

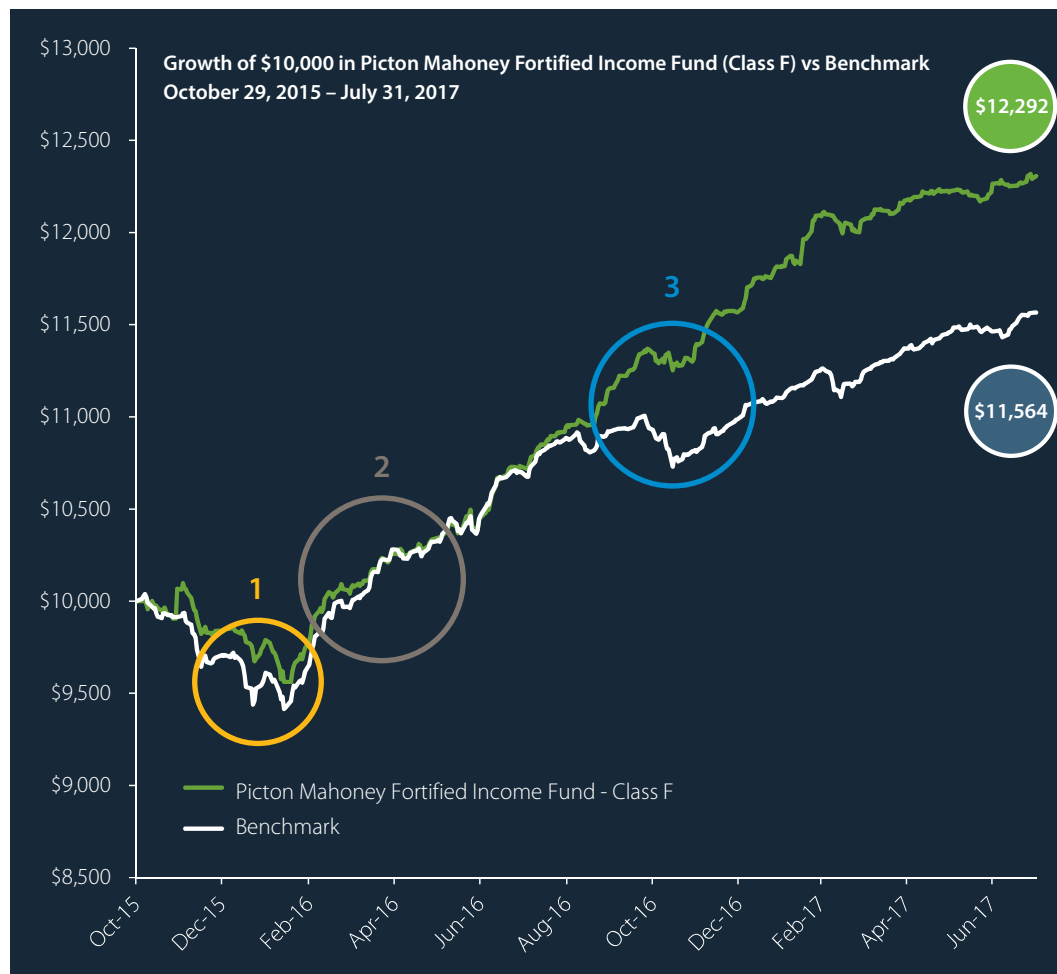


PROOF OF CONCEPT: PICTON MAHONEY FORTIFIED INCOME FUND GROWS WEALTH THROUGH RISING RATES AND CREDIT SELL-OFFS

PICTON MAHONEY
Asset Management

Picton Mahoney Fortified Income is designed to generate income and growth potential while actively managing the key risks associated with income investing (rate, credit, and liquidity). The fund combines wealth generation (through our best long and short ideas) with an approach designed to provide insurance-like protection (ie an options overlay to protect against market downturns)—to make it easier for investors to stay invested and reach their goals comfortably.

Looking back over the past year provides solid proof that our approach to investing (with a safety net) in the income space worked despite rising rates and credit sell-offs.



1. LESSEN IMPACT OF PROTRACTED DECLINE

From late December 2015 through the end of January 2016, corporate bonds experienced a massive liquidity-driven sell-off, marking the worst start on record for credit. Our defensive positioning, asset allocation decisions and hedging tools dampened the impact of the “unwind” and afforded us the opportunity to stay invested and buy the pullback.



2. PARTICIPATE IN UPSIDE

After its harrowing start to 2016, credit experienced the sharpest rally on record. The fund participated in the upside as corporate bonds rebounded and ushered in a new bullish phase. Looking at performance since inception provides evidence that the portfolio “insurance” doesn’t create a meaningful drag on the core long corporate bond portfolio.



3. PROTECT FROM RISING RATES

When rates rise, bond values fall. This aspect of income investing, called “rate risk,” came into full view in July of 2016, when rates bottomed. The government bond sell-off escalated in November 2016, with the largest monthly ascent in 10-year Treasury yields since the crisis, driving meaningful outflows from all fixed income assets. Our short positions and bond put options actually drove a profit for the fund in this challenged period.





PICTON MAHONEY FORTIFIED INCOME FUND: CORE DIVERSIFICATION FOR YOUR INCOME PORTFOLIO

PICTON
MAHONEY
Asset Management

For over a decade, we've specialized in helping investors manage volatility to protect and grow their wealth. We drew on that expertise to design Fortified Funds as core holdings for all investors, whether they are saving for—or enjoying—their retirement years.

Thanks to additional built-in tools like the hedging overlay “insurance”, Fortified Funds can offer more protection when investing in traditional asset classes than stock picking alone. The results speak for themselves.

Let us help you stay ahead by staying invested.



PICTON MAHONEY FORTIFIED EQUITY

Access the growth potential of global equities with active protection from downside risk



PICTON MAHONEY FORTIFIED INCOME

Receive income and capital growth potential with active management of interest, credit, and liquidity risk



PICTON MAHONEY FORTIFIED MULTI-ASSET

Offers the blend of growth and protection most clients are looking for in a balanced fund, with less correlation to overall markets, and precise risk management

PERFORMANCE AS AT JULY 31, 2017	1 Month	3 Month	6 Month	Year to date	1 Year	Since Inception (October 29, 2015)
PICTON MAHONEY FORTIFIED INCOME FUND (CLASS F)*	0.34%	1.11%	4.12%	6.39%	14.69%	12.55%
BENCHMARK	0.90%	1.71%	4.18%	5.28%	8.09%	8.64%

This material is intended for use by Investment Advisors, including with their clients.

The compounded rate of return in “Growth of \$10,000 Investment” chart is used only to illustrate the effects of the compound growth rate and is not intended to reflect future values of the investment fund or returns on investment in the investment fund. Commissions, trailing commissions, management fees, performance fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. “Benchmark” consists of BofA Merrill Lynch Global High Yield Index—hedged to CAD (75%) and BofA Merrill Lynch Global Corporate Index—hedged to CAD (25%).

**Class F units of the Fortified Funds have a lower management fee rate than Class A units, and are available to investors who are enrolled in a dealer-sponsored fee for service or wrap program and who are subject to an annual asset-based fee rather than commissions on each transaction.*

www.pictonmahoney.com

**THINK AHEAD.
STAY AHEAD.**

PMAM-FINC-YIL-LR-JULY 31, 2017