the Statements of Changes in Net Assets Attributable to Holders of Redeemable Securities. Capital losses may be carried forward indefinitely to be applied against future capital gains. Non-capital losses may be utilized to reduce taxable income of future years and expire in the year(s) indicated in the footnote.

The Funds may be subject to withholding taxes, deducted at the source of the income, imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the Statements of Comprehensive Income. For the purpose of the Statements of Cash Flows, cash flows from investments are presented net of withholding taxes.

11. CAPITAL MANAGEMENT

Each Fund manages its capital in accordance with its investment objectives and strategies outlined in the Fund Specific Notes and the risk management practices disclosed in note 5 and endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet distributions and redemptions. In order to manage their capital structures, the Funds may adjust the amount of any distributions paid to securityholders.

12. RELATED PARTY TRANSACTIONS

First Asset manages and administers the business operations and affairs of the Funds, and, in all cases except for First Asset Global Dividend Fund and First Asset Resource Fund Inc., is also responsible for providing all investment advisory and portfolio management services required by the Funds. These services are in the normal course of operations and are recorded at the amount of the consideration agreed to by the parties.

An affiliate of First Asset administers the Funds' relationship with the Funds' Independent Review Committee (IRC) on behalf of First Asset, however, it receives no compensation for doing so. Members of the IRC receive fees from the Funds for services rendered to the Funds and are reimbursed for out-of-pocket expenses. For Funds structured as corporations, the independent directors are paid an annual fee and are reimbursed for their out-of-pocket expenses.

The above services are reported in the Statements of Comprehensive Income as management fee, dealer service fees and Independent Review Committee fees, as applicable. Management fee payable is reported in the Statements of Financial Position and the amounts are generally payable to First Asset.

The Funds may have direct or indirect holdings in CI Financial Corp., the ultimate parent company of First Asset, or other funds managed by First Asset as identified in the Fund Specific Notes, if applicable.

