



## Annual Report

December 31, 2015

1832 AM Canadian Dividend LP  
1832 AM Canadian Growth LP  
1832 AM Canadian Preferred Share LP  
1832 AM Global Completion LP  
1832 AM North American Preferred Share LP  
1832 AM Tactical Asset Allocation LP  
Scotia Global Low Volatility Equity LP  
Scotia Total Return Bond LP  
Scotia U.S. Dividend Growers LP  
Scotia U.S. Low Volatility Equity LP

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# 1832 AM Canadian Dividend LP

## STATEMENT OF FINANCIAL POSITION

As at

(in dollars except per unit amounts)	December 31, 2015
<b>ASSETS</b>	
Current assets	
Investments	
Non-derivative financial assets	442,723,600
Cash	67,795,316
Receivable for securities sold	353,797
Subscriptions receivable	159,000
Accrued investment income and other	831,498
	<u>511,863,211</u>
<b>LIABILITIES</b>	
Current liabilities	
Payable for securities purchased	19,802,169
	<u>19,802,169</u>
Net assets attributable to holders of redeemable units	<u>492,061,042</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES	
Series I	<u>492,061,042</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT	
Series I	<u>8.87</u>

## STATEMENT OF COMPREHENSIVE INCOME

For the period ended December 31 (note 1),

(in dollars except per unit amounts)	2015*
<b>INCOME</b>	
Net gain (loss) on investments (note 2)	
Dividends	8,158,457
Interest for distribution purposes	253,817
Net realized gain (loss) on non-derivative financial assets	(1,251,434)
Change in unrealized gain (loss) on non-derivative financial assets	(62,528,101)
Net gain (loss) on investments	<u>(55,367,261)</u>
Net realized and unrealized gain (loss) on foreign exchange	432,570
Total income (loss)	<u>(54,934,691)</u>
<b>EXPENSES</b>	
Fixed administration fees (note 6)	124,135
Independent Review Committee fees	704
Interest expense and bank overdraft charges	1,978
Foreign withholding taxes/tax reclaims	163,117
Other fund costs	613
Harmonized Sales Tax/Goods and Services Tax	16,266
Transaction costs	<u>1,032,819</u>
Total expenses	<u>1,339,632</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>(56,274,323)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES	
Series I	<u>(56,274,323)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT†	
Series I	<u>(1.26)</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES	
Series I	<u>44,699,026</u>

† The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the period ended December 31 (note 1),

(in dollars)	2015*
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD	
Series I	<u>—</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS	
Series I	<u>(56,274,323)</u>
REDEEMABLE UNIT TRANSACTIONS	
Proceeds from issue	
Series I	551,600,365
Payments on redemption	
Series I	<u>(3,265,000)</u>
	<u>548,335,365</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	
Series I	<u>492,061,042</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD	
Series I	<u>492,061,042</u>

## STATEMENT OF CASH FLOWS

For the period ended December 31 (note 1),

(in dollars)	2015*
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Increase (decrease) in net assets attributable to holders of redeemable units	(56,274,323)
Adjustments for:	
Net realized (gain) loss on non-derivative financial assets	1,251,434
Unrealized (gain) loss on foreign exchange of cash	(42,026)
Change in unrealized (gain) loss on non-derivative financial assets	62,528,101
Purchases of non-derivative financial assets	(779,680,525)
Proceeds from sale of non-derivative financial assets	291,592,943
Transaction costs	1,032,819
Accrued investment income and other	(831,498)
Net cash provided by (used in) operating activities	<u>(480,423,075)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Proceeds from issue of redeemable units	551,441,365
Amounts paid on redemption of redeemable units	<u>(3,265,000)</u>
Net cash provided by (used in) financing activities	<u>548,176,365</u>
Unrealized gain (loss) on foreign exchange of cash	42,026
Net increase (decrease) in cash	<u>67,753,290</u>
CASH (BANK OVERDRAFT), END OF PERIOD	<u>67,795,316</u>
Interest paid <sup>(1)</sup>	1,978
Interest received <sup>(1)</sup>	230,090
Dividends received, net of withholding taxes <sup>(1)</sup>	<u>7,187,569</u>

<sup>(1)</sup> Classified as operating items.

\* No comparative figures are shown as the Fund's inception date was April 6, 2015.

The accompanying notes are an integral part of the financial statements.

# 1832 AM Canadian Dividend LP (Continued)

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2015

Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 90.0%				EQUITIES (cont'd)			
Energy – 14.7%				Information Technology – 4.9%			
874,700	Baytex Energy Corporation	15,757,106	3,918,656	140,091	Davis + Henderson Income Corporation	5,566,800	4,429,677
232,600	Cenovus Energy Inc.	4,768,989	4,070,500	185,600	Intel Corporation	7,502,424	8,842,740
563,500	Crescent Point Energy Corp.	10,165,350	9,083,620	162,300	Open Text Corporation	9,543,880	10,766,982
21,700	Enbridge Inc.	1,084,694	998,200			<u>22,613,104</u>	<u>24,039,399</u>
746,200	EnCana Corporation	12,615,656	5,245,786	Telecommunication Services – 2.4%			
1,760,500	NuVista Energy Ltd.	14,148,862	7,165,235	90,500	BCE Inc.	4,965,945	4,838,130
526,300	Secure Energy Services Inc.	7,750,139	4,399,868	95,600	Rogers Communications, Inc., Class B	4,099,292	4,562,032
922,500	Seven Generations Energy Ltd.	16,439,997	12,435,300	62,800	TELUS Corporation	2,456,747	2,402,728
1,193,200	Total Cda Oil & Gas	11,261,101	6,144,980			<u>11,521,984</u>	<u>11,802,890</u>
212,200	TransCanada Corporation	9,497,782	9,589,318	Utilities – 1.0%			
3,001,800	Trinidad Drilling Ltd.	13,707,719	6,363,816	216,100	Hydro One Limited	4,430,050	4,816,869
298,300	Whitecap Resources, Inc.	4,032,948	2,705,581				
		<u>121,230,343</u>	<u>72,120,860</u>		TOTAL INVESTMENT PORTFOLIO	<u>505,251,701</u>	<u>442,723,600</u>
Industrials – 17.2%				OTHER ASSETS, LESS LIABILITIES – 10.0%			
83,600	Boyd Group Income Fund	4,446,428	5,525,960	NET ASSETS – 100.0%			
185,300	Canadian National Railway Company	14,300,440	14,332,955				<u>49,337,442</u>
75,036	Canadian Pacific Railway Limited	15,968,195	13,261,112				<u>492,061,042</u>
194,500	K-Bro Linen Inc.	9,474,384	9,909,775				
168,500	MacDonald, Dettwiler and Associates Ltd.	13,924,368	14,029,310				
1,270,700	Momeau Shepell, Inc.	21,889,902	18,399,736				
66,600	Stantec Inc.	2,193,371	2,285,712				
96,500	TransForce, Inc.	2,509,180	2,278,365				
41,900	Union Pacific Corporation	5,114,141	4,531,484				
		<u>89,820,409</u>	<u>84,554,409</u>				
Consumer Discretionary – 17.8%							
776,600	Aimia Inc.	10,290,491	7,307,806				
15,100	Canadian Tire Corporation, Limited, Class A	1,769,313	1,784,216				
159,000	Cineplex, Inc.	7,620,299	7,560,450				
112,800	Dollar General Corp.	10,121,906	11,208,707				
107,400	Dollar Tree, Inc.	9,970,416	11,469,744				
667,900	Hudson's Bay Company	15,491,845	12,088,990				
895,900	Shaw Communications, Inc., Class B	24,459,742	21,322,420				
135,200	Thomson Reuters Corporation	7,213,867	7,085,832				
336,250	Whistler Blackcomb Holdings Inc.	6,500,998	8,389,438				
		<u>93,438,877</u>	<u>88,217,603</u>				
Consumer Staples – 1.0%							
77,300	Reynolds American Inc.	3,614,507	4,932,075				
Health Care – 13.6%							
92,200	Aetna Inc.	14,058,373	13,786,582				
48,313	Anthem, Inc.	9,536,720	9,316,891				
59,900	Becton, Dickinson and Company	10,404,515	12,765,003				
14,800	MEDNAX, Inc.	1,398,480	1,466,143				
143,200	Medtronic, Inc.	13,166,725	15,228,629				
121,500	Team Health Holdings Inc.	8,636,825	7,374,991				
30,700	Valeant Pharmaceuticals International, Inc.	5,153,565	4,315,192				
17,500	Zimmer Biomet Holdings Inc.	2,454,238	2,482,920				
		<u>64,809,441</u>	<u>66,736,351</u>				
Financials – 17.4%							
402,800	Altus Group Ltd.	7,388,874	7,810,292				
159,400	Bank of Nova Scotia, The	9,366,755	8,921,618				
785,375	Canaccord Financial Inc.	5,103,601	4,013,266				
203,800	CI Financial Corporation	7,012,785	6,236,280				
937,800	Gluskin Sheff + Associates Inc.	25,037,781	19,534,374				
108,385	Intact Financial Corporation	9,737,701	9,611,582				
442,000	Manulife Financial Corporation	10,010,827	9,167,080				
160,400	Royal Bank of Canada	12,051,075	11,893,660				
153,300	Toronto-Dominion Bank, The	8,063,587	8,314,992				
		<u>93,772,986</u>	<u>85,503,144</u>				

For equities, all common shares unless otherwise noted.  
The accompanying notes are an integral part of the financial statements.

# 1832 AM Canadian Dividend LP

## FUND SPECIFIC NOTES

For the period indicated in Note 1

### 1. The Fund (note 1)

The Fund seeks to provide income and long-term capital growth. The Fund invests primarily in Canadian dividend paying equity securities and, to a lesser extent, in other securities including fixed income securities the portfolio advisor considers desirable for dividend income, growth or capital preservation.

### 2. Risks associated with financial instruments (note 4)

#### i) Interest rate risk

The majority of the Fund's financial assets and liabilities were non-interest bearing as at December 31, 2015. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

#### ii) Currency risk

The table below indicates the currencies to which the Fund had significant exposure, net of the impact of currency forward contracts and currency spot contracts, if any, based on the monetary and non-monetary assets and liabilities of the Fund. The table also illustrates the potential impact on the Fund if the functional currency of the Fund had strengthened or weakened by 10% in relation to each of the other currencies, with all other variables held constant.

Currency	December 31, 2015			
	Net currency exposure (\$)	Percentage of net assets (%)	Impact on the Fund (\$)	Percentage of net assets (%)
US Dollar	104,248,010	21.2	10,424,801	2.1
	104,248,010	21.2	10,424,801	2.1

#### iii) Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, derivatives and commodities, if applicable. As at December 31, 2015, approximately 90.0% of the Fund's net assets were exposed to price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$44,272,360. In practice,

actual results may differ from this sensitivity analysis and the difference could be material.

#### iv) Credit risk

The Fund had no significant exposure to bonds and debentures, preferred shares or derivatives as at December 31, 2015. In addition, all investment transactions are executed by brokers with an approved credit rating. As such the risk of default on transactions with counterparties and brokers related to purchase and sale of securities is considered minimal. In instances where the credit rating were to fall below the approved rating, the Manager would take appropriate action.

#### v) Liquidity risk

The table below summarizes the Fund's financial liabilities based on the remaining period to the contractual maturity date.

	December 31, 2015	
	On demand (\$)	Less than 3 months (\$)
Current liabilities	–	19,802,169
Liability for written options	–	–
Unrealized loss on derivatives	–	–
Redeemable units	492,061,042	–
	492,061,042	19,802,169

Redeemable units are redeemable on demand at the holder's option. However, the Manager does not expect that the contractual maturity disclosed in the table above will be representative of the actual cash outflows, as holders of these instruments typically retain them for a longer term.

#### vi) Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, geographical location, asset type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk:

	Percentage of net assets (%)
	December 31, 2015
Consumer Discretionary	17.8
Consumer Staples	1.0
Energy	14.7
Financials	17.4
Health Care	13.6
Industrials	17.2
Information Technology	4.9
Telecommunication Services	2.4
Utilities	1.0

# 1832 AM Canadian Dividend LP (Continued)

## FUND SPECIFIC NOTES

For the period indicated in Note 1

vii) Fair value classification (note 2)

The table below illustrates the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2015	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	442,723,600	–	–	442,723,600
	442,723,600	–	–	442,723,600

## Transfers between levels

During the period ended December 31, 2015, there were no significant transfers between Level 1 and Level 2.

## 3. Offsetting of financial assets and liabilities (note 2)

As at December 31, 2015, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

## 4. Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2015.

## 5. Comparison of net asset value per unit and net assets per unit (note 2)

The table below provides a comparison of the net asset value per unit and net assets per unit. The primary reason for the difference between the net asset value per unit and net assets per unit, if any, is described in note 2.

	December 31, 2015	
	Net asset value per unit (\$)	Net assets per unit (\$)
Series I	8.87	8.87

# 1832 AM Canadian Growth LP

## STATEMENT OF FINANCIAL POSITION

As at

(in dollars except per unit amounts)	December 31, 2015
<b>ASSETS</b>	
Current assets	
Investments	
Non-derivative financial assets	190,740,869
Unrealized gain on currency forward contracts	2,698
Cash	2,147,146
Accrued investment income and other	352,427
	<u>193,243,140</u>
<b>LIABILITIES</b>	
Current liabilities	
Unrealized loss on currency forward contracts	55,232
	<u>55,232</u>
Net assets attributable to holders of redeemable units	<u>193,187,908</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES</b>	
Series I	<u>193,187,908</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT</b>	
Series I	<u>9.81</u>

## STATEMENT OF COMPREHENSIVE INCOME

For the period ended December 31 (note 1),

(in dollars except per unit amounts)	2015*
<b>INCOME</b>	
Net gain (loss) on investments (note 2)	
Dividends	2,067,750
Interest for distribution purposes	8,363
Net realized gain (loss) on non-derivative financial assets	(388,292)
Net realized gain (loss) on currency forward contracts	(464,281)
Change in unrealized gain (loss) on non-derivative financial assets	(4,734,073)
Change in unrealized gain (loss) on currency forward contracts	(52,534)
Net gain (loss) on investments	<u>(3,563,067)</u>
Net realized and unrealized gain (loss) on foreign exchange	<u>460,468</u>
Total income (loss)	<u>(3,102,599)</u>
<b>EXPENSES</b>	
Fixed administration fees (note 6)	49,342
Independent Review Committee fees	973
Interest expense and bank overdraft charges	1,744
Foreign withholding taxes/tax reclaims	48,497
Other fund costs	242
Harmonized Sales Tax/Goods and Services Tax	6,556
Transaction costs	301,499
Total expenses	<u>408,853</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>(3,511,452)</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES</b>	
Series I	<u>(3,511,452)</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT<sup>†</sup></b>	
Series I	<u>(0.21)</u>
<b>WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES</b>	
Series I	<u>16,649,530</u>

\* No comparative figures are shown as the Fund's inception date was April 6, 2015.

<sup>†</sup> The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the period ended December 31 (note 1),

(in dollars)	2015*
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD</b>	
Series I	<u>—</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS</b>	
Series I	<u>(3,511,452)</u>
<b>REDEEMABLE UNIT TRANSACTIONS</b>	
Proceeds from issue	
Series I	196,949,360
Payments on redemption	
Series I	<u>(250,000)</u>
	<u>196,699,360</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>	
Series I	<u>193,187,908</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD</b>	
Series I	<u>193,187,908</u>

\* No comparative figures are shown as the Fund's inception date was April 6, 2015.

## STATEMENT OF CASH FLOWS

For the period ended December 31 (note 1),

(in dollars)	2015*
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Increase (decrease) in net assets attributable to holders of redeemable units	(3,511,452)
Adjustments for:	
Net realized (gain) loss on non-derivative financial assets	388,292
Unrealized (gain) loss on foreign exchange of cash	(146,810)
Change in unrealized (gain) loss on non-derivative financial assets	4,734,073
Change in unrealized (gain) loss on currency forward contracts	52,534
Purchases of non-derivative financial assets	(256,468,635)
Proceeds from sale of non-derivative financial assets	60,303,902
Transaction costs	301,499
Accrued investment income and other	(352,427)
Net cash provided by (used in) operating activities	<u>(194,699,024)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Proceeds from issue of redeemable units	196,949,360
Amounts paid on redemption of redeemable units	<u>(250,000)</u>
Net cash provided by (used in) financing activities	<u>196,699,360</u>
Unrealized gain (loss) on foreign exchange of cash	146,810
Net increase (decrease) in cash	<u>2,000,336</u>
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<u>2,147,146</u>
Interest paid <sup>(1)</sup>	1,744
Interest received <sup>(1)</sup>	7,866
Dividends received, net of withholding taxes <sup>(1)</sup>	1,667,323

<sup>(1)</sup> Classified as operating items.

\* No comparative figures are shown as the Fund's inception date was April 6, 2015.

# 1832 AM Canadian Growth LP (Continued)

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2015

Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 98.7%				EQUITIES (cont'd)			
Energy – 1.4%				Financials – 31.4%			
516,000	Birchcliff Energy Ltd.	4,621,349	2,084,640	77,400	Bank of Nova Scotia, The	5,120,243	4,332,078
111,500	Paramount Resources Ltd.	4,105,160	682,380	74,000	Canadian Imperial Bank of Commerce	6,889,716	6,748,060
		<u>8,726,509</u>	<u>2,767,020</u>	175,800	Canadian Western Bank	5,386,477	4,110,204
Materials – 6.9%				125,400	E*Trade Financial Corporation	4,456,337	5,140,382
50,200	Agrium Inc.	6,447,102	6,208,234	479,800	Element Financial Corp.	8,278,591	8,012,660
31,800	CCL Industries Inc., Class B	4,475,378	7,134,966	361,400	GMP Capital, Inc.	1,445,524	1,698,580
		<u>10,922,480</u>	<u>13,343,200</u>	49,850	INFOR Acquisition Corporation	–	23,928
Industrials – 11.5%				99,700	INFOR Acquisition Corporation, Class A	997,000	980,051
36,300	Allegion Public Limited Company	2,725,834	3,308,603	340,000	Manulife Financial Corporation	7,544,297	7,051,600
50,900	Canadian National Railway Company	4,085,760	3,937,115	108,400	Morgan Stanley	4,944,460	4,768,838
123,000	General Electric Company	4,118,157	5,296,313	57,100	Onex Corporation	4,017,338	4,843,222
47,300	JB Hunt Transport Services Inc.	5,031,060	4,798,883	99,500	Royal Bank of Canada	7,719,588	7,377,924
145,200	Stantec Inc.	5,035,173	4,983,264	128,100	Sun Life Financial Inc.	5,115,802	5,527,515
		<u>20,995,984</u>	<u>22,324,178</u>			<u>61,915,373</u>	<u>60,615,042</u>
Consumer Discretionary – 14.1%				Information Technology – 20.9%			
31,180	Burberry Group PLC	1,004,520	758,653	15,840	BuildDirect.com Tech Inc., Warrants Mar.31, 2016*		
147,500	Gildan Activewear Inc.	5,716,528	5,802,650	158,400	BuildDirect.com Technologies Inc., Restricted*	1,184,004	1,314,396
365,800	Hudson's Bay Company	9,251,148	6,620,980	411,800	Celestica Inc.	6,218,575	6,300,540
35,300	Limited Brands, Inc.	3,887,898	4,677,896	154,200	CGI Group Inc., Class A	7,834,302	8,542,680
145,700	Restaurant Brands International Inc.	7,390,497	7,539,975	176,600	Davis + Henderson Income Corporation	7,170,523	5,584,092
36,100	Thomson Reuters Corporation	1,933,847	1,892,001	7,600	Google Inc. Class C	5,157,822	7,976,390
		<u>29,184,438</u>	<u>27,292,155</u>	84,300	Open Text Corporation	5,085,902	5,592,462
Consumer Staples – 3.2%				38,500	Tableau Software Inc.	4,873,532	5,016,762
93,900	Loblaw Companies Limited	5,958,139	6,135,426			<u>37,524,660</u>	<u>40,327,322</u>
Health Care – 6.3%				Telecommunication Services – 3.0%			
16,400	Biogen Inc.	7,342,963	6,948,345	77,300	Level 3 Communications, Inc.	5,277,782	5,809,767
117,000	Inovalon Holdings Inc., Class A	3,014,914	2,746,726			<u>195,474,942</u>	<u>190,740,869</u>
17,300	Valeant Pharmaceuticals International, Inc.	4,611,700	2,431,688		TOTAL INVESTMENT PORTFOLIO		
		<u>14,969,577</u>	<u>12,126,759</u>		Currency Forward Contracts – (0.0%)		(52,534)
					OTHER ASSETS, LESS LIABILITIES – 1.3%		2,499,573
					NET ASSETS – 100.0%		<u>193,187,908</u>

\* This security is not actively traded and considered illiquid.

## CURRENCY FORWARD CONTRACTS

Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Canadian Value as at December 31, 2015 (\$)	Canadian (\$) Appreciation/ (Depreciation)
Jan 28, 2016	British Pound	540,000	Canadian Dollar	1,111,374	1,111,357	(10,126)
Jan 28, 2016	British Pound	100,000	Canadian Dollar	201,237	201,234	2,698
Jan 28, 2016	Canadian Dollar	2,861,685	British Pound	1,425,000	2,906,087	(44,402)
Jan 28, 2016	Canadian Dollar	50,280	British Pound	25,000	50,984	(704)
						<u>(52,534)</u>

The currency forward contracts outstanding at December 31, 2015 are placed with a financial institution with a credit rating of AA by DBRS.

For equities, all common shares unless otherwise noted.  
The accompanying notes are an integral part of the financial statements.



# 1832 AM Canadian Growth LP

## FUND SPECIFIC NOTES

For the period indicated in Note 1

### 1. The Fund (note 1)

The Fund's objective is to provide long-term capital growth. It invests primarily in a broad range of Canadian equity securities.

### 2. Risks associated with financial instruments (note 4)

#### i) Interest rate risk

The majority of the Fund's financial assets and liabilities were non-interest bearing as at December 31, 2015. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

#### ii) Currency risk

The table below indicates the currencies to which the Fund had significant exposure, net of the impact of currency forward contracts and currency spot contracts, if any, based on the monetary and non-monetary assets and liabilities of the Fund. The table also illustrates the potential impact on the Fund if the functional currency of the Fund had strengthened or weakened by 10% in relation to each of the other currencies, with all other variables held constant.

Currency	December 31, 2015			
	Net currency exposure (\$)	Percentage of net assets (%)	Impact on the Fund (\$)	Percentage of net assets (%)
British Pound	(885,828)	(0.5)	(88,583)	0.0
US Dollar	57,807,316	29.9	5,780,732	3.0
	56,921,488	29.4	5,692,149	3.0

#### iii) Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, derivatives and commodities, if applicable. As at December 31, 2015, approximately 98.7% of the Fund's net assets were exposed to price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$19,074,087. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### iv) Credit risk

The Fund had no significant exposure to bonds and debentures, preferred shares or derivatives as at December 31, 2015. In addition, all investment transactions are executed by brokers with an approved credit rating. As such the risk of default on transactions with counterparties and brokers related to purchase and sale of securities is considered minimal. In instances where the credit rating were to fall below the approved rating, the Manager would take appropriate action.

#### v) Liquidity risk

The table below summarizes the Fund's financial liabilities based on the remaining period to the contractual maturity date.

	December 31, 2015	
	On demand (\$)	Less than 3 months (\$)
Current liabilities	-	-
Liability for written options	-	-
Unrealized loss on derivatives	-	55,232
Redeemable units	193,187,908	-
	193,187,908	55,232

Redeemable units are redeemable on demand at the holder's option. However, the Manager does not expect that the contractual maturity disclosed in the table above will be representative of the actual cash outflows, as holders of these instruments typically retain them for a longer term.

#### vi) Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, geographical location, asset type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk:

	Percentage of net assets (%)
	December 31, 2015
Consumer Discretionary	14.1
Consumer Staples	3.2
Energy	1.4
Financials	31.4
Health Care	6.3
Industrials	11.5
Information Technology	20.9
Materials	6.9
Telecommunication Services	3.0

# 1832 AM Canadian Growth LP (Continued)

## FUND SPECIFIC NOTES

For the period indicated in Note 1

vii) Fair value classification (note 2)

The table below illustrates the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2015	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	188,643,892	758,653	1,314,396	190,716,941
Warrants, rights and options	23,928	–	–	23,928
Currency forward contracts – assets	–	2,698	–	2,698
	188,667,820	761,351	1,314,396	190,743,567
Currency forward contracts – liabilities	–	(55,232)	–	(55,232)
	188,667,820	706,119	1,314,396	190,688,335

## Transfers between levels

During the period ended December 31, 2015, there were no significant transfers between Level 1 and Level 2.

## Reconciliation of Level 3 financial instruments

The following table presents the movement in the Fund's Level 3 financial instruments for the periods ended:

	December 31, 2015 (\$)
Beginning of period	–
Purchases	1,184,004
Sales	–
Transfers into Level 3	–
Transfers out of Level 3	–
Net realized gains (losses)	–
Net changes in unrealized gain (loss)*	130,392
<b>End of period</b>	<b>1,314,396</b>

\* Net change in unrealized gain (loss) for Level 3 financial instruments held as at December 31, 2015 was \$130,392.

## Level 3 valuation techniques

The significant unobservable inputs and valuation techniques used to determine the fair value measurements categorized in Level 3 are indicated below:

Security	Valuation technique	Significant unobservable input	December 31, 2015 (\$)
Equities	Financing transaction price	Financing price	1,314,396
			1,314,396

The significant unobservable inputs used in the valuation techniques used to estimate the fair values of level 3 investments can vary considerably over time to time depending on company specific factors and economic or market conditions. A 10% increase or decrease in the results of applying these valuation techniques, with all other variables held consistent, would have resulted in an increase or decrease, respectively, in net assets of \$131,440.

## 3. Offsetting of financial assets and liabilities (note 2)

The following table presents offsetting of financial assets and liabilities and collateral amounts that would occur if future events, such as bankruptcy or termination of contracts were to arise. No amounts were offset in the financial statements.

	December 31, 2015			
Financial assets – by type	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged (\$)	Net Amount (\$)
Currency forward contracts	2,698	(2,698)	–	–
Options contracts – OTC	–	–	–	–
Swap contracts	–	–	–	–
	2,698	(2,698)	–	–

	December 31, 2015			
Financial liabilities – by type	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged (\$)	Net Amount (\$)
Currency forward contracts	55,232	(2,698)	–	52,534
Options contracts – OTC	–	–	–	–
Swap contracts	–	–	–	–
	55,232	(2,698)	–	52,534

## 4. Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2015.

## 5. Comparison of net asset value per unit and net assets per unit (note 2)

The table below provides a comparison of the net asset value per unit and net assets per unit. The primary reason for the difference between the net asset value per unit and net assets per unit, if any, is described in note 2.

	December 31, 2015	
	Net asset value per unit (\$)	Net assets per unit (\$)
Series I	9.81	9.81

# 1832 AM Canadian Preferred Share LP

## STATEMENTS OF FINANCIAL POSITION

As at

(in dollars except per unit amounts)	December 31, 2015	December 31, 2014
<b>ASSETS</b>		
Current assets		
Investments		
Non-derivative financial assets	125,251,043	146,784,990
Unrealized gain on currency forward contracts	—	2,353
Cash	1,458,268	14,312,343
Accrued investment income and other	162,017	101,186
	<u>126,871,328</u>	<u>161,200,872</u>
<b>LIABILITIES</b>		
Current liabilities		
Payable for securities purchased	160,287	336,557
Redemptions payable	70,000	—
Unrealized loss on currency forward contracts	1,456	22,566
	<u>231,743</u>	<u>359,123</u>
Net assets attributable to holders of redeemable units	<u>126,639,585</u>	<u>160,841,749</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES</b>		
Series I	<u>126,639,585</u>	<u>160,841,749</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT</b>		
Series I	<u>9.19</u>	<u>10.67</u>

## STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except per unit amounts)	2015	2014**
<b>INCOME</b>		
Net gain (loss) on investments (note 2)		
Dividends	6,770,011	3,034,202
Interest for distribution purposes	109,546	230,025
Net realized gain (loss) on non-derivative financial assets	(5,596,100)	16,618
Net realized gain (loss) on currency forward contracts	(77,525)	(85,444)
Change in unrealized gain (loss) on non-derivative financial assets	(20,847,915)	(478,508)
Change in unrealized gain (loss) on currency forward contracts	18,757	(20,213)
Net gain (loss) on investments	<u>(19,623,226)</u>	<u>2,696,680</u>
Securities lending	8,438	2,016
Net realized and unrealized gain (loss) on foreign exchange	927	(833)
Total income (loss)	<u>(19,613,861)</u>	<u>2,697,863</u>
<b>EXPENSES</b>		
Fixed administration fees (note 6)	98,811	36,474
Independent Review Committee fees	1,170	115
Audit fees	—	1,603
Filing fees	—	316
Legal fees	—	102
Unitholder administration costs	—	3,118
Unitholder reporting costs	—	3,548
Other fund costs	154	—
Harmonized Sales Tax/Goods and Services Tax	13,007	5,470
Transaction costs	145,101	202,549
Total expenses	<u>258,243</u>	<u>253,295</u>
Expenses absorbed by the Manager	—	(121)
Net expenses	<u>258,243</u>	<u>253,174</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>(19,872,104)</u>	<u>2,444,689</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES</b>		
Series I	<u>(19,872,104)</u>	<u>2,444,689</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT<sup>†</sup></b>		
Series I	<u>(1.36)</u>	<u>0.29</u>
<b>WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES</b>		
Series I	<u>14,621,140</u>	<u>8,499,100</u>

<sup>†</sup> The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2015	2014**
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD</b>		
Series I	<u>160,841,749</u>	<u>—</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS</b>		
Series I	<u>(19,872,104)</u>	<u>2,444,689</u>
<b>REDEEMABLE UNIT TRANSACTIONS</b>		
Proceeds from issue		
Series I	53,739,942	160,913,563
Payments on redemption		
Series I	<u>(68,070,002)</u>	<u>(2,516,503)</u>
	<u>(14,330,060)</u>	<u>158,397,060</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		
Series I	<u>(34,202,164)</u>	<u>160,841,749</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD</b>		
Series I	<u>126,639,585</u>	<u>160,841,749</u>

## STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2015	2014**
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	(19,872,104)	2,444,689
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	5,596,100	(16,618)
Unrealized (gain) loss on foreign exchange of cash	(3,232)	833
Change in unrealized (gain) loss on non-derivative financial assets	20,847,915	478,508
Change in unrealized (gain) loss on currency forward contracts	(18,757)	20,213
Purchases of non-derivative financial assets	(62,328,934)	(148,061,494)
Proceeds from sale of non-derivative financial assets	57,097,495	948,622
Transaction costs	145,101	202,549
Accrued investment income and other	(60,831)	(101,186)
Net cash provided by (used in) operating activities	<u>1,402,753</u>	<u>(144,083,884)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of redeemable units	53,739,942	160,913,563
Amounts paid on redemption of redeemable units	<u>(68,000,002)</u>	<u>(2,516,503)</u>
Net cash provided by (used in) financing activities	<u>(14,260,060)</u>	<u>158,397,060</u>
Unrealized gain (loss) on foreign exchange of cash	3,232	(833)
Net increase (decrease) in cash	<u>(12,857,307)</u>	<u>14,313,176</u>
Cash (bank overdraft), beginning of period	<u>14,312,343</u>	<u>—</u>
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<u>1,458,268</u>	<u>14,312,343</u>
Interest received <sup>(1)</sup>	124,844	(282,443)
Dividends received, net of withholding taxes <sup>(1)</sup>	6,693,882	3,034,202

<sup>(1)</sup> Classified as operating items.

\*\* Fund's inception date was January 27, 2014.

The accompanying notes are an integral part of the financial statements.

# 1832 AM Canadian Preferred Share LP (Continued)

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2015

Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 98.9%				EQUITIES (cont'd)			
Energy – 17.5%				Financials (cont'd)			
19,000	AltaGas Ltd., 4.75%, Preferred, Series G	436,254	406,220	78,300	Brookfield Asset Management Inc., 4.50%, Preferred, Series 26	1,831,897	1,424,277
8,700	AltaGas Ltd., 5.00%, Preferred, Series A	211,246	140,592	27,900	Brookfield Asset Management Inc., 4.50%, Preferred, Series 32	673,090	613,800
20,000	AltaGas Ltd., 5.25%, Preferred, Series E	447,847	435,600	88,200	Brookfield Asset Management Inc., 4.50%, Preferred, Series 40	2,232,037	1,954,512
300	AltaGas Ltd., 5.25%, Preferred, Series I	7,482	7,530	14,500	Brookfield Asset Management Inc., 4.75%, Preferred, Series 18	311,315	292,755
4,600	Enbridge Inc., 4.00%, Preferred, Series 1	105,728	115,593	7,300	Brookfield Asset Management Inc., 4.75%, Preferred, Series 17	158,261	145,489
52,500	Enbridge Inc., 4.00%, Preferred, Series F	1,252,155	894,075	20,496	Brookfield Asset Management Inc., 4.80%, Preferred, Series 30	419,325	448,248
1,000	Enbridge Inc., 4.00%, Preferred, Series L	22,429	24,894	139,400	Brookfield Asset Management Inc., 4.85%, Preferred, Series 36	3,085,414	2,856,306
46,300	Enbridge Inc., 4.00%, Preferred, Series R	1,007,375	793,582	14,200	Brookfield Asset Management Inc., 4.90%, Preferred, Series 37	309,603	292,520
116,400	Enbridge Inc., 4.00%, Preferred, Series 3	2,558,016	1,959,012	33,200	Brookfield Asset Management Inc., 5.40%, Preferred, Series 24	627,320	558,590
29,500	Enbridge Inc., 4.00%, Preferred, Series B	580,198	466,985	31,100	Brookfield Asset Management Inc., 4.50%, Preferred, Series 42	760,075	690,420
119,800	Enbridge Inc., 4.00%, Preferred, Series D	2,734,692	1,935,968	49,900	Brookfield Office Properties Inc., 4.60%, Preferred, Series T	1,171,544	949,098
68,100	Enbridge Inc., 4.00%, Preferred, Series H	1,429,370	1,055,550	33,600	Brookfield Office Properties Inc., 4.75%, Preferred, Series AA	838,825	650,832
35,000	Enbridge Inc., 4.00%, Preferred, Series N	640,041	609,350	96,675	Brookfield Office Properties Inc., 5.15%, Preferred, Series SP	2,404,654	1,749,818
133,100	Enbridge Inc., 4.00%, Preferred, Series P	2,917,848	2,242,732	3,450	Brookfield Properties Corporation, Inc., 5.00%, Preferred, Series J	86,031	86,664
6,000	Enbridge Inc., 4.40%, Preferred, Series 15	103,940	115,260	67,700	Brookfield Properties Corporation, Inc., 5.10%, Preferred, Series R	1,527,770	1,279,530
96,100	Enbridge Inc., 4.40%, Preferred, Series 11	2,419,800	1,798,031	68,550	Brookfield Properties Corporation, Inc., 6.15%, Preferred, Series N	1,652,928	1,134,503
11,300	Enbridge Inc., 4.40%, Preferred, Series 13	273,312	212,892	5,000	Brookfield Property Partners LP, 5.20%, Preferred, Series K	128,700	125,550
3,000	Enbridge Inc., 4.40%, Preferred, Series 5	68,063	75,200	2,600	Brookfield Property Partners LP, 5.75%, Preferred, Series H	65,577	65,377
32,650	Enbridge Inc., 4.40%, Preferred, Series 9	817,778	609,576	5,800	Brookfield Renewable Power Inc., 1.10%, Preferred, Series 2	81,125	83,810
2,000	Husky Energy Inc., 4.45%, Preferred, Series 1	28,644	26,260	85,200	Brookfield Renewable Power Inc., 4.40%, Preferred, Series 3	1,930,613	1,657,140
9,000	Husky Energy Inc., 4.50%, Preferred, Series 3	164,602	167,040	66,250	Brookfield Renewable Power Inc., 5.00%, Preferred, Series 6	1,407,894	1,303,138
25,100	Husky Energy Inc., 4.60%, Preferred	534,956	503,757	22,150	Brookfield Renewable Power Inc., 5.25%, Preferred, Series I	408,666	376,107
41,900	Pembina Pipeline Corporation, 4.25%, Preferred, Series A	772,387	699,730	87,600	Brookfield Renewable Power Inc., 5.00%, Preferred, Series 5	1,817,268	1,735,356
46,700	Pembina Pipeline Corporation, 4.50%, Preferred, Series 7	883,575	901,310	1,000	Canadian Imperial Bank of Commerce, 3.60%, Preferred, Series 43	20,800	20,750
27,950	Pembina Pipeline Corporation, 4.70%, Preferred, Series C	695,729	505,895	29,000	Canadian Imperial Bank of Commerce, 3.75%, Preferred, Series 41	514,326	576,520
17,600	Pembina Pipeline Corporation, 4.75%, Preferred, Series 9	433,254	388,784	95,700	Canadian Imperial Bank of Commerce, 3.90%, Preferred, Series 39	2,296,969	1,946,538
22,300	Pembina Pipeline Corporation, 5.00%, Preferred, Series 5	492,807	443,101	12,900	E-L Financial Corporation Ltd., 5.50%, Preferred, Series 3	328,448	304,440
50,675	TransCanada Corporation, 3.43%, Preferred, Series 2	1,005,367	691,714	11,700	E-L Financial Corporation Ltd., 5.30%, Preferred, Series F	293,280	268,632
9,900	TransCanada Corporation, 3.80%, Preferred, Series 11	195,165	207,009	28,500	Fairfax Financial Holdings Limited, 4.75%, Preferred, Series M	657,320	646,380
34,970	TransCanada Corporation, 4.00%, Preferred, Series 7	671,789	670,375	45,300	Fairfax Financial Holdings Limited, 4.75%, Preferred, Series E	859,336	634,200
59,150	TransCanada Corporation, 4.00%, Preferred, Series B	1,095,843	738,784	62,400	Fairfax Financial Holdings Limited, 5.00%, Preferred, Series K	1,482,830	1,303,536
16,850	TransCanada Corporation, 4.25%, Preferred, Series 9	428,412	332,956	116,950	Fairfax Financial Holdings Limited, 5.00%, Preferred, Series I	2,405,875	2,018,557
32,950	TransCanada Corporation, 4.40%, Preferred, Series 5	728,229	420,113	40,300	Fairfax Financial Holdings Limited, 5.00%, Preferred, Series G	839,543	636,740
7,200	TransCanada Corporation, 4.60%, Preferred, Series 1	154,303	119,808	32,385	Fairfax Financial Holdings Limited, 5.75%, Preferred, Series SC	757,979	644,462
12,000	Veresen Inc., 5.00%, Preferred, Series E	290,337	257,040	37,500	Great-West Lifeco Inc., 5.80%, Preferred, Series M	986,610	961,875
47,800	Veresen Inc., 4.40%, Preferred, Series A	944,627	777,706	34,350	Great-West Lifeco Inc., 3.65%, Preferred, Series N	661,550	480,900
23,250	Veresen Inc., 5.00%, Preferred, Series C	585,542	408,038	10,600	Great-West Lifeco Inc., 4.50%, Preferred, Series 1	240,299	224,720
		28,139,142	22,158,062	1,900	Great-West Lifeco Inc., 4.80%, Preferred, Series R	42,533	41,800
Consumer Discretionary – 0.4%				10,200	Great-West Lifeco Inc., 4.85%, Preferred, Series H	234,880	226,440
33,300	Shaw Communications Inc., 4.50%, Preferred, CI2 Series A	519,004	472,860	67,300	Great-West Lifeco Inc., 5.15%, Preferred, Series Q	1,677,563	1,569,436
Consumer Staples – 0.2%				67,800	Great-West Lifeco Inc., 5.20%, Preferred, Series G	1,589,423	1,589,910
4,400	George Weston Limited, 5.20%, Preferred, Series III	105,732	103,796	29,800	Great-West Lifeco Inc., 5.40%, Preferred, Series P	770,548	735,464
100	George Weston Limited, 5.80%, Preferred, Series A	2,530	2,514	24,100	Great-West Lifeco Inc., 5.65%, Preferred, Series L	624,310	608,525
3,500	George Weston Limited, 5.20%, Preferred, Series D	84,330	82,355	5,300	HSBC Bank of Canada, 5.00%, Preferred, Series D	134,041	133,507
		192,592	188,665	11,200	HSBC Bank of Canada, 5.10%, Preferred, Series C	284,413	281,456
Financials – 68.3%				23,000	Industrial Alliance, 4.30%, Preferred, Series G	601,625	513,130
18,600	Bank of Montreal, 5.25%, Preferred, Series 14	485,412	480,624	3,300	Industrial Alliance, 4.60%, Preferred, Series A	80,677	70,818
600	Bank of Montreal (Floating Rate), 2.08%, Preferred, Series 17	13,920	13,950	48,250	Intact Financial Corporation, 4.20%, Preferred, Series 3	1,133,454	1,008,425
48,100	Bank of Montreal, 3.80%, Preferred, Series 31 Class B	1,130,473	942,279	79,525	Intact Financial Corporation, 4.20%, Preferred, Series 1	1,751,558	1,346,358
37,000	Bank of Montreal, 3.90%, Preferred, Series 29	920,560	731,120	47,500	Manulife Financial Corporation, 3.80%, Preferred, Series 13	1,057,940	981,350
65,700	Bank of Montreal, 4.00%, Preferred, Series 27	1,410,102	1,331,411	38,800	Manulife Financial Corporation, 3.80%, Preferred, Series 19	922,735	813,248
11,100	Bank of Nova Scotia, The, 0.79%, Preferred, Series 23	252,894	252,636	140,700	Manulife Financial Corporation, 3.90%, Preferred, Series 15	3,513,339	2,873,094
70,300	Bank of Nova Scotia, The, 3.35%, Preferred, Series 18	1,766,639	1,756,094	33,200	Manulife Financial Corporation, 3.90%, Preferred, Series 17	715,914	708,488
6,500	Bank of Nova Scotia, The, 3.83%, Preferred, Series 22	166,318	160,095	16,900	Manulife Financial Corporation, 4.00%, Preferred, Series 11	416,731	373,152
31,550	Bank of Nova Scotia, The, 4.50%, Preferred, Series 14	809,174	779,285	56,100	Manulife Financial Corporation, 4.40%, Preferred, Series 5	1,463,088	1,272,909
19,800	Bank of Nova Scotia, The, 4.50%, Preferred, Series 15	509,368	489,654	28,100	Manulife Financial Corporation, 4.40%, Preferred, Series 9	675,772	657,540
49,700	Bank of Nova Scotia, The, 5.25%, Preferred, Series 16	1,297,544	1,267,350	28,850	Manulife Financial Corporation, 4.50%, Preferred, Series 3	625,087	611,476
7,000	Bank of Nova Scotia, The, 5.50%, Preferred, Series 34	176,540	180,250	29,000	Manulife Financial Corporation, 4.60%, Preferred, Series 1-7	761,375	698,320
20,000	Bank of Nova Scotia, The, 5.00%, Preferred, Series 20	507,956	491,200	91,400	Manulife Financial Corporation, 4.65%, Preferred, Series B	2,105,564	1,976,068
73,650	Brookfield Asset Management Inc., 4.60%, Preferred, Series 28	1,580,323	1,178,400	5,000	National Bank of Canada, 3.90%, Preferred, Series 32	96,382	96,000
55,600	Brookfield Asset Management Inc., 4.20%, Preferred, Series 34	1,243,584	1,142,024	6,000	National Bank of Canada, 4.10%, Preferred, Series 30	108,098	117,600
54,200	Brookfield Asset Management Inc., 4.40%, Preferred, Series 38	1,340,301	1,119,772	25,000	Power Corporation of Canada, 5.00%, Preferred, Series D	624,500	564,875
				11,600	Power Corporation of Canada, 5.36%, Preferred, Series B	291,511	272,600
				300	Power Corporation of Canada, 5.60%, Preferred, Series G	8,052	7,416

For equities, all common shares unless otherwise noted.

The accompanying notes are an integral part of the financial statements.

# 1832 AM Canadian Preferred Share LP (Continued)

## SCHEDULE OF INVESTMENT PORTFOLIO

Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)				EQUITIES (cont'd)			
Financials (cont'd)				Telecommunication Services (cont'd)			
8,400	Power Financial Corporation, 4.80%, Preferred, Series S	203,125	182,364	16,450	BCE Inc., 4.55%, Preferred, Series AO	402,265	368,480
23,200	Power Financial Corporation, 4.95%, Preferred, Series K	565,766	517,360	27,600	BCE Inc., 4.85%, Preferred, Series AM	634,526	433,044
4,200	Power Financial Corporation, 5.10%, Preferred, Series L	106,279	95,214	42,550	BCE Inc., 5.45%, Preferred, Series AA	877,483	631,868
11,000	Power Financial Corporation, 5.25%, Preferred, Series E	272,594	255,200	104,800	BCE Inc., 5.54%, Preferred, Series AC	2,211,943	1,598,200
2,700	Power Financial Corporation, 5.50%, Preferred, Series D	68,115	65,529			11,672,689	8,661,054
13,000	Power Financial Corporation, 5.50%, Preferred, Series R	336,068	319,020				
11,000	Royal Bank of Canada, 3.60%, Preferred, Series BD	272,800	228,250	Utilities – 5.7%			
186,300	Royal Bank of Canada, 3.60%, Preferred, Series BF	4,570,638	3,845,230	3,300	Brookfield Infrastructure Partners LP, 4.50%, Preferred, Series 1	64,377	67,716
54,800	Royal Bank of Canada, 3.90%, Preferred, Series BB	1,336,526	1,079,560	6,300	Brookfield Infrastructure Partners LP, 5.50%, Preferred, Series 3	151,200	151,515
800	Royal Bank of Canada, 4.45%, Preferred, Series AA	20,151	19,848	18,800	Brookfield Renewable Energy Partners, 5.50%, Preferred, Series 7	468,180	464,360
11,600	Royal Bank of Canada, 4.45%, Preferred, Series AF	298,775	288,608	1,500	Canadian Utilities Limited, 4.90%, Preferred, Series AA	33,270	33,375
50,200	Royal Bank of Canada, 4.50%, Preferred, Series AD	1,287,628	1,255,502	14,800	Canadian Utilities Limited, 4.00%, Preferred, Series Y	303,534	301,772
13,000	Royal Bank of Canada, 4.50%, Preferred, Series AE	334,352	324,350	2,000	Canadian Utilities Limited, 4.90%, Preferred, Series BB	44,200	44,520
19,700	Royal Bank of Canada, 4.50%, Preferred, Series AG	506,170	491,417	25,000	Canadian Utilities Limited, 5.25%, Preferred, Series EE	587,500	592,500
55,200	Royal Bank of Canada, 4.60%, Preferred, Series AC	1,415,067	1,384,140	8,100	Canadian Utilities Limited, 4.50%, Preferred, Series FF	202,423	210,600
400	Royal Bank of Canada, 4.90%, Preferred, Series BI	9,020	9,160	20,250	Capital Power Corporation, 4.50%, Preferred, Series 5	459,980	295,245
17,200	Royal Bank of Canada, 5.00%, Preferred, Series AJ	434,691	422,432	3,900	Capital Power Corporation, 4.60%, Preferred, Series 1	82,481	40,989
95,000	Royal Bank of Canada, 5.50%, Preferred, Series BK	2,375,000	2,450,050	3,400	Capital Power Corporation, 4.60%, Preferred, Series 3	79,560	50,592
25,200	Sun Life Financial Inc., 4.45%, Preferred, Series 3	549,401	524,034	17,350	Emera Inc., 4.10%, Preferred, Series C	364,778	342,316
33,700	Sun Life Financial Inc., 2.08%, Preferred (Floating Rate)	696,019	478,540	15,000	Emera Inc., 4.25%, Preferred, Series F	375,710	309,750
41,800	Sun Life Financial Inc., 3.90%, Preferred, Series 10R	865,807	793,782	24,500	Fortis Inc., 4.10%, Preferred, Series M	470,220	512,050
27,600	Sun Life Financial Inc., 4.25%, Preferred, Series 12R	618,376	594,504	11,000	Fortis Inc., 4.90%, Preferred, Series F	262,588	256,740
74,000	Sun Life Financial Inc., 4.45%, Preferred, Series F	1,664,502	1,536,980	2,100	Fortis Inc., 4.75%, Preferred, Series J	52,535	47,817
21,000	Sun Life Financial Inc., 4.50%, Preferred, Series 5	485,634	441,000	2,420	Fortis Inc., 1.92%, Preferred, Series 1	28,435	30,855
74,600	Sun Life Financial Inc., 4.75%, Preferred, Series A	1,755,713	1,638,216	29,300	Fortis Inc., 3.88%, Preferred, Series G	579,843	541,171
38,100	Sun Life Financial Inc., 4.80%, Preferred, Series 2	882,465	837,438	32,700	Fortis Inc., 4.00%, Preferred, Series K	636,230	630,783
30,100	Toronto-Dominion Bank, The, 3.75%, Preferred, Series 5	633,046	589,960	38,400	TransAlta Corporation, 4.60%, Preferred, Series A	637,415	380,160
45,500	Toronto-Dominion Bank, The, 3.80%, Preferred, Series 3	1,130,805	895,895	51,200	TransAlta Corporation, 4.60%, Preferred, Series C	1,106,948	629,757
64,000	Toronto-Dominion Bank, The, 3.90%, Preferred, Series 1	1,599,390	1,269,760	3,500	TransAlta Corporation, 5.00%, Preferred, Series E	83,390	48,020
2,400	Toronto-Dominion Bank, The, Floating, Preferred, Series T	55,212	53,784	1,700	TransAlta Corporation, 5.30%, Preferred, Series G	35,462	25,050
1,300	Toronto-Dominion Bank, The, 3.70%, Preferred, Series 9	30,576	28,893	16,340	Valener Inc., 4.35%, Preferred, Series A	374,893	326,800
		97,677,029	86,523,659	15,000	Westcoast Energy, 5.50%, Preferred, Series H	375,909	354,600
Telecommunication Services – 6.8%				4,600	Westcoast Energy, 5.60%, Preferred, Series J	113,543	109,940
31,300	BCE Inc., 4.54%, Preferred, Series 16	635,328	442,895	18,000	Westcoast Energy, 5.25%, Preferred, Series 10	446,400	447,750
14,300	BCE Inc., 6.17%, Preferred, Series R	303,620	241,885			8,421,004	7,246,743
12,900	BCE Inc., 4.15%, Preferred, Series 19	275,320	182,793	TOTAL INVESTMENT PORTFOLIO			
146,700	BCE Inc., 4.15%, Preferred, Series AK	3,201,527	2,204,901			146,621,460	125,251,043
86,300	BCE Inc., 4.25%, Preferred, Series AQ	2,060,083	1,850,272	Currency Forward Contracts – (0.0%)			
35,600	BCE Inc., 4.35%, Preferred, Series 17	768,908	502,316				(1,456)
14,600	BCE Inc., 4.50%, Preferred, Series T	301,686	204,400	OTHER ASSETS, LESS LIABILITIES – 1.1%			
							1,389,998
				NET ASSETS – 100.0%			
							126,639,585

## CURRENCY FORWARD CONTRACTS

Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Canadian Value as at December 31, 2015 (\$)	Canadian (\$) Appreciation/ (Depreciation)
Jan. 20, 2016	Canadian Dollar	205,944	U.S. Dollar	150,000	207,400	(1,456)

The currency forward contracts outstanding at December 31, 2015 are placed with a financial institution with a credit rating of AA by DBRS.



# 1832 AM Canadian Preferred Share LP

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

### 1. The Fund (note 1)

The Fund's investment objective is to provide income and the potential for modest long-term capital growth. It invests primarily in a diversified portfolio of preferred shares of Canadian corporations.

### 2. Risks associated with financial instruments (note 4)

#### i) Interest rate risk

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity (earlier of maturity date or interest reset date) of the Fund's portfolio, excluding cash, money market instruments, underlying funds, preferred shares and overdrafts, as applicable.

Interest rate exposure	December 31, 2015 (\$)	December 31, 2014 (\$)
Less than 1 year	—	—
1-3 years	—	—
3-5 years	—	1,697,226
5-10 years	—	—
> 10 years	—	—
	—	1,697,226

As at December 31, 2015 had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, net assets attributable to holders of redeemable units would have decreased or increased, respectively, by nil (December 31, 2014 – \$156,778, or approximately 0.1%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### ii) Currency risk

The tables below indicate the currencies to which the Fund had significant exposure, net of the impact of currency forward contracts and currency spot contracts, if any, based on the monetary and non-monetary assets and liabilities of the Fund. The tables also illustrate the potential impact on the Fund if the functional currency of the Fund had strengthened or weakened by 10% in relation to each of the other currencies, with all other variables held constant.

Currency	December 31, 2015			
	Net currency exposure (\$)	Percentage of net assets (%)	Impact on the Fund (\$)	Percentage of net assets (%)
US Dollar	11,364	0.0	1,136	0.0
	11,364	0.0	1,136	0.0

Currency	December 31, 2014			
	Net currency exposure (\$)	Percentage of net assets (%)	Impact on the Fund (\$)	Percentage of net assets (%)
US Dollar	(1,715)	(0.0)	(172)	(0.0)
	(1,715)	(0.0)	(172)	(0.0)

#### iii) Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, derivatives and commodities, if applicable. As at December 31, 2015, approximately 98.9% (December 31, 2014 – 90.3%) of the Fund's net assets were exposed to price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$12,525,104 (December 31, 2014 – \$14,508,776). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### iv) Credit risk

The table below summarizes the credit ratings of the bonds and debentures, excluding cash and money market instruments but including preferred shares and derivatives, as applicable, held by the Fund.

	December 31, 2015		December 31, 2014	
	Percentage of Total Preferred Shares Securities (%)	Percentage of net assets (%)	Percentage of Total Preferred Shares Securities (%)	Percentage of net assets (%)
<b>Credit Ratings</b>				
AAA	1.5	1.3	7.7	7.1
AA	98.0	97.1	91.1	83.2
BB	—	—	1.2	1.1
NOT RATED	0.5	0.5	—	—
	100.0	98.9	100.0	91.4

# 1832 AM Canadian Preferred Share LP (Continued)

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

### v) Liquidity risk

The table below summarizes the Fund's financial liabilities based on the remaining period to the contractual maturity date.

	December 31, 2015		December 31, 2014	
	On demand (\$)	Less than 3 months (\$)	On demand (\$)	Less than 3 months (\$)
Current liabilities	–	230,287	–	336,557
Liability for written options	–	–	–	–
Unrealized loss on derivatives	–	1,456	–	22,566
Redeemable units	126,639,585	–	160,841,749	–
	126,639,585	231,743	160,841,749	359,123

Redeemable units are redeemable on demand at the holder's option. However, the Manager does not expect that the contractual maturity disclosed in the table above will be representative of the actual cash outflows, as holders of these instruments typically retain them for a longer term.

### vi) Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, geographical location, asset type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk:

	Percentage of net assets (%)	
	December 31, 2015	December 31, 2014
Consumer Discretionary	0.4	–
Consumer Staples	0.2	0.1
Corporate Bonds	–	1.1
Energy	17.5	15.2
Financials	68.3	66.4
Telecommunication Services	6.8	3.7
Utilities	5.7	4.9

### vii) Fair value classification (note 2)

The tables below illustrate the classification of the Fund's financial instruments within the fair value hierarchy.

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
<b>December 31, 2015</b>				
Equities	125,251,043	–	–	125,251,043
Currency forward contracts – liabilities	–	(1,456)	–	(1,456)
	125,251,043	(1,456)	–	125,249,587

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
<b>December 31, 2014</b>				
Equities	145,087,764	–	–	145,087,764
Bonds and debentures	–	1,697,226	–	1,697,226
Currency forward contracts – assets	–	2,353	–	2,353
	145,087,764	1,699,579	–	146,787,343
Currency forward contracts – liabilities	–	(22,566)	–	(22,566)
	145,087,764	1,677,013	–	146,764,777

### Transfers between levels

During the periods ended December 31, 2015 and 2014, there were no significant transfers between Level 1 and Level 2.

### 3. Offsetting of financial assets and liabilities (note 2)

The following tables present offsetting of financial assets and liabilities and collateral amounts that would occur if future events, such as bankruptcy or termination of contracts were to arise. No amounts were offset in the financial statements.

	December 31, 2015			
	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged (\$)	Net Amount (\$)
<b>Financial assets – by type</b>				
Currency forward contracts	–	–	–	–
Options contracts – OTC	–	–	–	–
Swap contracts	–	–	–	–
	–	–	–	–

	December 31, 2015			
	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged (\$)	Net Amount (\$)
<b>Financial liabilities – by type</b>				
Currency forward contracts	1,456	–	–	1,456
Options contracts – OTC	–	–	–	–
Swap contracts	–	–	–	–
	1,456	–	–	1,456

	December 31, 2014			
	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged (\$)	Net Amount (\$)
<b>Financial assets – by type</b>				
Currency forward contracts	2,353	–	–	2,353
Options contracts – OTC	–	–	–	–
Swap contracts	–	–	–	–
	2,353	–	–	2,353

	December 31, 2014			
	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged (\$)	Net Amount (\$)
<b>Financial liabilities – by type</b>				
Currency forward contracts	22,566	–	–	22,566
Options contracts – OTC	–	–	–	–
Swap contracts	–	–	–	–
	22,566	–	–	22,566

### 4. Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2015 or December 31, 2014.

# 1832 AM Canadian Preferred Share LP (Continued)

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

### 5. Comparison of net asset value per unit and net assets per unit (note 2)

The table below provides a comparison of the net asset value per unit and net assets per unit. The primary reason for the difference between the net asset value per unit and net assets per unit, if any, is described in note 2.

	December 31, 2015		December 31, 2014	
	Net asset value per unit (\$)	Net assets per unit (\$)	Net asset value per unit (\$)	Net assets per unit (\$)
Series I	9.19	9.19	10.67	10.67



# 1832 AM Global Completion LP

## STATEMENTS OF FINANCIAL POSITION

As at

(in dollars except per unit amounts)	December 31, 2015	December 31, 2014
<b>ASSETS</b>		
Current assets		
Investments		
Non-derivative financial assets	393,656,075	284,331,262
Cash	5,091,065	5,684,790
Subscriptions receivable	313,000	32,800
Accrued investment income and other	451,069	153,639
	<u>399,511,209</u>	<u>290,202,491</u>
<b>LIABILITIES</b>		
Current liabilities		
Payable for securities purchased	2,355,592	688,888
Redemptions payable	89,250	—
	<u>2,444,842</u>	<u>688,888</u>
Net assets attributable to holders of redeemable units	<u>397,066,367</u>	<u>289,513,603</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES</b>		
Series I	<u>397,066,367</u>	<u>289,513,603</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT</b>		
Series I	<u>12.91</u>	<u>11.36</u>

## STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except per unit amounts)	2015	2014**
<b>INCOME</b>		
Net gain (loss) on investments (note 2)		
Dividends	11,070,805	8,049,687
Interest for distribution purposes	6,769	15,903
Net realized gain (loss) on non-derivative financial assets	10,452,256	130,245
Change in unrealized gain (loss) on non-derivative financial assets	20,494,828	24,327,672
Net gain (loss) on investments	<u>42,024,658</u>	<u>32,523,507</u>
Securities lending	1,028,470	122,733
Net realized and unrealized gain (loss) on foreign exchange	<u>524,028</u>	<u>590,876</u>
Total income (loss)	<u>43,577,156</u>	<u>33,237,116</u>
<b>EXPENSES</b>		
Fixed administration fees (note 6)	251,144	69,688
Independent Review Committee fees	1,052	411
Interest expense and bank overdraft charges	213	4,703
Foreign withholding taxes/tax reclaims	1,593,023	1,184,564
Audit fees	—	4,631
Filing fees	—	316
Legal fees	—	588
Unitholder administration costs	—	14,798
Unitholder reporting costs	—	4,272
Other fund costs	492	—
Harmonized Sales Tax/Goods and Services Tax	32,815	10,805
Transaction costs	43,091	65,399
Total expenses	<u>1,921,830</u>	<u>1,360,175</u>
Expenses absorbed by the Manager	—	(3)
Net expenses	<u>1,921,830</u>	<u>1,360,172</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>41,655,326</u>	<u>31,876,944</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES</b>		
Series I	<u>41,655,326</u>	<u>31,876,944</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT†</b>		
Series I	<u>1.46</u>	<u>1.42</u>
<b>WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES</b>		
Series I	<u>28,614,223</u>	<u>22,393,691</u>

† The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2015	2014**
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD</b>		
Series I	<u>289,513,603</u>	<u>—</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS</b>		
Series I	<u>41,655,326</u>	<u>31,876,944</u>
<b>REDEEMABLE UNIT TRANSACTIONS</b>		
Proceeds from issue		
Series I	88,434,047	262,275,812
Payments on redemption		
Series I	<u>(22,536,609)</u>	<u>(4,639,153)</u>
	<u>65,897,438</u>	<u>257,636,659</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		
Series I	<u>107,552,764</u>	<u>289,513,603</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD</b>		
Series I	<u>397,066,367</u>	<u>289,513,603</u>

## STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2015	2014**
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	41,655,326	31,876,944
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(10,452,256)	(130,245)
Unrealized (gain) loss on foreign exchange of cash	(139,008)	(684,989)
Change in unrealized (gain) loss on non-derivative financial assets	(20,494,828)	(24,327,672)
Purchases of non-derivative financial assets	(169,997,571)	(260,153,639)
Proceeds from sale of non-derivative financial assets	93,243,455	903,783
Transaction costs	43,091	65,399
Accrued investment income and other	(297,430)	(153,639)
Net cash provided by (used in) operating activities	<u>(66,439,221)</u>	<u>(252,604,058)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of redeemable units	88,153,847	262,243,012
Amounts paid on redemption of redeemable units	<u>(22,447,359)</u>	<u>(4,639,153)</u>
Net cash provided by (used in) financing activities	<u>65,706,488</u>	<u>257,603,859</u>
Unrealized gain (loss) on foreign exchange of cash	139,008	684,989
Net increase (decrease) in cash	<u>(732,733)</u>	<u>4,999,801</u>
Cash (bank overdraft), beginning of period	<u>5,684,790</u>	<u>—</u>
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<u>5,091,065</u>	<u>5,684,790</u>
Interest paid <sup>(1)</sup>	213	4,703
Interest received <sup>(1)</sup>	7,404	14,855
Dividends received, net of withholding taxes <sup>(1)</sup>	<u>9,179,717</u>	<u>6,712,533</u>

<sup>(1)</sup> Classified as operating items.

\*\* Fund's inception date was January 27, 2014.

The accompanying notes are an integral part of the financial statements.

# 1832 AM Global Completion LP (Continued)

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2015

Number of Units	Issuer	Average Cost (\$)	Carrying Value (\$)
EXCHANGE-TRADED FUNDS – 99.1%			
Canada – 5.9%			
734,870	iShares Global Agriculture Index ETF	21,289,363	23,332,123
United States – 93.2%			
252,030	iShares Core S&P Mid-Cap ETF	44,245,717	48,581,661
140,400	iShares Core S&P Small-Cap ETF	17,112,993	21,376,403
1,178,120	iShares Global Infrastructure ETF	53,481,343	58,574,431
671,700	iShares J.P. Morgan USD Emerging Markets Bond ETF	83,929,448	98,264,934
726,540	iShares MSCI EAFE Small-Cap ETF	42,375,969	50,189,709
738,550	iShares MSCI Emerging Markets Minimum Volatility ETF	50,970,329	49,701,748
329,110	Vanguard Global ex-U.S. Real Estate ETF	20,448,424	23,258,496
184,760	Vanguard REIT ETF	14,983,165	20,376,570
		327,547,388	370,323,952
	TOTAL INVESTMENT PORTFOLIO	348,836,751	393,656,075
	OTHER ASSETS, LESS LIABILITIES – 0.9%		3,410,292
	NET ASSETS – 100.0%		397,066,367

The accompanying notes are an integral part of the financial statements.

# 1832 AM Global Completion LP

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

### 1. The Fund (note 1)

The Fund's investment objective is to achieve long-term capital growth. It invests primarily in a mixed portfolio of equity and/or fixed income exchange-traded funds ("ETFs") but may also invest directly in fixed income securities, equity securities, commodities and cash or cash equivalents.

### 2. Risks associated with financial instruments (note 4)

#### i) Interest rate risk

The majority of the Fund's financial assets and liabilities were non-interest bearing as at December 31, 2015 and December 31, 2014. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

#### ii) Currency risk

The tables below indicate the currencies to which the Fund had significant exposure, net of the impact of currency forward contracts and currency spot contracts, if any, based on the monetary and non-monetary assets and liabilities of the Fund. The tables also illustrate the potential impact on the Fund if the functional currency of the Fund had strengthened or weakened by 10% in relation to each of the other currencies, with all other variables held constant.

Currency	December 31, 2015			
	Net currency exposure (\$)	Percentage of net assets (%)	Impact on the Fund (\$)	Percentage of net assets (%)
US Dollar	373,618,558	94.1	37,361,856	9.4
	373,618,558	94.1	37,361,856	9.4

Currency	December 31, 2014			
	Net currency exposure (\$)	Percentage of net assets (%)	Impact on the Fund (\$)	Percentage of net assets (%)
US Dollar	274,745,238	94.9	27,474,524	9.5
	274,745,238	94.9	27,474,524	9.5

#### iii) Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, derivatives and commodities, if applicable. As at December 31, 2015, approximately 99.1% (December 31, 2014 – 98.2%) of the

Fund's net assets were exposed to price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$39,365,608 (December 31, 2014 – \$28,433,126). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### iv) Credit risk

The Fund had no significant exposure to bonds and debentures, preferred shares or derivatives as at December 31, 2015 or December 31, 2014. In addition, all investment transactions are executed by brokers with an approved credit rating. As such the risk of default on transactions with counterparties and brokers related to purchase and sale of securities is considered minimal. In instances where the credit rating were to fall below the approved rating, the Manager would take appropriate action.

#### v) Liquidity risk

The table below summarizes the Fund's financial liabilities based on the remaining period to the contractual maturity date.

	December 31, 2015		December 31, 2014	
	On demand (\$)	Less than 3 months (\$)	On demand (\$)	Less than 3 months (\$)
Current liabilities	–	2,444,842	–	688,888
Liability for written options	–	–	–	–
Unrealized loss on derivatives	–	–	–	–
Redeemable units	397,066,367	–	289,513,603	–
	397,066,367	2,444,842	289,513,603	688,888

Redeemable units are redeemable on demand at the holder's option. However, the Manager does not expect that the contractual maturity disclosed in the table above will be representative of the actual cash outflows, as holders of these instruments typically retain them for a longer term.

#### vi) Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, geographical location, asset type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk:

	Percentage of net assets (%)	
	December 31, 2015	December 31, 2014
Canada	5.9	4.9
United States	93.2	93.3

# 1832 AM Global Completion LP (Continued)

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

vii) Fair value classification (note 2)

The tables below illustrate the classification of the Fund's financial instruments within the fair value hierarchy.

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
<b>December 31, 2015</b>				
Equities	393,656,075	–	–	393,656,075
	393,656,075	–	–	393,656,075
<b>December 31, 2014</b>				
Equities	284,331,262	–	–	284,331,262
	284,331,262	–	–	284,331,262

## Transfers between levels

During the periods ended December 31, 2015 and 2014, there were no significant transfers between Level 1 and Level 2.

## 3. Offsetting of financial assets and liabilities (note 2)

As at December 31, 2015 or December 31, 2014, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

## 4. Interest in Underlying Funds (note 2)

The following tables provide information about the Fund's interest in Underlying Funds.

	December 31, 2015	
Underlying Fund	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
iShares Global Agriculture Index ETF	23,332,123	9.3
iShares Global Infrastructure ETF	58,574,431	4.1
iShares J.P. Morgan USD Emerging Markets Bond ETF	98,264,934	1.5
iShares MSCI Emerging Markets Minimum Volatility ETF	49,701,748	1.3
iShares MSCI EAFE Small-Cap ETF	50,189,709	0.7
Vanguard Global ex-U.S. Real Estate ETF	23,258,496	0.5
iShares Core S&P Mid-Cap ETF	48,581,661	0.1
iShares Core S&P Small-Cap ETF	21,376,403	0.1
Vanguard REIT ETF	20,376,570	0.0
	393,656,075	

	December 31, 2014	
Underlying Fund	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
iShares Global Agriculture Index ETF	14,239,578	6.3
iShares Global Infrastructure ETF	56,198,858	4.2
iShares J.P. Morgan USD Emerging Markets Bond ETF	69,823,803	1.4
iShares MSCI Emerging Markets Minimum Volatility ETF	28,348,517	1.3
Vanguard Global ex-U.S. Real Estate ETF	28,147,533	1.1
iShares MSCI EAFE Small-Cap ETF	27,933,306	0.7
Vanguard REIT ETF	30,191,935	0.1
iShares Core S&P Small-Cap ETF	14,919,000	0.1
iShares Core S&P Mid-Cap ETF	14,528,732	0.1
	284,331,262	

## 5. Comparison of net asset value per unit and net assets per unit (note 2)

The table below provides a comparison of the net asset value per unit and net assets per unit. The primary reason for the difference between the net asset value per unit and net assets per unit, if any, is described in note 2.

	December 31, 2015		December 31, 2014	
	Net asset value per unit (\$)	Net assets per unit (\$)	Net asset value per unit (\$)	Net assets per unit (\$)
Series I	12.91	12.91	11.36	11.36

# 1832 AM North American Preferred Share LP

## STATEMENTS OF FINANCIAL POSITION

As at

(in dollars except per unit amounts)	December 31, 2015	December 31, 2014
<b>ASSETS</b>		
Current assets		
Investments		
Non-derivative financial assets	208,281,246	360,879,953
Unrealized gain on currency forward contracts	4,795	93,615
Unrealized gain on futures contracts	35,547	—
Cash	4,955,101	10,441,182
Margin deposited on futures	1,291,753	663,094
Subscriptions receivable	—	80,000
Accrued investment income and other	538,003	1,341,866
	<u>215,106,445</u>	<u>373,499,710</u>
<b>LIABILITIES</b>		
Current liabilities		
Payable for securities purchased	279,757	387,732
Unrealized loss on currency forward contracts	2,144,851	4,384,650
Unrealized loss on currency spot contracts	—	360
	<u>2,424,608</u>	<u>4,772,742</u>
Net assets attributable to holders of redeemable units	<u>212,681,837</u>	<u>368,726,968</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES</b>		
Series I	<u>212,681,837</u>	<u>368,726,968</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT</b>		
Series I	<u>9.71</u>	<u>10.57</u>

## STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except per unit amounts)	2015	2014**
<b>INCOME</b>		
Net gain (loss) on investments (note 2)		
Dividends	10,626,301	9,757,435
Interest for distribution purposes	4,644,678	3,616,865
Net realized gain (loss) on non-derivative financial assets	8,053,356	609,223
Net realized gain (loss) on currency forward contracts	(19,901,280)	(2,969,927)
Net realized gain (loss) on futures contracts	(536,546)	(979,857)
Change in unrealized gain (loss) on non-derivative financial assets	(30,174,034)	12,126,934
Change in unrealized gain (loss) on currency forward contracts	2,150,979	(4,291,035)
Change in unrealized gain (loss) on currency spots contracts	360	(360)
Change in unrealized gain (loss) on futures contracts	35,547	—
Net gain (loss) on investments	<u>(25,100,639)</u>	<u>17,869,278</u>
Securities lending	16,320	10,464
Net realized and unrealized gain (loss) on foreign exchange	455,444	127,713
Total income (loss)	<u>(24,628,875)</u>	<u>18,007,455</u>
<b>EXPENSES</b>		
Fixed administration fees (note 6)	204,322	89,092
Independent Review Committee fees	1,296	528
Interest expense and bank overdraft charges	314	565
Foreign withholding taxes/tax reclaims	126,066	266,828
Audit fees	—	5,958
Filing fees	—	316
Legal fees	—	768
Unitholder administration costs	—	19,090
Unitholder reporting costs	—	4,615
Other fund costs	262	—
Harmonized Sales Tax/Goods and Services Tax	26,747	13,705
Transaction costs	257,643	374,455
Total expenses	<u>616,650</u>	<u>775,920</u>
Expenses absorbed by the Manager	—	(3)
Net expenses	<u>616,650</u>	<u>775,917</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>(25,245,525)</u>	<u>17,231,538</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES</b>		
Series I	<u>(25,245,525)</u>	<u>17,231,538</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT†</b>		
Series I	<u>(0.87)</u>	<u>0.58</u>
<b>WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES</b>		
Series I	<u>29,078,700</u>	<u>29,875,152</u>

† The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2015	2014**
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD</b>		
Series I	<u>368,726,968</u>	<u>—</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS</b>		
Series I	<u>(25,245,525)</u>	<u>17,231,538</u>
<b>REDEEMABLE UNIT TRANSACTIONS</b>		
Proceeds from issue		
Series I	72,738,263	351,945,433
Payments on redemption		
Series I	<u>(203,537,869)</u>	<u>(450,003)</u>
	<u>(130,799,606)</u>	<u>351,495,430</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		
Series I	<u>(156,045,131)</u>	<u>368,726,968</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD</b>		
Series I	<u>212,681,837</u>	<u>368,726,968</u>

## STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2015	2014**
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	(25,245,525)	17,231,538
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(8,053,356)	(609,223)
Unrealized (gain) loss on foreign exchange of cash	(272,905)	(127,713)
Change in unrealized (gain) loss on non-derivative financial assets	30,174,034	(12,126,934)
Change in unrealized (gain) loss on currency forward contracts	(2,150,979)	4,291,035
Change in unrealized (gain) loss on currency spot contracts	(360)	360
Change in unrealized (gain) loss on futures contracts	(35,547)	—
Purchases of non-derivative financial assets	(134,830,767)	(382,861,967)
Proceeds from sale of non-derivative financial assets	264,947,486	34,735,142
Transaction costs	253,335	370,761
Margin deposited on futures	(628,659)	(663,094)
Accrued investment income and other	803,863	(1,341,866)
Net cash provided by (used in) operating activities	<u>124,960,620</u>	<u>(341,101,961)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of redeemable units	72,818,263	351,865,433
Amounts paid on redemption of redeemable units	<u>(203,537,869)</u>	<u>(450,003)</u>
Net cash provided by (used in) financing activities	<u>(130,719,606)</u>	<u>351,415,430</u>
Unrealized gain (loss) on foreign exchange of cash	272,905	—
Net increase (decrease) in cash	<u>(5,758,986)</u>	<u>127,713</u>
Cash (bank overdraft), beginning of period	<u>10,441,182</u>	<u>10,313,469</u>
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<u>4,682,196</u>	<u>10,441,182</u>
Interest paid <sup>(1)</sup>	314	—
Interest received <sup>(1)</sup>	5,402,798	2,450,808
Dividends received, net of withholding taxes <sup>(1)</sup>	<u>10,545,976</u>	<u>9,314,798</u>

<sup>(1)</sup> Classified as operating items.

\*\* Fund's inception date was January 27, 2014.

The accompanying notes are an integral part of the financial statements.

# 1832 AM North American Preferred Share LP (Continued)

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2015

Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)
Energy – 16.2%				Financials (cont'd)			
17,200	AltaGas Ltd., 4.75%, Preferred, Series G	374,365	367,736	14,700	Brookfield Asset Management Inc., 4.75%, Preferred, Series 18	296,362	296,793
13,900	AltaGas Ltd., 5.00%, Preferred, Series A	255,973	224,624	37,600	Brookfield Asset Management Inc., 4.75%, Preferred, Series 17	756,645	749,368
7,600	AltaGas Ltd., 5.00%, Preferred, Series E	156,604	165,528	35,387	Brookfield Asset Management Inc., 4.80%, Preferred, Series 30	741,255	773,914
500	AltaGas Ltd., 5.25%, Preferred, Series I	12,470	12,550	120,500	Brookfield Asset Management Inc., 4.85%, Preferred, Series 36	2,532,074	2,469,045
60,000	Enbridge Inc., 4.00%, Preferred, Series 1	1,611,237	1,507,738	45,500	Brookfield Asset Management Inc., 4.90%, Preferred, Series 37	947,801	937,300
66,200	Enbridge Inc., 4.00%, Preferred, Series F	1,567,953	1,127,386	56,700	Brookfield Asset Management Inc., 5.40%, Preferred, Series 24	1,113,315	953,978
107,000	Enbridge Inc., 4.00%, Preferred, Series L	2,908,174	2,663,643	41,700	Brookfield Asset Management Inc., 4.50%, Preferred, Series 42	982,651	925,740
59,400	Enbridge Inc., 4.00%, Preferred, Series R	1,385,124	1,018,116	90,300	Brookfield Office Properties Inc., 4.60%, Preferred, Series T	2,079,042	1,717,506
172,400	Enbridge Inc., 4.00%, Preferred, Series 3	4,027,310	2,901,492	70,500	Brookfield Office Properties Inc., 4.75%, Preferred, Series AA	1,710,844	1,365,585
19,000	Enbridge Inc., 4.00%, Preferred, Series B	456,678	300,770	154,100	Brookfield Office Properties Inc., 5.15%, Preferred, Series SP	3,517,176	2,789,210
116,300	Enbridge Inc., 4.00%, Preferred, Series D	2,682,853	1,879,408	103,250	Brookfield Properties Corporation, Inc., 5.10%, Preferred, Series R	2,349,742	1,951,425
139,600	Enbridge Inc., 4.00%, Preferred, Series H	3,021,344	2,163,800	124,300	Brookfield Properties Corporation, Inc., 6.15%, Preferred, Series N	3,138,099	2,057,165
57,000	Enbridge Inc., 4.00%, Preferred, Series J	1,567,900	1,426,833	400	Brookfield Property Partners LP, 5.75%, Preferred, Series H	10,078	10,058
23,300	Enbridge Inc., 4.00%, Preferred, Series N	515,653	405,653	8,800	Brookfield Renewable Power Inc., 1.10%, Preferred, Series 2	123,642	127,160
130,700	Enbridge Inc., 4.00%, Preferred, Series P	3,141,176	2,202,295	137,000	Brookfield Renewable Power Inc., 4.40%, Preferred, Series 3	2,959,314	2,664,650
108,700	Enbridge Inc., 4.40%, Preferred, Series 11	2,593,350	2,033,777	95,500	Brookfield Renewable Power Inc., 5.00%, Preferred, Series 6	1,941,507	1,878,485
28,700	Enbridge Inc., 4.40%, Preferred, Series 13	653,302	540,708	36,800	Brookfield Renewable Power Inc., 5.25%, Preferred, Series I	759,473	624,864
18,400	Enbridge Inc., 4.40%, Preferred, Series 5	484,130	461,228	149,300	Brookfield Renewable Power Inc., 5.00%, Preferred, Series 5	3,056,307	2,957,633
18,800	Enbridge Inc., 4.40%, Preferred, Series 7	445,312	340,844	2,000	Canadian Imperial Bank of Commerce, 3.60%, Preferred, Series 43	41,600	41,500
51,300	Enbridge Inc., 4.40%, Preferred, Series 9	1,278,361	957,771	49,220	Canadian Imperial Bank of Commerce, 3.75%, Preferred, Series 41	873,756	978,494
3,000	Husky Energy Inc., 4.45%, Preferred, Series 1	42,966	39,390	28,900	Canadian Imperial Bank of Commerce, 3.90%, Preferred, Series 39	527,905	587,826
9,000	Husky Energy Inc., 4.50%, Preferred, Series 3	168,917	167,040	3,100	E-L Financial Corporation Limited, 5.50%, Preferred, Series 3	74,710	73,160
42,275	Husky Energy Inc., 4.60%, Preferred	904,414	848,459	16,300	E-L Financial Corporation Limited, 5.30%, Preferred, Series F	407,737	374,248
66,100	Pembina Pipeline Corporation, 4.25%, Preferred, Series A	1,327,149	1,103,870	35,400	Fairfax Financial Holdings Limited, 4.75%, Preferred, Series M	854,587	802,872
79,000	Pembina Pipeline Corporation, 4.50%, Preferred, Series 7	1,524,441	1,524,700	62,400	Fairfax Financial Holdings Limited, 4.75%, Preferred, Series E	1,141,159	873,600
40,400	Pembina Pipeline Corporation, 4.70%, Preferred, Series C	962,028	731,240	206,950	Fairfax Financial Holdings Limited, 5.00%, Preferred, Series I	4,060,605	3,571,957
22,600	Pembina Pipeline Corporation, 4.75%, Preferred, Series 9	558,522	499,234	59,500	Fairfax Financial Holdings Limited, 5.00%, Preferred, Series G	1,235,882	940,100
30,200	Pembina Pipeline Corporation, 5.00%, Preferred, Series 5	738,006	600,074	101,100	Fairfax Financial Holdings Limited, 5.00%, Preferred, Series K	2,401,590	2,111,979
88,600	TransCanada Corporation, 3.43%, Preferred, Series 2	2,033,701	1,209,390	55,987	Fairfax Financial Holdings Limited, 5.75%, Preferred, Series SC	1,309,553	1,114,141
19,000	TransCanada Corporation, 3.80%, Preferred, Series 11	375,152	397,290	11,800	Great-West Lifeco Inc., 5.80%, Preferred, Series M	309,396	302,670
34,300	TransCanada Corporation, 4.00%, Preferred, Series 7	721,445	657,531	33,400	Great-West Lifeco Inc., 3.65%, Preferred, Series N	725,525	467,600
80,900	TransCanada Corporation, 4.00%, Preferred, Series B	1,585,330	1,010,441	28,200	Great-West Lifeco Inc., 4.50%, Preferred, Series 1	631,726	597,840
14,500	TransCanada Corporation, 4.25%, Preferred, Series 9	277,003	286,520	3,500	Great-West Lifeco Inc., 4.80%, Preferred, Series R	78,351	77,000
37,100	TransCanada Corporation, 4.40%, Preferred, Series 5	704,492	473,025	15,900	Great-West Lifeco Inc., 4.85%, Preferred, Series H	359,799	352,980
10,000	TransCanada Corporation, 4.60%, Preferred, Series 1	226,381	166,400	65,700	Great-West Lifeco Inc., 5.15%, Preferred, Series Q	1,565,948	1,532,124
22,300	Veresen Inc., 5.00%, Preferred, Series E	535,842	477,666	72,900	Great-West Lifeco Inc., 5.20%, Preferred, Series G	1,749,821	1,709,505
68,900	Veresen Inc., 4.40%, Preferred, Series A	1,484,236	1,121,003	33,000	Great-West Lifeco Inc., 5.40%, Preferred, Series P	819,443	814,440
19,900	Veresen Inc., 5.00%, Preferred, Series C	497,298	349,245	49,200	Great-West Lifeco Inc., 5.65%, Preferred, Series L	1,264,794	1,242,300
		43,806,592	34,364,418	34,800	Industrial Alliance, 4.30%, Preferred, Series G	803,343	776,388
Consumer Discretionary – 0.4%				79,400	Intact Financial Corporation, 4.20%, Preferred, Series 3	1,826,977	1,659,460
54,500	Shaw Communications Inc., 4.50%, Preferred, C12 Series A	874,955	773,900	144,300	Intact Financial Corporation, 4.20%, Preferred, Series 1	3,196,698	2,442,999
Consumer Staples – 0.1%				74,300	Manulife Financial Corporation, 3.80%, Preferred, Series 13	1,793,434	1,535,038
400	George Weston Ltd., 5.20%, Preferred, Series III	9,732	9,436	34,300	Manulife Financial Corporation, 3.80%, Preferred, Series 19	857,184	718,928
4,600	George Weston Ltd., 5.20%, Preferred, Series D	115,194	108,238	198,400	Manulife Financial Corporation, 3.90%, Preferred, Series 15	4,821,705	4,051,328
		124,926	117,674	50,200	Manulife Financial Corporation, 3.90%, Preferred, Series 17	1,068,817	1,071,268
Financials – 50.7%				29,500	Manulife Financial Corporation, 4.00%, Preferred, Series 11	750,755	651,360
14,700	Bank of Montreal, 5.25%, Preferred, Series 14	382,699	379,848	500	Manulife Financial Corporation, 4.40%, Preferred, Series 5	11,350	11,345
17,900	Bank of Montreal, 3.80%, Preferred, Series 31 Class B	319,951	350,661	47,900	Manulife Financial Corporation, 4.40%, Preferred, Series 9	1,201,968	1,120,860
5,300	Bank of Montreal, 3.90%, Preferred, Series 29	90,156	104,728	49,500	Manulife Financial Corporation, 4.50%, Preferred, Series 3	1,032,462	1,049,153
25,000	Bank of Montreal, 4.00%, Preferred, Series 27	443,507	506,625	27,100	Manulife Financial Corporation, 4.60%, Preferred, Series 1-7	706,957	652,568
10,700	Bank of Nova Scotia, The, 0.79%, Preferred, Series 23	244,744	243,532	133,900	Manulife Financial Corporation, 4.65%, Preferred, Series B	2,948,306	2,894,918
21,300	Bank of Nova Scotia, The, 3.83%, Preferred, Series 22	541,989	524,619	10,100	National Bank of Canada, 4.10%, Preferred, Series 30	180,848	197,960
31,000	Bank of Nova Scotia, The, 4.50%, Preferred, Series 14	791,474	765,700	52,200	Power Corporation of Canada, 5.00%, Preferred, Series D	1,252,790	1,179,459
31,570	Bank of Nova Scotia, The, 4.50%, Preferred, Series 15	811,515	780,726	10,200	Power Corporation of Canada, 5.36%, Preferred, Series B	256,799	239,700
26,000	Bank of Nova Scotia, The, 5.25%, Preferred, Series 16	676,165	663,000	14,100	Power Financial Corporation, 4.80%, Preferred, Series S	323,887	306,111
13,000	Bank of Nova Scotia, The, 5.50%, Preferred, Series 34	327,860	334,750	48,900	Power Financial Corporation, 4.95%, Preferred, Series K	1,202,721	1,090,470
5,200	Bank of Nova Scotia, The, 5.60%, Preferred, Series 17	136,830	132,756	9,800	Power Financial Corporation, 5.25%, Preferred, Series E	229,320	227,360
3,400	Bank of Nova Scotia, The, 5.00%, Preferred, Series 20	86,483	83,504	13,700	Power Financial Corporation, 5.50%, Preferred, Series D	337,705	332,499
96,650	Brookfield Asset Management Inc., 4.60%, Preferred, Series 28	2,048,617	1,546,400	30,800	Power Financial Corporation, 5.50%, Preferred, Series R	770,898	755,832
100,000	Brookfield Asset Management Inc., 4.20%, Preferred, Series 34	2,167,281	2,054,000	15,000	Royal Bank of Canada, 3.60%, Preferred, Series BD	290,250	311,250
93,000	Brookfield Asset Management Inc., 4.40%, Preferred, Series 38	2,126,540	1,921,380	98,000	Royal Bank of Canada, 3.60%, Preferred, Series BF	2,412,307	2,022,720
98,700	Brookfield Asset Management Inc., 4.50%, Preferred, Series 26	2,150,321	1,795,353	20,000	Royal Bank of Canada, 3.90%, Preferred, Series BB	375,450	394,000
25,800	Brookfield Asset Management Inc., 4.50%, Preferred, Series 32	635,879	567,600	9,800	Royal Bank of Canada, 4.00%, Preferred, Series AZ	184,698	192,472
84,700	Brookfield Asset Management Inc., 4.50%, Preferred, Series 40	2,086,331	1,876,952	44,300	Royal Bank of Canada, 4.45%, Preferred, Series AA	1,115,637	1,099,083
				21,600	Royal Bank of Canada, 4.45%, Preferred, Series AF	553,207	537,408

For equities, all common shares unless otherwise noted.

The accompanying notes are an integral part of the financial statements.



# 1832 AM North American Preferred Share LP (Continued)

## SCHEDULE OF INVESTMENT PORTFOLIO

Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)	Number of Shares/ Face Value (\$)	Issuer	Average Cost (\$)	Carrying Value (\$)
Financials (cont'd)				Index Based ETFs – 2.0%			
37,400	Royal Bank of Canada, 4.50%, Preferred, Series AE	949,715	933,130	400,000	BMO S&P/TSX Laddered Preferred Share Index ETF	4,070,320	4,248,000
11,200	Royal Bank of Canada, 4.50%, Preferred, Series AG	284,866	279,384	CORPORATE BONDS – 18.6%			
30,700	Royal Bank of Canada, 4.60%, Preferred, Series AC	789,151	769,803	Bank of America Corporation			
59,000	Royal Bank of Canada, 4.70%, Preferred, Series B	1,507,449	1,479,130	2,750,000	6.25% due Sep. 5, 2024	3,005,892	3,906,352
800	Royal Bank of Canada, 4.90%, Preferred, Series BI	18,040	18,320	Bank of America Corporation (callable)			
8,800	Royal Bank of Canada, 4.90%, Preferred, Series W	192,720	201,432	1,610,000	6.10% due Mar. 17, 2015-(Dec. 29, 2049)	2,047,337	2,248,883
30,800	Royal Bank of Canada, 5.00%, Preferred, Series AJ	776,160	756,448	2,150,000	5.13% due Dec. 29, 2049-(Jun. 17, 2019)	2,318,539	2,839,628
200,000	Royal Bank of Canada, 5.50%, Preferred, Series BK	5,000,000	5,158,000	1,250,000	6.50% due Oct. 29, 2049-(Oct. 23, 2024)	1,417,750	1,862,363
31,300	Royal Bank of Canada, 5.60%, Preferred, Series AL	812,471	797,837	Citigroup Inc.			
40,500	Sun Life Financial Inc., 4.45%, Preferred, Series 3	895,791	842,198	3,800,000	5.80% due Nov. 15, 2019	4,276,977	5,229,090
48,200	Sun Life Financial Inc., 2.08%, Preferred (Floating Rate)	999,993	684,440	200,000	5.95% due Jan. 30, 2023	220,293	275,350
69,700	Sun Life Financial Inc., 3.90%, Preferred, Series 10R	1,440,435	1,323,603	Citigroup Inc. (callable)			
55,500	Sun Life Financial Inc., 4.25%, Preferred, Series 12R	1,240,189	1,195,470	1,465,000	5.95% due May 15, 2025-(2025)	1,744,949	1,960,236
51,500	Sun Life Financial Inc., 4.45%, Preferred, Series F	1,094,413	1,069,655	1,500,000	6.13% due Dec. 29, 2049-(Nov. 15, 2020)	1,974,594	2,121,164
46,900	Sun Life Financial Inc., 4.50%, Preferred, Series 5	1,020,952	984,900	2,900,000	5.90% due Dec. 29, 2049-(Feb. 15, 2023)	3,116,940	4,007,047
131,200	Sun Life Financial Inc., 4.75%, Preferred, Series A	2,996,710	2,881,152	Fifth Third Bancorp (callable)			
60,600	Sun Life Financial Inc., 4.80%, Preferred, Series 2	1,370,169	1,331,988	400,000	4.90% due Sep. 30, 2049-(2019)	436,020	505,835
14,400	Toronto-Dominion Bank, The, 5.10%, Preferred, Series Y	365,026	354,384	Goldman Sachs Group Inc., The (callable)			
20,000	Toronto-Dominion Bank, The, 3.75%, Preferred, Series 5	360,528	392,000	2,500,000	5.38% due Dec. 29, 2049-(May. 10, 2020)	3,263,922	3,440,191
9,300	Toronto-Dominion Bank, The, 3.80%, Preferred, Series 3	186,205	183,117	JPMorgan Chase & Co.			
12,900	Toronto-Dominion Bank, The, 3.90%, Preferred, Series 1	226,364	255,936	250,000	6.75% due Jan. 29, 2049	285,842	375,569
		118,561,376	107,862,613	JPMorgan Chase & Co. (callable)			
Telecommunication Services – 5.0%				500,000	5.00% due Dec. 29, 2049-(Jul. 1, 2019)	543,426	662,668
35,400	BCE Inc., 4.54%, Preferred, Series 16	693,323	500,910	1,000,000	5.30% due Dec. 29, 2049-(May 1, 2020)	1,249,157	1,384,721
900	BCE Inc., 6.17%, Preferred, Series R	18,849	15,224	1,325,000	5.15% due Dec. 29, 2049-(May 1, 2023)	1,368,812	1,745,422
4,700	BCE Inc., 4.15%, Preferred, Series 19	99,045	66,599	1,500,000	6.13% due Dec. 29, 2049-(Apr. 30, 2024)	1,654,561	2,092,640
192,400	BCE Inc., 4.15%, Preferred, Series AK	3,854,876	2,891,772	Morgan Stanley			
137,700	BCE Inc., 4.25%, Preferred, Series AQ	3,178,686	2,952,288	1,250,000	5.45% due Jul. 15, 2099	1,355,445	1,692,410
37,000	BCE Inc., 4.35%, Preferred, Series 17	590,249	522,070	PNC Preferred Funding Trust II (callable)			
11,000	BCE Inc., 4.50%, Preferred, Series T	226,919	154,000	500,000	1.73% due Mar. 15, 2017-(2017)	530,031	628,307
3,900	BCE Inc., 4.55%, Preferred, Series AO	97,229	87,360	TransCanada Trust (callable)			
63,200	BCE Inc., 4.85%, Preferred, Series AM	1,305,567	991,608	800,000	5.63% due May 20, 2075-(2025)	1,012,912	1,026,180
89,500	BCE Inc., 5.45%, Preferred, Series AA	1,819,055	1,329,075	USB Realty Corporation (Floating Rate)			
77,900	BCE Inc., 5.54%, Preferred, Series AC	1,580,050	1,187,975	1,000,000	1.47% due Dec. 29, 2049	999,717	1,261,980
		13,463,848	10,698,881	Wells Fargo & Company			
Utilities – 4.9%				300,000	5.90% due Jun. 15, 2024	328,695	422,640
5,000	Brookfield Infrastructure Partners LP, 4.50%, Preferred, Series 1	97,569	102,600			33,151,811	39,688,676
10,900	Brookfield Infrastructure Partners LP, 5.50%, Preferred, Series 3	261,600	262,145	TOTAL INVESTMENT PORTFOLIO			
32,000	Brookfield Renewable Energy Partners, 5.50%, Preferred, Series 7	796,900	790,400			226,402,732	208,281,246
1,500	Canadian Utilities Limited, 4.90%, Preferred, Series AA	33,270	33,375	Currency Forward Contracts – (1.0%)			
23,700	Canadian Utilities Limited, 4.00%, Preferred, Series Y	492,238	483,243	Futures Contracts – 0.0%			
2,000	Canadian Utilities Limited, 4.90%, Preferred, Series BB	44,200	44,520	OTHER ASSETS, LESS LIABILITIES – 3.1%			
25,000	Canadian Utilities Limited, 5.25%, Preferred, Series EE	587,500	592,500	NET ASSETS – 100.0%			
9,300	Canadian Utilities Limited, 4.50%, Preferred, Series FF	232,399	241,800			212,681,837	
34,300	Capital Power Corporation, 4.50%, Preferred, Series 5	784,538	500,094				
8,400	Capital Power Corporation, 4.60%, Preferred, Series 1	170,503	88,284				
28,300	Emera Inc., 4.10%, Preferred, Series C	628,716	558,359				
16,000	Emera Inc., 4.25%, Preferred, Series F	350,945	330,400				
30,000	Fortis Inc., 4.10%, Preferred, Series M	589,300	627,000				
19,000	Fortis Inc., 4.90%, Preferred, Series F	465,050	443,460				
4,800	Fortis Inc., 4.75%, Preferred, Series J	120,081	109,296				
49,900	Fortis Inc., 3.88%, Preferred, Series G	934,751	921,653				
52,800	Fortis Inc., 4.00%, Preferred, Series K	1,004,226	1,018,512				
67,600	TransAlta Corporation, 4.60%, Preferred, Series A	1,077,560	669,240				
93,300	TransAlta Corporation, 4.60%, Preferred, Series C	1,959,147	1,147,590				
5,100	TransAlta Corporation, 5.00%, Preferred, Series E	115,423	69,972				
2,600	TransAlta Corporation, 5.30%, Preferred, Series G	54,045	38,311				
29,190	Valener Inc., 4.35%, Preferred, Series A	675,983	583,800				
5,200	Westcoast Energy Inc., 5.60%, Preferred, Series J	128,960	124,280				
30,000	Westcoast Energy Inc., 5.25%, Preferred, Series 10	744,000	746,250				
		12,348,904	10,527,084				

For equities, all common shares unless otherwise noted.  
The accompanying notes are an integral part of the financial statements.

# 1832 AM North American Preferred Share LP (Continued)

## SCHEDULE OF INVESTMENT PORTFOLIO

Expiry Date	Number of Contracts	Futures Contracts	Counterparty	Credit Risk	Contractual Value Canadian (\$)	Fair Value Canadian (\$)	Appreciation/ (Depreciation) (\$)
<b>BOND FUTURES CONTRACTS</b>							
Mar. 2016	(70)	U.S. 10 Year Treasury Note Futures	Merrill Lynch	A	(12,224,460)	(12,188,913)	<u>35,547</u>

The above bond futures contracts are financial agreements to purchase/sell the bond at a contracted price on a specific future date. However, the Fund does not intend to purchase/sell the bond on settlement. Rather, it intends to close out each bond futures contracts before settlement by entering into equal, but offsetting bond futures contracts.

## CURRENCY FORWARD CONTRACTS

Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Canadian Value as at December 31, 2015 (\$)	Canadian (\$) Appreciation/ (Depreciation)
Jan. 20, 2016	Canadian Dollar	6,756,378	U.S. Dollar	5,100,000	7,051,601	(295,223)
Jan. 20, 2016	Canadian Dollar	3,248,825	U.S. Dollar	2,500,000	3,456,667	(207,842)
Jan. 20, 2016	Canadian Dollar	2,668,900	U.S. Dollar	2,000,000	2,765,334	(96,434)
Jan. 20, 2016	U.S. Dollar	400,000	Canadian Dollar	548,634	548,765	4,431
Feb. 18, 2016	Canadian Dollar	14,197,267	U.S. Dollar	10,924,000	15,101,747	(904,479)
Feb. 18, 2016	U.S. Dollar	2,600,000	Canadian Dollar	3,593,980	3,595,415	364
Feb. 18, 2016	U.S. Dollar	700,000	Canadian Dollar	974,694	975,083	(6,989)
Mar. 17, 2016	Canadian Dollar	16,073,441	U.S. Dollar	12,044,000	16,648,927	(575,486)
Apr. 22, 2016	Canadian Dollar	8,693,139	U.S. Dollar	6,332,000	8,751,538	(58,398)
						<u>(2,140,056)</u>

The currency forward contracts outstanding at December 31, 2015 are placed with a financial institution with a credit rating of AA by DBRS.



# 1832 AM North American Preferred Share LP

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

### 1. The Fund (note 1)

The Fund's investment objective is to provide income and the potential for modest long-term capital growth. It invests primarily in a diversified portfolio of preferred shares of North American corporations.

### 2. Risks associated with financial instruments (note 4)

#### i) Interest rate risk

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity (earlier of maturity date or interest reset date) of the Fund's portfolio, excluding cash, money market instruments, underlying funds, preferred shares and overdrafts, as applicable.

Interest rate exposure	December 31, 2015 (\$)	December 31, 2014 (\$)
Less than 1 year	—	—
1-3 years	628,307	3,930,096
3-5 years	10,621,944	39,748,526
5-10 years	16,272,046	44,961,310
> 10 years	12,166,379	19,005,242
	39,688,676	107,645,174

As at December 31, 2015, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, net assets attributable to holders of redeemable units would have decreased or increased, respectively, by \$527,322 or approximately 0.2% (December 31, 2014 – \$1,508,930 or approximately 0.4%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### ii) Currency risk

The tables below indicate the currencies to which the Fund had significant exposure, net of the impact of currency forward contracts and currency spot contracts, if any, based on the monetary and non-monetary assets and liabilities of the Fund. The tables also illustrate the potential impact on the Fund if the functional currency of the Fund had strengthened or weakened by 10% in relation to each of the other currencies, with all other variables held constant.

Currency	December 31, 2015			
	Net currency exposure (\$)	Percentage of net assets (%)	Impact on the Fund (\$)	Percentage of net assets (%)
US Dollar	880,280	0.4	88,028	0.0
	880,280	0.4	88,028	0.0

Currency	December 31, 2014			
	Net currency exposure (\$)	Percentage of net assets (%)	Impact on the Fund (\$)	Percentage of net assets (%)
US Dollar	1,099,549	0.3	109,955	0.0
	1,099,549	0.3	109,955	0.0

#### iii) Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, derivatives and commodities, if applicable. As at December 31, 2015, approximately 79.3% (December 31, 2014 – 68.6%) of the Fund's net assets were exposed to price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$16,859,257 (December 31, 2014 – \$25,323,478). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### iv) Credit risk

The table below summarizes the credit ratings of the bonds and debentures, excluding cash and money market instruments but including preferred shares and derivatives, as applicable, held by the Fund.

	December 31, 2015		December 31, 2014	
	Percentage of total bonds and debentures (%)	Percentage of net assets (%)	Percentage of total bonds and debentures (%)	Percentage of net assets (%)
<b>Credit ratings</b>				
AAA	0.8	0.8	5.7	5.6
AA	79.5	76.2	64.4	63.0
A	0.6	0.6	0.1	0.1
BBB	17.4	16.7	13.8	13.5
BB	1.4	1.3	16.0	15.6
NOT RATED	0.3	0.3	—	—
	100.0	95.9	100.0	97.8

The accompanying notes are an integral part of the financial statements.

# 1832 AM North American Preferred Share LP (Continued)

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

### v) Liquidity risk

The table below summarizes the Fund's financial liabilities based on the remaining period to the contractual maturity date.

	December 31, 2015		December 31, 2014	
	On demand (\$)	Less than 3 months (\$)	On demand (\$)	Less than 3 months (\$)
Current liabilities	–	279,757	–	387,732
Liability for written options	–	–	–	–
Unrealized loss on derivatives	–	2,144,851	–	4,385,010
Redeemable units	212,681,837	–	368,726,968	–
	212,681,837	2,424,608	368,726,968	4,772,742

Redeemable units are redeemable on demand at the holder's option. However, the Manager does not expect that the contractual maturity disclosed in the table above will be representative of the actual cash outflows, as holders of these instruments typically retain them for a longer term.

### vi) Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, geographical location, asset type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk:

	Percentage of net assets (%)	
	December 31, 2015	December 31, 2014
Consumer Discretionary	0.4	–
Consumer Staples	0.1	0.0
Corporate Bonds	18.6	29.2
Energy	16.2	13.5
Financials	50.8	50.4
Telecommunication Services	5.0	2.2
Utilities	4.9	2.5
Index Based ETFs	2.0	–

### vii) Fair value classification (note 2)

The tables below illustrate the classification of the Fund's financial instruments within the fair value hierarchy.

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
<b>December 31, 2015</b>				
Equities	168,592,570	–	–	168,592,570
Bonds and debentures	–	39,688,676	–	39,688,676
Currency forward contracts – assets	–	4,795	–	4,795
Futures contracts – assets	35,547	–	–	35,547
	168,628,117	39,693,471	–	208,321,588
Currency forward contracts – liabilities	–	(2,144,851)	–	(2,144,851)
	168,628,117	37,548,620	–	206,176,737

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
<b>December 31, 2014</b>				
Equities	253,234,779	–	–	253,234,779
Bonds and debentures	–	107,645,174	–	107,645,174
Currency forward contracts – assets	–	93,615	–	93,615
	253,234,779	107,738,789	–	360,973,568
Currency forward contracts – liabilities	–	(4,384,650)	–	(4,384,650)
Currency spot contracts – liabilities	(360)	–	–	(360)
Futures contracts – liabilities	(193,815)	–	–	(193,815)
	253,040,604	103,354,139	–	356,394,743

### Transfers between levels

During the periods ended December 31, 2015 and 2014, there were no significant transfers between Level 1 and Level 2.

### 3. Offsetting of financial assets and liabilities (note 2)

The following tables present offsetting of financial assets and liabilities and collateral amounts that would occur if future events, such as bankruptcy or termination of contracts were to arise. No amounts were offset in the financial statements.

	December 31, 2015			
	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged (\$)	Net Amount (\$)
<b>Financial assets – by type</b>				
Currency forward contracts	4,795	(364)	–	4,431
Options contracts – OTC	–	–	–	–
Swap contracts	–	–	–	–
	4,795	(364)	–	4,431

	December 31, 2015			
	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged (\$)	Net Amount (\$)
<b>Financial liabilities – by type</b>				
Currency forward contracts	2,144,851	(364)	–	2,144,487
Options contracts – OTC	–	–	–	–
Swap contracts	–	–	–	–
	2,144,851	(364)	–	2,144,487

	December 31, 2014			
	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged (\$)	Net Amount (\$)
<b>Financial assets – by type</b>				
Currency forward contracts	93,615	(530)	–	93,085
Options contracts – OTC	–	–	–	–
Swap contracts	–	–	–	–
	93,615	(530)	–	93,085

The accompanying notes are an integral part of the financial statements.

# 1832 AM North American Preferred Share LP (Continued)

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

Financial liabilities – by type	December 31, 2014			
	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged (\$)	Net Amount (\$)
Currency forward contracts	4,384,650	(530)	–	4,384,120
Options contracts—OTC	–	–	–	–
Swap contracts	–	–	–	–
	4,384,650	(530)	–	4,384,120

## 4. Interest in Underlying Funds (note 2)

The following table provides information about the Fund's interest in Underlying Funds.

Underlying Fund	December 31, 2015	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
BMO S&P/TSX Laddered Preferred Share Index ETF	4,248,000	0.3
	4,248,000	

The Fund did not hold any interest in Underlying Funds as at December 31, 2014.

## 5. Comparison of net asset value per unit and net assets per unit (note 2)

The table below provides a comparison of the net asset value per unit and net assets per unit. The primary reason for the difference between the net asset value per unit and net assets per unit, if any, is described in note 2.

	December 31, 2015		December 31, 2014	
	Net asset value per unit (\$)	Net assets per unit (\$)	Net asset value per unit (\$)	Net assets per unit (\$)
Series I	9.71	9.71	10.58	10.57

# 1832 AM Tactical Asset Allocation LP

## STATEMENT OF FINANCIAL POSITION

As at

(in dollars except per unit amounts)	December 31, 2015*
<b>ASSETS</b>	
Current assets	
Investments	
Non-derivative financial assets	173,857,301
Cash	923,418
Subscriptions receivable	57,500
Accrued investment income and other	338
	<u>174,838,557</u>
<b>LIABILITIES</b>	
Current liabilities	
Redemptions payable	63,750
	<u>63,750</u>
Net assets attributable to holders of redeemable units	<u>174,774,807</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES	
Series I	<u>174,774,807</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT	
Series I	<u>10.70</u>

## STATEMENT OF COMPREHENSIVE INCOME

For the period ended December 31 (note 1),

(in dollars except per unit amounts)	2015*
<b>INCOME</b>	
Net gain (loss) on investments (note 2)	
Interest for distribution purposes	9,268
Net realized gain (loss) on non-derivative financial assets	831,929
Change in unrealized gain (loss) on non-derivative financial assets	9,589,058
Total income (loss)	<u>10,430,255</u>
<b>EXPENSES</b>	
Fixed administration fees (note 6)	41,704
Independent Review Committee fees	983
Other fund costs	218
Harmonized Sales Tax/Goods and Services Tax	5,562
Transaction costs	77,403
Total expenses	<u>125,870</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>10,304,385</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES	
Series I	<u>10,304,385</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT†	
Series I	<u>0.76</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES	
Series I	<u>13,507,368</u>

† The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the period ended December 31 (note 1),

(in dollars)	2015*
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD	
Series I	<u>—</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS	
Series I	<u>10,304,385</u>
REDEEMABLE UNIT TRANSACTIONS	
Proceeds from issue	
Series I	168,898,482
Payments on redemption	
Series I	<u>(4,428,060)</u>
	<u>164,470,422</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	
Series I	<u>174,774,807</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD	
Series I	<u>174,774,807</u>

## STATEMENT OF CASH FLOWS

For the period ended December 31 (note 1),

(in dollars)	2015*
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Increase (decrease) in net assets attributable to holders of redeemable units	10,304,385
Adjustments for:	
Net realized (gain) loss on non-derivative financial assets	(831,929)
Change in unrealized (gain) loss on non-derivative financial assets	(9,589,058)
Purchases of non-derivative financial assets	(175,211,287)
Proceeds from sale of non-derivative financial assets	11,697,570
Transaction costs	77,403
Accrued investment income and other	(338)
Net cash provided by (used in) operating activities	<u>(163,553,254)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Proceeds from issue of redeemable units	168,840,982
Amounts paid on redemption of redeemable units	<u>(4,364,310)</u>
Net cash provided by (used in) financing activities	<u>164,476,672</u>
Net increase (decrease) in cash	<u>923,418</u>
CASH (BANK OVERDRAFT), END OF PERIOD	<u>923,418</u>
Interest received <sup>(1)</sup>	<u>8,930</u>

<sup>(1)</sup> Classified as operating items.

\* No comparative figures are shown as the Fund's inception date was April 6, 2015.

# 1832 AM Tactical Asset Allocation LP (Continued)

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2015

<b>Number of Units</b>	<b>Issuer</b>	<b>Average Cost (\$)</b>	<b>Carrying Value (\$)</b>
INDEX BASED ETFs – 99.5%			
2,006,400	Horizons Canadian Select Universe Bond Exchange Traded Fund	85,442,814	86,676,480
1,699,100	Horizons S&P 500 Index Exchange Traded Fund	<u>78,825,429</u>	<u>87,180,821</u>
	TOTAL INVESTMENT PORTFOLIO	<u>164,268,243</u>	173,857,301
	OTHER ASSETS, LESS LIABILITIES – 0.5%		<u>917,506</u>
	NET ASSETS – 100.0%		<u>174,774,807</u>

The accompanying notes are an integral part of the financial statements.

# 1832 AM Tactical Asset Allocation LP

## FUND SPECIFIC NOTES

For the period indicated in Note 1

### 1. The Fund (note 1)

The Fund's investment objective is to provide total return over the long term by having exposure to and/or investing directly in fixed income and equity securities. The Fund will invest primarily in a mix of fixed income and/or equity exchange-traded funds listed primarily in North America. The Fund may also invest directly in mutual funds, individual fixed income or equity securities, and cash or cash equivalents.

### 2. Risks associated with financial instruments (note 4)

#### i) Interest rate risk

The majority of the Fund's financial assets and liabilities were non-interest bearing as at December 31, 2015. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

#### ii) Currency risk

The Fund did not have significant currency risk exposure as at December 31, 2015.

#### iii) Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, derivatives and commodities, if applicable. As at December 31, 2015, approximately 99.5% of the Fund's net assets were exposed to price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$17,385,730. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### iv) Credit risk

The Fund had no significant exposure to bonds and debentures, preferred shares or derivatives as at December 31, 2015. In addition, all investment transactions are executed by brokers with an approved credit rating. As such the risk of default on transactions with counterparties and brokers related to purchase and sale of securities is considered minimal. In instances where the credit rating were to fall below the approved rating, the Manager would take appropriate action.

#### v) Liquidity risk

The table below summarizes the Fund's financial liabilities based on the remaining period to the contractual maturity date.

	December 31, 2015	
	On demand (\$)	Less than 3 months (\$)
Current liabilities	–	63,750
Liability for written options	–	–
Unrealized loss on derivatives	–	–
Redeemable units	174,774,807	–
	174,774,807	63,750

Redeemable units are redeemable on demand at the holder's option. However, the Manager does not expect that the contractual maturity disclosed in the table above will be representative of the actual cash outflows, as holders of these instruments typically retain them for a longer term.

#### vi) Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, geographical location, asset type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk:

	Percentage of net assets (%)
	December 31, 2015
Index Based ETFs	99.5

#### vii) Fair value classification (note 2)

The table below illustrates the classification of the Fund's financial instruments within the fair value hierarchy.

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
December 31, 2015				
Equities	173,857,301	–	–	173,857,301
	173,857,301	–	–	173,857,301

### Transfers between levels

During the period ended December 31, 2015, there were no significant transfers between Level 1 and Level 2.

### 3. Offsetting of financial assets and liabilities (note 2)

As at December 31, 2015, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

# 1832 AM Tactical Asset Allocation LP (Continued)

## FUND SPECIFIC NOTES

For the period indicated in Note 1

### 4. Interest in Underlying Funds (note 2)

The following table provides information about the Fund's interest in Underlying Funds.

Underlying Fund	December 31, 2015	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
Horizons Canadian Select Universe Bond Exchange Traded Funds	86,676,480	55.0
Horizons S&P 500 Index Exchange Traded Funds	87,180,821	23.6
	173,857,301	

### 5. Comparison of net asset value per unit and net assets per unit (note 2)

The table below provides a comparison of the net asset value per unit and net assets per unit. The primary reason for the difference between the net asset value per unit and net assets per unit, if any, is described in note 2.

	December 31, 2015	
	Net asset value per unit (\$)	Net assets per unit (\$)
Series I	10.70	10.70

# Scotia Global Low Volatility Equity LP

## STATEMENTS OF FINANCIAL POSITION

As at

(in dollars except per unit amounts)	December 31, 2015	December 31, 2014
<b>ASSETS</b>		
Current assets		
Investments		
Non-derivative financial assets	882,897,519	602,084,198
Cash	1,637,664	1,194,740
Subscriptions receivable	58,400	129,000
Accrued investment income and other	1,644,205	1,036,782
	<u>886,237,788</u>	<u>604,444,720</u>
<b>LIABILITIES</b>		
Current liabilities		
Redemptions payable	167,000	—
	<u>167,000</u>	<u>—</u>
Net assets attributable to holders of redeemable units	<u>886,070,788</u>	<u>604,444,720</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES</b>		
Series I	886,070,788	604,444,720
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT</b>		
Series I	<u>14.19</u>	<u>11.92</u>

## STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except per unit amounts)	2015	2014**
<b>INCOME</b>		
Net gain (loss) on investments (note 2)		
Dividends	26,352,923	14,279,443
Interest for distribution purposes	15,989	27,441
Net realized gain (loss) on non-derivative financial assets	13,360,692	8,313,857
Change in unrealized gain (loss) on non-derivative financial assets	95,690,750	68,736,872
Net gain (loss) on investments	<u>135,420,354</u>	<u>91,357,613</u>
Securities lending	122,278	16,477
Net realized and unrealized gain (loss) on foreign exchange	92,457	(415,481)
Total income (loss)	<u>135,635,089</u>	<u>90,958,609</u>
<b>EXPENSES</b>		
Fixed administration fees (note 6)	776,843	205,608
Independent Review Committee fees	904	818
Interest expense and bank overdraft charges	2,090	1,764
Foreign withholding taxes/tax reclaims	3,338,062	2,141,571
Audit fees	—	9,187
Custodian fees	—	100
Filing fees	—	456
Legal fees	—	1,150
Unitholder administration costs	—	28,872
Unitholder reporting costs	—	5,385
Other fund costs	1,090	—
Harmonized Sales Tax/Goods and Services Tax	101,172	29,752
Transaction costs	179,284	250,513
Total expenses	<u>4,399,445</u>	<u>2,675,176</u>
Expenses absorbed by the Manager	—	(3)
Net expenses	<u>4,399,445</u>	<u>2,675,173</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>131,235,644</u>	<u>88,283,436</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES</b>		
Series I	<u>131,235,644</u>	<u>88,283,436</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT†</b>		
Series I	<u>2.24</u>	<u>1.97</u>
<b>WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES</b>		
Series I	<u>58,622,928</u>	<u>44,575,364</u>

† The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2015	2014**
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD</b>		
Series I	604,444,720	—
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS</b>		
Series I	<u>131,235,644</u>	<u>88,283,436</u>
<b>REDEEMABLE UNIT TRANSACTIONS</b>		
Proceeds from issue		
Series I	224,121,695	526,779,833
Payments on redemption		
Series I	(73,731,271)	(10,618,549)
	<u>150,390,424</u>	<u>516,161,284</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		
Series I	<u>281,626,068</u>	<u>604,444,720</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD</b>		
Series I	<u>886,070,788</u>	<u>604,444,720</u>

## STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2015	2014**
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	131,235,644	88,283,436
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(13,360,692)	(8,313,857)
Unrealized (gain) loss on foreign exchange of cash	222,180	42,080
Change in unrealized (gain) loss on non-derivative financial assets	(95,690,750)	(68,736,872)
Purchases of non-derivative financial assets	(375,703,475)	(635,080,620)
Proceeds from sale of non-derivative financial assets	203,762,312	109,796,638
Transaction costs	179,284	250,513
Accrued investment income and other	(607,423)	(1,036,782)
Net cash provided by (used in) operating activities	<u>(149,962,920)</u>	<u>(514,795,464)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of redeemable units	224,192,295	526,650,833
Amounts paid on redemption of redeemable units	(73,564,271)	(10,618,549)
Net cash provided by (used in) financing activities	<u>150,628,024</u>	<u>516,032,284</u>
Unrealized gain (loss) on foreign exchange of cash	(222,180)	(42,080)
Net increase (decrease) in cash	665,104	1,236,820
Cash (bank overdraft), beginning of period	1,194,740	—
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<u>1,637,664</u>	<u>1,194,740</u>
Interest paid <sup>(1)</sup>	2,090	—
Interest received <sup>(1)</sup>	16,069	26,871
Dividends received, net of withholding taxes <sup>(1)</sup>	22,413,486	11,101,661

<sup>(1)</sup> Classified as operating items.

\*\* Fund's inception date was January 27, 2014.

The accompanying notes are an integral part of the financial statements.



# Scotia Global Low Volatility Equity LP (Continued)

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2015

Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 99.6%				EQUITIES (cont'd)			
Australia – 4.7%				Israel (cont'd)			
1,358,529	Alumina Ltd.	2,257,246	1,565,318	4,134	Delek Group Ltd.	1,574,181	1,144,659
1,195,185	AusNet Services	1,661,761	1,775,931	269,861	Israel Chemicals Limited	2,598,140	1,513,093
49,916	Australian Stock Exchange Ltd.	1,813,784	2,118,098	389,888	Mizrahi Tefahot Bank Ltd.	5,413,648	6,437,632
97,645	BHP Billiton Limited	3,405,772	1,754,371	20,751	NICE Systems Limited	1,248,966	1,646,368
11,787	Caltex Australia Limited	314,598	443,881			22,904,243	25,474,665
730,756	Coca-Cola Amatil Ltd.	6,449,885	6,811,874	Japan – 8.0%			
38,341	Cochlear Limited	2,869,351	3,672,448	67,400	Alfresa Holdings Corp.	1,182,495	1,843,998
150,521	Computershare Ltd.	1,701,198	1,754,778	32,000	Hisamitsu Pharmaceutical Co., Inc.	1,545,522	1,856,331
66,566	GPT Group	268,029	318,230	128,300	Idemitsu Kosan Co., Ltd.	3,077,661	2,823,153
103,331	Harvey Norman Holdings Limited	350,532	431,895	210,500	JFE Holdings, Inc.	4,847,170	4,575,758
440,921	Healthscope Ltd.	1,151,749	1,175,772	304,400	JX Holdings Inc.	1,620,194	1,760,555
350,952	Iluka Resources Limited	2,818,467	2,147,856	2,899,000	Kobe Steel Ltd.	5,203,597	4,355,938
46,277	Ramsay Health Care Limited	2,998,363	3,147,517	13,100	Lawson Inc.	1,067,412	1,469,255
78,186	SEEK Ltd.	1,049,274	1,202,386	221,800	Maruchi Steel Tube Ltd.	6,625,968	9,052,710
210,902	Sonic Healthcare Limited	3,949,346	3,779,625	305,900	McDonald's Holdings Company Japan Ltd.	8,588,460	9,203,799
370,016	Stockland	1,479,554	1,519,307	94,900	Miraca Holdings Inc.	4,911,792	5,788,054
890,706	Telstra Corporation Limited	4,788,110	4,998,598	399,000	Mitsubishi Materials Corporation	1,456,667	1,735,541
983,994	Vicinity Centres	2,462,743	2,758,026	197,200	Nippon Steel Corporation	5,877,476	5,400,254
		41,789,762	41,375,911	77,800	Sanrio Co., Ltd.	2,811,246	2,519,090
Austria – 0.2%				92,600	Sega Sammy Holdings Inc.	1,760,575	1,195,954
51,383	Voestalpine AG	2,508,967	2,176,438	124,700	Showa Shell Sekiyu	1,479,149	1,401,837
Belgium – 1.0%				65,000	Sumitomo Metal Mining Co., Ltd.	1,255,492	1,086,534
44,203	Colruyt SA	2,697,814	3,142,186	88,000	Suntory Beverage & Food Ltd.	3,238,083	5,336,112
12,245	Telenet Group Holding NV	890,072	913,334	69,190	Suzuken Co. Ltd.	2,488,277	3,647,393
35,608	UCB SA	4,209,000	4,435,951	20,000	Taisho Pharmaceutical Holdings Co. Ltd.	1,869,053	1,953,159
		7,796,886	8,491,471	99,000	Takashimaya Co., Ltd.	1,261,492	1,232,037
Denmark – 1.2%				159,000	Tonen General Sekiyu K.K.	1,571,239	1,847,909
14,872	Coloplast AS	1,618,340	1,661,193	297	United Urban Investment Corporation	482,885	557,129
34,909	ISS A/S	1,623,002	1,742,394			64,221,905	70,642,500
45,079	Tryg A/S	1,167,585	1,238,927	New Zealand – 3.3%			
42,698	William Demant Holding AS	4,746,633	5,611,456	1,022,187	Auckland International Airport Limited	3,754,217	5,547,705
		9,155,560	10,253,970	592,953	Contact Energy Ltd.	2,995,542	2,650,116
France – 0.9%				502,698	Fletcher Building Limited	3,753,168	3,473,102
3,684	Atos Origin SA	398,408	428,235	912,287	Ryman Healthcare Limited	6,757,331	7,320,207
184,165	Bollore SA	1,285,188	1,187,765	3,327,325	Spark New Zealand Ltd.	7,838,654	10,361,809
48,402	Eutelsat Communications	1,771,258	2,000,521			25,098,912	29,352,939
69,185	Technip SA	5,050,564	4,729,816	Norway – 1.3%			
		8,505,418	8,346,337	1,512,766	Norsk Hydro ASA	8,107,158	7,787,312
Germany – 0.5%				365,295	Orkla ASA	3,502,916	3,990,148
20,189	Fraport AG Frankfurt Airport Services Worldwide	1,658,590	1,782,853			11,610,074	11,777,460
16,203	Fresenius Medical Care AG & Co. KGaA	1,374,839	1,889,359	Singapore – 3.3%			
40,279	ThyssenKrupp AG	1,350,701	1,105,518	1,134,000	Ascendas Real Estate Investment Trust	2,347,994	2,512,197
		4,384,130	4,777,730	42,525	Ascendas Real Estate Investment Trust, Rights, Jan. 21, 2016	–	2,927
Hong Kong – 4.0%				687,000	CapitaCommercial Trust	910,857	902,159
230,678	Bank of East Asia Ltd., The	1,201,999	1,181,106	2,520,000	CapitalMall Trust	4,344,581	4,723,841
533,000	Cheung Kong Infrastructure Holdings Limited	3,931,544	6,794,834	739,000	Genting Singapore PLC	859,333	550,963
751,000	CLP Holdings Limited	6,993,599	8,807,516	81,000	SembCorp Marine Limited	215,654	137,510
2,117,000	HKT Trust and HKT Ltd	3,248,297	3,734,052	92,000	Singapore Exchange Limited	579,297	688,428
1,431,730	Hong Kong and China Gas Company Limited	2,845,503	3,873,724	2,271,000	Singapore Press Holdings Ltd.	8,246,444	8,709,007
144,000	Hongkong Electric Holdings Limited	1,335,071	1,828,401	470,000	Singapore Telecommunications Limited	1,508,329	1,673,152
780,000	Li & Fung Limited	951,493	727,940	1,843,000	Starhub Ltd.	6,783,934	6,630,901
226,500	Link Real Estate Investment Trust, The	1,246,909	1,868,762	1,828,000	Suntec Real Estate Investment Trust	2,851,113	2,748,117
3,661,689	PCCW Limited	2,084,484	2,966,577			28,647,536	29,279,202
1,586,000	Shangri-La Asia Limited	2,341,369	2,144,106	Switzerland – 6.2%			
2,061,000	WH Group Limited	1,417,969	1,579,826	38,743	Aryzta AG	3,335,329	2,710,724
		27,598,237	35,506,844	13,460	Baloise Holding AG	2,191,648	2,360,370
Israel – 2.9%				4,514	Dufry AG	725,191	740,371
614,937	Bank Hapoalim BM	3,617,923	4,391,773	990	Givaudan SA	1,730,583	2,463,345
1,381,871	Bank Leumi le-Israel Ltd.	5,965,093	6,628,368	31,098	Kuehne + Nagel International A	5,131,493	5,896,474
1,220,017	Bezeq Israeli Telecommunication Corporation Ltd.	2,486,292	3,712,772	770	Lindt & Spruengli AG	4,488,561	7,387,447
				55,179	Nestle SA	4,701,762	5,655,962

For equities, all common shares unless otherwise noted.  
The accompanying notes are an integral part of the financial statements.

# Scotia Global Low Volatility Equity LP (Continued)

## SCHEDULE OF INVESTMENT PORTFOLIO

Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)				EQUITIES (cont'd)			
Switzerland (cont'd)				United States (cont'd)			
5,249	Pargesa Holding SA	441,503	457,286	48,400	Expeditors International of Washington, Inc.	2,997,011	3,018,850
499	Sika AG	2,243,108	2,473,703	40,000	Express Scripts, Inc.	3,314,809	4,834,387
36,772	Sonova Holdings AG	6,133,802	6,455,250	36,300	Federal Realty Investment Trust	4,515,562	7,337,111
10,803	Swiss Life Holding AG	3,667,124	4,009,313	137,000	FMC Technologies, Inc.	7,026,905	5,496,522
53,356	Swiss Prime Site AG	4,669,712	5,761,557	52,300	Gartner Inc., Class A	6,363,736	6,558,566
12,533	Swisscom AG	8,038,601	8,619,104	48,300	Helemerich & Payne, Inc.	4,354,341	3,577,060
		<u>47,498,417</u>	<u>54,990,906</u>	41,100	Henry Schein Inc.	5,597,097	8,989,115
United Kingdom – 4.6%				90,900	Hormel Foods Corporation	4,877,817	9,939,575
132,531	Antofagasta PLC	2,002,578	1,256,313	46,500	J.M. Smucker Company, The	5,842,126	7,929,637
60,566	British American Tobacco PLC	3,356,140	4,653,245	50,400	Kellogg Company	3,373,334	5,037,421
130,948	Coca-Cola HBC AG	3,709,005	3,862,220	56,800	Kimberly-Clark Corporation	7,063,239	9,998,346
57,779	Compass Group PLC	1,119,860	1,383,377	143,700	Kimco Realty Corporation	3,236,614	5,258,553
97,672	Imperial Tobacco Group PLC	4,196,296	7,106,368	25,100	Laboratory Corporation of America Holdings	2,655,113	4,290,886
247,414	INTU Properties PLC	1,420,534	1,599,445	4,900	Level 3 Communications, Inc.	330,613	368,278
10,769	Land Securities Group PLC	198,739	258,273	37,200	Liberty Property Trust	1,658,336	1,597,439
302,395	National Grid PLC	4,962,243	5,753,592	52,000	M&T Bank Corporation	8,237,738	8,719,764
119,152	Petrofac Limited	2,056,830	1,931,212	70,500	McCormick & Company, Inc.	5,458,240	8,342,180
196,506	Reed Elsevier PLC	3,261,141	4,765,921	39,000	Motorola Solutions, Inc.	2,805,617	3,692,775
391,076	Royal Mail PLC	3,633,674	3,520,328	27,900	National-Oilwell Varco Inc.	1,618,937	1,292,228
50,254	Sports Direct International	721,056	589,427	369,300	New York Community Bancorp, Inc.	6,885,549	8,335,259
134,341	Tate & Lyle PLC	1,808,178	1,637,749	69,300	Newmont Mining Corporation	2,210,204	1,724,186
284,669	William Hill PLC	2,057,202	2,297,991	80,900	News Corporation, Class A	1,741,592	1,494,771
		<u>34,503,476</u>	<u>40,615,461</u>	52,600	Nordstrom, Inc.	3,447,142	3,623,447
United States – 57.5%				111,399	Nucor Corporation	6,348,258	6,208,776
3,800	Advance Auto Parts, Inc.	515,518	790,986	22,400	O'Reilly Automotive, Inc.	3,338,453	7,850,703
75,700	Alliant Energy Corporation	4,451,686	6,538,046	107,500	Oceaneering International, Inc.	6,443,025	5,575,930
181,300	Ally Financial Inc.	4,953,315	4,673,727	128,600	OGX Energy Corp.	4,960,866	4,673,081
96,900	Altria Group, Inc.	4,114,010	7,800,834	132,400	Patterson Companies Inc.	6,416,830	8,278,319
182,600	American Capital Agency Corporation	4,500,221	4,378,945	117,900	Paychex, Inc.	8,529,701	8,620,705
63,600	American Electric Power Company, Inc.	3,385,247	5,125,330	355,700	People's United Financial Inc.	5,895,303	7,944,673
71,100	American Water Works Co., Inc.	3,340,004	5,875,261	209,100	Pepco Holdings, Inc.	5,080,785	7,521,666
64,800	AmerisourceBergen Corporation	5,549,855	9,292,030	77,400	Philip Morris International Inc.	7,302,611	9,408,595
644,700	Annaly Capital Management Inc.	7,806,172	8,363,348	57,200	Pinnacle West Capital Corporation	3,337,013	5,100,828
100,100	Arthur J. Gallagher & Co.	5,871,566	5,667,631	127,500	Plum Creek Timber Company, Inc.	6,170,417	8,411,893
8,800	AutoZone, Inc.	5,058,330	9,029,289	58,500	Procter & Gamble Company, The	5,332,434	6,423,455
29,700	AvalonBay Communities, Inc.	4,593,325	7,560,444	9,800	Public Storage Real Estate Investment Trust	1,828,955	3,357,835
31,800	Axis Capital Holdings Ltd.	2,383,395	2,472,508	76,200	Regency Centers Corporation	4,171,351	7,180,338
6,800	Bed Bath & Beyond Inc.	559,224	453,760	20,300	RenaissanceRe Holdings Ltd.	3,019,458	3,178,201
37,700	Brown-Forman Corporation, Class B	3,343,461	5,176,340	12,200	Ross Stores, Inc.	495,683	907,909
20,000	Bunge Limited	1,724,126	1,889,305	82,100	SCANA Corporation	4,345,883	6,866,552
7,000	C. R. Bard, Inc.	1,021,370	1,833,232	45,900	Schlumberger Limited	5,041,710	4,426,096
38,300	Camden Property Trust	2,990,083	4,067,723	45,900	Sempra Energy	4,782,643	5,967,692
102,400	Cameron International Corporation	6,611,191	8,950,281	48,200	Southern Company	2,220,184	3,118,031
125,100	Campbell Soup Company	6,974,645	9,091,796	32,600	Stericycle, Inc.	4,269,958	5,437,316
78,000	Church & Dwight Co., Inc.	5,880,007	9,154,134	36,800	Stryker Corporation	3,171,116	4,729,335
60,500	Clorox Company, The	6,316,168	10,610,321	59,400	Synopsis Inc.	3,185,858	3,746,849
112,100	CMS Energy Corporation	3,372,416	5,591,280	54,800	Sysco Corporation	2,177,011	3,107,306
92,200	Colgate-Palmolive Company	6,724,905	8,494,840	54,300	Torchmark Corporation	3,703,049	4,292,514
56,300	Consolidated Edison, Inc.	3,341,511	5,003,052	145,300	UDR Inc	4,338,490	7,549,644
9,400	Cooper Companies, Inc., The	2,177,982	1,743,967	71,300	Vantiv, Inc.	5,020,028	4,675,959
19,800	Core Laboratories NV	2,973,659	2,973,957	19,600	Varian Medical Systems, Inc.	1,787,740	2,190,217
19,600	Costco Wholesale Corporation	2,579,002	4,377,723	83,000	VeriSign, Inc.	6,693,598	10,027,909
69,600	DaVita, Inc.	5,311,008	6,708,579	9,900	Vornado Realty Trust Real Estate Investment Trust	1,133,936	1,368,614
103,900	DENTSPLY International Inc.	5,355,964	8,743,711	29,000	Whole Foods Markets, Inc.	1,572,713	1,343,577
11,100	Dollar General Corp.	664,670	1,102,985	104,448	Wisconsin Energy Corporation	5,158,441	7,409,601
69,227	Dollar Tree, Inc.	4,317,490	7,393,073	6,700	WR Berkley Corporation	354,199	507,501
62,300	Dr. Pepper Snapple Group, Inc.	3,483,191	8,030,149	106,000	Xcel Energy, Inc.	3,352,400	5,264,304
45,500	DTE Energy Company	3,381,546	5,044,788			<u>382,238,876</u>	<u>509,835,685</u>
19,600	Edgewell Personal Care Co	2,877,701	2,124,348		TOTAL INVESTMENT PORTFOLIO	<u>718,462,399</u>	<u>882,897,519</u>
42,300	Enscio PLC	1,396,838	900,324		OTHER ASSETS, LESS LIABILITIES – 0.4%		<u>3,173,269</u>
16,200	Entergy Corporation	1,229,514	1,531,233		NET ASSETS – 100.0%		<u>886,070,788</u>
20,100	Equity Residential Real Estate Investment Trust	1,208,108	2,267,633				
69,100	Eversource Energy	3,308,680	4,880,492				

For equities, all common shares unless otherwise noted.  
The accompanying notes are an integral part of the financial statements.

# Scotia Global Low Volatility Equity LP

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

### 1. The Fund (note 1)

The Fund's investment objective is to achieve long-term capital growth. It invests primarily in equity securities located around the world.

### 2. Risks associated with financial instruments (note 4)

#### i) Interest rate risk

The majority of the Fund's financial assets and liabilities were non-interest bearing as at December 31, 2015 and December 31, 2014. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

#### ii) Currency risk

The tables below indicate the currencies to which the Fund had significant exposure, net of the impact of currency forward contracts and currency spot contracts, if any, based on the monetary and non-monetary assets and liabilities of the Fund. The tables also illustrate the potential impact on the Fund if the functional currency of the Fund had strengthened or weakened by 10% in relation to each of the other currencies, with all other variables held constant.

Currency	December 31, 2015			
	Net currency exposure (\$)	Percentage of net assets (%)	Impact on the Fund (\$)	Percentage of net assets (%)
US Dollar	510,001,998	57.6	51,000,200	5.7
Japanese Yen	70,846,556	8.0	7,084,656	0.8
Swiss Franc	55,005,050	6.2	5,500,505	0.6
Australian Dollar	41,392,561	4.7	4,139,256	0.5
British Pound	40,748,328	4.6	4,074,833	0.5
Hong Kong Dollar	35,630,346	4.0	3,563,035	0.4
European Euro	23,799,779	2.7	2,379,978	0.3
Israel Shekel	25,537,298	2.9	2,553,730	0.3
New Zealand Dollar	29,423,810	3.3	2,942,381	0.3
Singapore Dollar	29,618,493	3.3	2,961,849	0.3
Danish Krone	10,279,835	1.2	1,027,984	0.1
Norwegian Krone	11,788,025	1.3	1,178,803	0.1
Total	884,072,079	99.8	88,407,210	9.9

Currency	December 31, 2014			
	Net currency exposure (\$)	Percentage of net assets (%)	Impact on the Fund (\$)	Percentage of net assets (%)
US Dollar	349,579,331	57.8	34,957,933	5.8
Japanese Yen	44,880,562	7.4	4,488,056	0.7
Australian Dollar	35,206,103	5.8	3,520,610	0.6
British Pound	34,025,498	5.6	3,402,550	0.6
Swiss Franc	28,823,394	4.8	2,882,339	0.5
Hong Kong Dollar	25,708,727	4.3	2,570,873	0.4
Singapore Dollar	21,697,250	3.6	2,169,725	0.4
New Zealand Dollar	18,836,451	3.1	1,883,645	0.3
Israel Shekel	16,683,238	2.8	1,668,324	0.3
European Euro	14,985,802	2.5	1,498,580	0.2
Norwegian Krone	9,992,200	1.7	999,220	0.2
Danish Krone	2,619,273	0.4	261,927	0.0
Total	603,037,829	99.8	60,303,782	10.0

#### iii) Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, derivatives and commodities, if applicable. As at December 31, 2015, approximately 99.6% (December 31, 2014 – 99.6%) of the Fund's net assets were exposed to price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$88,289,752 (December 31, 2014 – \$60,208,420). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### iv) Credit risk

The Fund had no significant exposure to bonds and debentures, preferred shares or derivatives as at December 31, 2015 or December 31, 2014. In addition, all investment transactions are executed by brokers with an approved credit rating. As such the risk of default on transactions with counterparties and brokers related to purchase and sale of securities is considered minimal. In instances where the credit rating were to fall below the approved rating, the Manager would take appropriate action.

#### v) Liquidity risk

The table below summarizes the Fund's financial liabilities based on the remaining period to the contractual maturity date.

	December 31, 2015		December 31, 2014	
	On demand (\$)	Less than 3 months (\$)	On demand (\$)	Less than 3 months (\$)
Current liabilities	–	167,000	–	–
Liability for written options	–	–	–	–
Unrealized loss on derivatives	–	–	–	–
Redeemable units	886,070,788	–	604,444,720	–
	886,070,788	167,000	604,444,720	–

Redeemable units are redeemable on demand at the holder's option. However, the Manager does not expect that the contractual maturity disclosed in the table above will be representative of the actual cash outflows, as holders of these instruments typically retain them for a longer term.

The accompanying notes are an integral part of the financial statements.

# Scotia Global Low Volatility Equity LP (Continued)

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

### vi) Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, geographical location, asset type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk:

	Percentage of net assets (%)	
	December 31, 2015	December 31, 2014
Australia	4.7	5.8
Austria	0.2	0.4
Belgium	1.0	0.4
Denmark	1.2	0.4
France	0.9	0.9
Germany	0.5	0.7
Hong Kong	4.0	4.2
Israel	2.9	2.8
Japan	8.0	7.4
Netherlands	–	0.1
New Zealand	3.3	3.1
Norway	1.3	1.6
Portugal	–	0.0
Singapore	3.3	3.6
Switzerland	6.2	4.8
United Kingdom	4.6	5.6
United States	57.5	57.8

### vii) Fair value classification (note 2)

The tables below illustrate the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2015	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	509,835,677	373,058,915	–	882,894,592
Warrants, rights and options	–	2,927	–	2,927
	509,835,677	373,061,842	–	882,897,519

December 31, 2014	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	349,367,786	252,716,412	–	602,084,198
	349,367,786	252,716,412	–	602,084,198

## Transfers between levels

During the periods ended December 31, 2015 and 2014, there were no significant transfers between Level 1 and Level 2.

## 3. Offsetting of financial assets and liabilities (note 2)

As at December 31, 2015 or December 31, 2014, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

## 4. Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2015 or December 31, 2014.

## 5. Comparison of net asset value per unit and net assets per unit (note 2)

The table below provides a comparison of the net asset value per unit and net assets per unit. The primary reason for the difference between the net asset value per unit and net assets per unit, if any, is described in note 2.

	December 31, 2015		December 31, 2014	
	Net asset value per unit (\$)	Net assets per unit (\$)	Net asset value per unit (\$)	Net assets per unit (\$)
Series I	14.19	14.19	11.92	11.92

# Scotia Total Return Bond LP

## STATEMENTS OF FINANCIAL POSITION

As at

(in dollars except per unit amounts)	December 31, 2015	December 31, 2014
<b>ASSETS</b>		
Current assets		
Investments		
Non-derivative financial assets	820,446,972	314,502,898
Unrealized gain on currency forward contracts	—	1,694,566
Cash	24,792,683	29,943,445
Margin deposited on futures	6,688,022	1,857,017
Receivable for securities sold	—	8,998,964
Subscriptions receivable	63,000	49,200
Accrued investment income and other	5,061,345	2,385,732
	<u>857,052,022</u>	<u>359,431,822</u>
<b>LIABILITIES</b>		
Current liabilities		
Redemptions payable	750,000	—
Unrealized loss on currency forward contracts	2,845,489	—
Unrealized loss on futures contracts	1,966,917	—
	<u>5,562,406</u>	<u>—</u>
Net assets attributable to holders of redeemable units	<u>851,489,616</u>	<u>359,431,822</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES</b>		
Series I	<u>851,489,616</u>	<u>359,431,822</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT</b>		
Series I	<u>11.37</u>	<u>10.77</u>

## STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except per unit amounts)	2015	2014**
<b>INCOME</b>		
Net gain (loss) on investments (note 2)		
Dividends	—	755,223
Interest for distribution purposes	19,502,603	9,185,996
Net realized gain (loss) on non-derivative financial assets	14,039,857	6,268,373
Net realized gain (loss) on currency forward contracts	778,591	881,426
Net realized gain (loss) on futures contracts	(1,205,492)	1,294,175
Change in unrealized gain (loss) on non-derivative financial assets	9,540,192	3,581,208
Change in unrealized gain (loss) on currency forward contracts	(4,540,055)	1,694,566
Change in unrealized gain (loss) on futures contracts	(1,966,920)	—
Net gain (loss) on investments	<u>36,148,776</u>	<u>23,660,967</u>
Securities lending	28,140	73,557
Net realized and unrealized gain (loss) on foreign exchange	<u>2,306,354</u>	<u>113,387</u>
Total income (loss)	<u>38,483,270</u>	<u>23,847,911</u>
<b>EXPENSES</b>		
Fixed administration fees (note 6)	198,588	37,345
Independent Review Committee fees	686	541
Interest expense and bank overdraft charges	6,549	9,333
Foreign withholding taxes/tax reclaims	272,692	184,493
Audit fees	—	5,998
Filing fees	—	316
Legal fees	—	791
Unitholder administration costs	—	19,487
Unitholder reporting costs	—	4,594
Other fund costs	1,070	—
Harmonized Sales Tax/Goods and Services Tax	25,970	7,009
Transaction costs	<u>130,808</u>	<u>54,688</u>
Total expenses	<u>636,363</u>	<u>324,595</u>
Expenses absorbed by the Manager	—	(1)
Net expenses	<u>636,363</u>	<u>324,594</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>37,846,907</u>	<u>23,523,317</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES</b>		
Series I	<u>37,846,907</u>	<u>23,523,317</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT†</b>		
Series I	<u>0.63</u>	<u>0.78</u>
<b>WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES</b>		
Series I	<u>59,625,735</u>	<u>30,087,471</u>

† The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2015	2014**
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD</b>		
Series I	<u>359,431,822</u>	<u>—</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS</b>		
Series I	<u>37,846,907</u>	<u>23,523,317</u>
<b>REDEEMABLE UNIT TRANSACTIONS</b>		
Proceeds from issue		
Series I	472,850,579	345,614,548
Payments on redemption		
Series I	(18,639,692)	(9,706,043)
	<u>454,210,887</u>	<u>335,908,505</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		
Series I	<u>492,057,794</u>	<u>359,431,822</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD</b>		
Series I	<u>851,489,616</u>	<u>359,431,822</u>

## STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2015	2014**
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	37,846,907	23,523,317
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(14,039,857)	(6,268,373)
Unrealized (gain) loss on foreign exchange of cash	(3,214,728)	(113,387)
Change in unrealized (gain) loss on non-derivative financial assets	(9,540,192)	(3,581,208)
Change in unrealized (gain) loss on currency forward contracts	4,540,055	(1,694,566)
Change in unrealized (gain) loss on futures contracts	1,966,920	—
Purchases of non-derivative financial assets	(2,458,342,013)	(1,175,955,364)
Proceeds from sale of non-derivative financial assets	1,984,976,949	862,278,489
Transaction costs	—	24,594
Margin deposited on futures	(4,831,005)	(1,857,017)
Accrued investment income and other	(2,675,613)	(2,385,732)
Net cash provided by (used in) operating activities	<u>(463,312,577)</u>	<u>(306,029,247)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of redeemable units	472,836,779	345,565,348
Amounts paid on redemption of redeemable units	(17,889,692)	(9,706,043)
Net cash provided by (used in) financing activities	<u>454,947,087</u>	<u>335,859,305</u>
Unrealized gain (loss) on foreign exchange of cash	3,214,728	113,387
Net increase (decrease) in cash	(8,365,490)	29,830,058
Cash (bank overdraft), beginning of period	<u>29,943,445</u>	<u>—</u>
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<u>24,792,683</u>	<u>29,943,445</u>
Interest paid <sup>(1)</sup>	6,549	—
Interest received <sup>(1)</sup>	16,826,993	6,800,264
Dividends received, net of withholding taxes <sup>(1)</sup>	(272,692)	570,730

<sup>(1)</sup> Classified as operating items.

\*\* Fund's inception date was January 27, 2014.

The accompanying notes are an integral part of the financial statements.

# Scotia Total Return Bond LP (Continued)

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2015

Face Value (\$)	Issuer	Average Cost (\$)	Carrying Value (\$)	Face Value (\$)	Issuer	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES – 96.4%				BONDS AND DEBENTURES (cont'd)			
Federal Bonds – 5.9%				Corporate Bonds (cont'd)			
	Government of Canada				Canadian Imperial Bank of Commerce (Floating Rate)		
9,800,000	1.50% due Dec. 1, 2044	13,527,646	13,182,964	5,550,000	0.97% due Apr. 8, 2016	5,551,398	5,550,758
	Mexican Bonos, Rights			14,485,000	1.02% due Aug. 11, 2016	14,496,688	14,483,769
254,017,400	6.50% due Jun. 10, 2021	20,960,157	21,151,504		Canadian Western Bank		
	New Zealand Local Government Funding Agency			1,700,000	1.29% due Sep. 26, 2016	1,694,645	1,690,487
17,000,000	4.50% due Apr. 15, 2027	14,842,225	16,031,842	5,180,000	3.08% due Jan. 14, 2019	5,324,347	5,283,613
		<u>49,330,028</u>	<u>50,366,310</u>		CARDS II Trust (Floating Rate)		
Provincial Bonds – 32.7%				4,580,000	1.15% due Dec. 15, 2016	4,584,672	4,580,000
	Province of Ontario				Caterpillar Financial Services Limited		
17,000,000	1.88% due May 21, 2020	22,157,690	23,276,267	5,660,000	2.63% due Jun. 1, 2017	5,794,097	5,759,503
3,200,000	4.25% due Aug. 22, 2024	3,220,736	3,382,344		Choice Properties LP		
100,000,000	2.60% due Jun. 2, 2025	100,161,920	102,227,292	6,185,000	3.60% due Apr. 20, 2020	6,561,608	6,518,844
	Province of Quebec				Choice Properties Real Estate Investment Trust		
35,000,000	4.25% due Dec. 1, 2021	40,347,233	40,046,484	1,600,000	3.00% due Apr. 20, 2016	1,622,748	1,601,771
105,600,000	2.75% due Sep. 1, 2025	106,990,640	109,095,628		Co-operators Financial Services Limited		
		<u>272,878,219</u>	<u>278,028,015</u>	4,475,000	5.78% due Mar. 10, 2020	4,987,784	5,008,777
Mortgage-Backed Securities – 2.3%					Cominar Real Estate Investment Trust		
	Canadian Credit Card Trust II			6,400,000	4.25% due Dec. 8, 2021	6,455,352	6,470,440
9,490,000	1.83% due Mar. 24, 2020	9,488,520	9,478,266	2,000,000	4.16% due Jun. 1, 2022	2,000,000	1,990,235
	Institutional Mortgage Securities Canada Inc., Series 2013-4				Commonwealth Bank of Australia		
52,900,000	1.12% due Nov. 12, 2023	2,962,400	2,272,320	4,450,000	2.50% due Sep. 20, 2018	5,947,644	6,257,030
	Institutional Mortgage Securities Canada Inc., Series 2013-3			2,700,000	5.13% due Aug. 1, 2019	2,562,100	2,630,714
37,200,000	1.32% due Feb. 12, 2023	2,120,400	1,551,054	4,925,000	Daimler Canada Finance Inc.		
	NHA Mortgage-Backed Securities				2.28% due Feb. 17, 2017	4,981,536	4,965,463
6,400,000	3.34% due Nov. 1, 2023	6,231,862	6,403,315	7,400,000	Dollarama Inc.		
		<u>20,803,182</u>	<u>19,704,955</u>		1.49% due May 16, 2017	7,387,050	7,361,957
Corporate Bonds – 55.5%				2,775,000	Eli Lilly and Company (callable)		
	Algonquin Power & Utilities Corporation				2.75% due Jun. 1, 2025-(Mar. 1, 2025)	3,421,350	3,841,142
6,470,000	4.82% due Feb. 15, 2021	6,925,020	6,930,607	6,800,000	EMC Corporation		
	Amazon.com, Inc. (callable)				2.65% due Jun. 1, 2020	8,532,994	8,387,124
5,270,000	3.30% due Dec. 5, 2021-(Oct. 5, 2021)	6,758,570	7,510,590	1,934,955	Enbridge Southern Lights LP		
	American Tower Corp.				4.01% due Jun. 30, 2040	1,952,041	1,921,043
2,800,000	3.50% due Jan. 31, 2023	2,927,704	3,796,401	4,615,000	EnerCare Solutions Inc.		
	APT Pipelines Ltd.				4.60% due Feb. 3, 2020	4,866,473	4,904,218
2,870,000	4.25% due Jul. 24, 2019	3,003,037	3,005,212	2,700,000	Federal Republic of Germany		
	APT Pipelines Ltd. (callable)				3.75% due Jun. 14, 2018	2,488,699	2,586,070
11,119,000	4.20% due Mar. 23, 2025-(Dec. 23, 2024)	14,215,589	14,468,660	2,425,000	Fibria Overseas Finance Ltd.		
	Australian Government				5.25% due May 12, 2024	3,219,365	3,194,452
2,725,000	5.15% due Apr. 9, 2020	3,056,380	3,070,908	6,510,000	First Capital Realty Inc.		
	Banco Santander Chile				4.50% due Mar. 1, 2021	7,170,068	7,078,592
2,600,000	4.50% due Mar. 13, 2017	2,589,541	2,650,758		Ford Credit Canada Limited (Floating Rate)		
	Bank of America Corporation			5,100,000	1.76% due Dec. 22, 2017	5,100,000	5,072,034
3,200,000	4.00% due Apr. 1, 2024	3,845,822	4,539,843	2,415,000	Ford Floorplan Auto Securitization Trust		
	Bank of America Corporation (callable)				2.06% due Jun. 15, 2016	2,428,089	2,424,493
22,450,000	1.48% due Jun. 1, 2016-(Jan. 1, 2015)	22,413,087	22,402,631	6,565,000	George Weston Limited		
	Bank of Montreal				3.78% due Oct. 25, 2016	6,810,446	6,690,052
5,585,000	2.84% due Jun. 4, 2020	5,854,756	5,810,940	6,425,000	Gilead Sciences, Inc. (callable)		
	Bank of Nova Scotia, The				4.40% due Dec. 1, 2021-(Sep. 1, 2021)	8,776,756	9,628,348
6,030,000	2.13% due Jun. 15, 2020	6,129,815	6,072,868	1,770,000	Goldman Sachs Group, Inc., The		
	Bank of Nova Scotia, The (callable)				3.55% due Feb. 12, 2021	1,768,035	1,870,531
2,550,000	2.90% due Aug. 3, 2022-(2017)	2,612,235	2,599,218		Heathrow Funding Ltd.		
	Bell Aliant Regional Communications, Limited Partnership			4,625,000	3.00% due Jun. 17, 2021	4,660,906	4,773,701
	(Floating Rate)				Honda Canada Finance Inc.		
3,100,000	1.33% due Apr. 22, 2016	3,103,906	3,100,031	2,300,000	2.35% due Jun. 4, 2018	2,336,975	2,341,967
	BlackRock, Inc.				Hospital Infrastructure Partners (NOH) Partnership		
6,715,000	4.25% due May 24, 2021	9,200,806	10,223,364	1,835,000	5.44% due Jan. 31, 2045	2,080,887	2,152,340
	Bow Centre Street Limited Partnership			8,000,000	HSBC Bank Canada		
2,995,000	3.80% due Jun. 13, 2023	2,933,240	3,119,700	11,085,000	1.05% due Apr. 29, 2016	8,001,440	7,992,320
	Brookfield Asset Management Inc.				1.82% due Jul. 7, 2020	11,034,238	10,895,642
4,285,000	5.04% due Mar. 8, 2024	4,663,961	4,683,241	5,200,000	Inter Pipeline Ltd.		
	Canadian Imperial Bank of Commerce				1.33% due May 30, 2017	5,191,836	5,156,278
7,555,000	1.85% due Jul. 14, 2020	7,541,023	7,545,903	7,000,000	International Bank for Reconstruction & Development		
					3.75% due Feb. 10, 2020	6,417,505	6,682,810
				5,295,000	International Business Machines Corporation		
					2.20% due Feb. 10, 2017	5,360,864	5,344,807

The accompanying notes are an integral part of the financial statements.



# Scotia Total Return Bond LP (Continued)

## SCHEDULE OF INVESTMENT PORTFOLIO

Face Value (\$)	Issuer	Average Cost (\$)	Carrying Value (\$)	Face Value (\$)	Issuer	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES (cont'd)				BONDS AND DEBENTURES (cont'd)			
Corporate Bonds (cont'd)				Corporate Bonds (cont'd)			
5,800,000	John Deere Financial Ltd. 3.50% due Dec. 18, 2019	5,494,086	5,888,152	3,335,000	Sensata Technologies UK Financing Co. plc (callable) 6.25% due Feb. 15, 2026-(2021)	4,476,788	4,819,831
6,340,000	Loblaw Companies Limited 3.75% due Mar. 12, 2019	6,808,267	6,708,205	3,100,000	Shaw Communications, Inc. (Floating Rate) 1.52% due Feb. 1, 2016	3,112,493	3,099,668
7,650,000	Manulife Bank of Canada 1.39% due Mar. 14, 2016	7,675,163	7,654,208	5,220,000	Sobeys Inc. 4.70% due Aug. 8, 2023	5,677,690	5,693,026
5,870,000	Manulife Bank of Canada (callable) 2.81% due Feb. 21, 2024-(2019)	5,974,755	6,006,729	9,300,000	Sobeys Inc. (Floating Rate) 1.43% due Jul. 14, 2016	9,299,800	9,290,802
4,000,000	Merck & Co., Inc. (callable) 3.88% due Jan. 15, 2021-(Oct. 15, 2020)	5,280,170	5,937,267	8,460,000	TELUS Corporation 5.05% due Dec. 4, 2019	9,557,451	9,378,594
6,150,000	METRO Inc. (callable) 3.20% due Dec. 1, 2021-(Nov. 1, 2021)	6,250,290	6,364,554	4,375,000	Toronto-Dominion Bank, The 2.56% due Jun. 24, 2020	4,512,104	4,504,447
6,790,000	Molson Coors International LP 3.95% due Oct. 6, 2017	7,136,345	7,002,356	8,435,000	Toyota Credit Canada Inc. 2.75% due Jul. 18, 2018	8,675,165	8,683,621
7,380,000	National Bank of Canada 2.11% due Mar. 18, 2022	7,315,631	7,276,616	1,990,000	Univar USA Inc. (callable) 6.75% due Jul. 15, 2018-(2023)	2,434,782	2,525,101
4,515,000	NBC Asset Trust 7.24% due Jun. 30, 2018	5,282,190	5,047,594	4,840,000	Veresen Inc. 3.95% due Mar. 14, 2017	5,031,682	4,923,001
3,560,528	North Battleford Power 4.96% due Dec. 31, 2032	3,731,199	4,055,289	4,210,000	Vulcan Materials Co. (callable) 4.50% due Apr. 1, 2025-(Jan. 1, 2025)	5,296,850	5,848,597
1,595,000	Owens Corning Inc. (callable) 4.20% due Dec. 15, 2022-(Sep. 15, 2022)	1,734,851	2,217,089	3,400,000	VW Credit Canada Inc. 1.23% due Apr. 3, 2017	3,395,988	3,314,242
3,290,000	Pembina Pipeline Corporation (callable) 3.54% due Feb. 3, 2025-(Nov. 3, 2024)	3,277,922	3,191,582	3,200,000	Wells Fargo & Company 4.00% due Aug. 8, 2019	3,246,518	3,277,600
3,340,000	Quebecor Media 6.63% due Jan. 15, 2023	3,416,046	3,426,283	8,850,000	WestJet Airlines Ltd. 3.29% due Jul. 23, 2019	8,966,164	8,936,898
1,160,000	QVC Inc. 4.38% due Mar. 15, 2023	1,528,755	1,528,437	6,000,000	Westpac Banking Corporation 2.00% due Mar. 3, 2020	7,407,684	8,206,508
1,440,000	Reliance Steel & Aluminum Co. (callable) 4.50% due Apr. 15, 2023-(Jan. 15, 2023)	1,913,680	1,917,355			464,314,143	472,347,692
2,000,000	Rogers Communications Inc. 4.70% due Sep. 29, 2020	2,536,582	2,591,354		TOTAL INVESTMENT PORTFOLIO	807,325,572	820,446,972
4,590,000	Royal Bank of Canada 2.86% due Mar. 4, 2021	5,053,439	5,055,440		Currency Forward Contracts – (0.3%)		(2,845,489)
9,445,000	Royal Bank of Canada (callable) 3.04% due Jul. 17, 2024-(2019)	9,914,379	9,804,257		Futures Contracts – (0.2%)		(1,966,917)
425,000	Royal Bank of Canada (Floating Rate) 1.36% due Jun. 17, 2016	425,651	427,607		OTHER ASSETS, LESS LIABILITIES – 4.1%		35,855,050
3,120,000		3,128,455	3,123,182		NET ASSETS – 100.0%		851,489,616

Expiry Date	Number of Contracts	Futures Contracts	Counterparty	Credit Risk	Contractual Value Canadian (\$)	Fair Value Canadian (\$)	Appreciation/ (Depreciation) (\$)
<b>BOND FUTURES CONTRACTS</b>							
Mar. 2016	1,283	Canadian Dollar Future	RBC	AA	130,307,727	128,340,811	(1,966,917)

The above bond futures contracts are financial agreements to purchase/sell the bond at a contracted price on a specific future date.

However, the Fund does not intend to purchase/sell the bond on settlement. Rather, it intends to close out each bond futures contracts before settlement by entering into equal, but offsetting bond futures contracts.

### CURRENCY FORWARD CONTRACTS

Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Canadian Value as at December 31, 2015 (\$)	Canadian (\$) Appreciation/ (Depreciation)
Jan. 14, 2016	Canadian Dollar	27,208,720	New Zealand Dollar	30,800,000	29,078,824	(1,870,105)
Jan. 15, 2016	Canadian Dollar	14,328,067	Australian Dollar	15,200,000	15,303,451	(975,384)
						(2,845,489)

The currency forward contracts outstanding at December 31, 2015 are placed with a financial institution with a credit rating of AA by DBRS.

# Scotia Total Return Bond LP

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

### 1. The Fund (note 1)

The Fund's investment objective is to provide income and capital gains from an actively managed diversified portfolio of primarily Canadian fixed income securities. The Fund can invest up to 49% of its assets in foreign securities.

### 2. Risks associated with financial instruments (note 4)

#### i) Interest rate risk

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity (earlier of maturity date or interest reset date) of the Fund's portfolio, excluding cash, money market instruments, underlying funds, preferred shares and overdrafts, as applicable.

Interest rate exposure	December 31, 2015 (\$)	December 31, 2014 (\$)
Less than 1 year	93,684,171	26,129,394
1-3 years	79,065,898	67,242,072
3-5 years	166,962,286	48,811,878
5-10 years	438,571,308	137,699,762
> 10 years	42,163,309	34,619,792
	820,446,972	314,502,898

As at December 31, 2015, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, net assets attributable to holders of redeemable units would have decreased or increased, respectively, by \$10,794,997 or approximately 1.3% (December 31, 2014 – \$4,894,080 or approximately 1.4%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### ii) Currency risk

The tables below indicate the currencies to which the Fund had significant exposure, net of the impact of currency forward contracts and currency spot contracts, if any, based on the monetary and non-monetary assets and liabilities of the Fund. The tables also illustrate the potential impact on the Fund if the functional currency of the Fund had strengthened or weakened by 10% in relation

to each of the other currencies, with all other variables held constant.

Currency	December 31, 2015			
	Net currency exposure (\$)	Percentage of net assets (%)	Impact on the Fund (\$)	Percentage of net assets (%)
US Dollar	131,965,848	15.5	13,196,585	1.5
Mexican Peso	21,151,504	2.5	2,115,150	0.2
Australian Dollar	125,195	0.0	12,520	0.0
New Zealand Dollar	(1,147,387)	(0.1)	(114,739)	(0.0)
	152,095,160	17.9	15,209,516	1.7

Currency	December 31, 2014			
	Net currency exposure (\$)	Percentage of net assets (%)	Impact on the Fund (\$)	Percentage of net assets (%)
US Dollar	22,136,446	6.2	2,213,645	0.6
Australian Dollar	1,156,061	0.3	115,606	0.0
Chile Peso	1,073,290	0.3	107,329	0.0
	24,365,797	6.8	2,436,580	0.6

#### iii) Price risk

The Fund did not have significant price risk exposure to equities, derivatives or commodities, if applicable, as at December 31, 2015 or December 31, 2014.

#### iv) Credit risk

The table below summarizes the credit ratings of the bonds and debentures, excluding cash and money market instruments but including preferred shares and derivatives, as applicable, held by the Fund.

	December 31, 2015		December 31, 2014	
	Percentage of total bonds and debentures (%)	Percentage of net assets (%)	Percentage of total bonds and debentures (%)	Percentage of net assets (%)
<b>Credit ratings</b>				
AAA	7.0	6.7	13.3	11.6
AA	29.7	28.6	37.5	32.8
A	36.5	35.2	25.2	22.1
BBB	23.9	23.1	20.3	17.7
BB	2.2	2.1	2.5	2.2
B	0.4	0.4	0.5	0.5
CCC	0.3	0.3	–	–
NOT RATED	–	–	0.7	0.6
	100.0	96.4	100.0	87.5



# Scotia Total Return Bond LP (Continued)

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

### v) Liquidity risk

The table below summarizes the Fund's financial liabilities based on the remaining period to the contractual maturity date.

	December 31, 2015		December 31, 2014	
	On demand (\$)	Less than 3 months (\$)	On demand (\$)	Less than 3 months (\$)
Current liabilities	-	750,000	-	-
Liability for written options	-	-	-	-
Unrealized loss on derivatives	-	4,812,406	-	-
Redeemable units	851,489,616	-	359,431,822	-
	851,489,616	5,562,406	359,431,822	-

Redeemable units are redeemable on demand at the holder's option. However, the Manager does not expect that the contractual maturity disclosed in the table above will be representative of the actual cash outflows, as holders of these instruments typically retain them for a longer term.

### vi) Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, geographical location, asset type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk:

	Percentage of net assets (%)	
	December 31, 2015	December 31, 2014
Corporate Bonds	55.5	65.0
Federal Bonds	5.9	3.0
Mortgage-Backed Securities	2.3	1.3
Provincial Bonds	32.7	18.2

### vii) Fair value classification (note 2)

The tables below illustrate the classification of the Fund's financial instruments within the fair value hierarchy.

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
<b>December 31, 2015</b>				
Bonds and debentures	-	820,446,972	-	820,446,972
	-	820,446,972	-	820,446,972
Currency forward contracts – liabilities	-	(2,845,489)	-	(2,845,489)
Futures contracts – liabilities	(1,966,917)	-	-	(1,966,917)
	(1,966,917)	817,601,483	-	815,634,566

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
<b>December 31, 2014</b>				
Bonds and debentures	-	314,502,898	-	314,502,898
Currency forward contracts – assets	-	1,694,566	-	1,694,566
	-	316,197,464	-	316,197,464

## Transfers between levels

During the periods ended December 31, 2015 and 2014, there were no significant transfers between Level 1 and Level 2.

## 3. Offsetting of financial assets and liabilities (note 2)

The following tables present offsetting of financial assets and liabilities and collateral amounts that would occur if future events, such as bankruptcy or termination of contracts were to arise. No amounts were offset in the financial statements.

	December 31, 2015			
	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged (\$)	Net Amount (\$)
<b>Financial assets – by type</b>				
Currency forward contracts	-	-	-	-
Options contracts – OTC	-	-	-	-
Swap contracts	-	-	-	-
	-	-	-	-

	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged (\$)	Net Amount (\$)
<b>Financial liabilities – by type</b>				
Currency forward contracts	2,845,489	-	-	2,845,489
Options contracts – OTC	-	-	-	-
Swap contracts	-	-	-	-
	2,845,489	-	-	2,845,489

	December 31, 2014			
	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged (\$)	Net Amount (\$)
<b>Financial assets – by type</b>				
Currency forward contracts	1,694,566	-	-	1,694,566
Options contracts – OTC	-	-	-	-
Swap contracts	-	-	-	-
	1,694,566	-	-	1,694,566

	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged (\$)	Net Amount (\$)
<b>Financial liabilities – by type</b>				
Currency forward contracts	-	-	-	-
Options contracts – OTC	-	-	-	-
Swap contracts	-	-	-	-
	-	-	-	-

## 4. Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2015 or December 31, 2014.

## 5. Comparison of net asset value per unit and net assets per unit (note 2)

The table below provides a comparison of the net asset value per unit and net assets per unit. The primary reason for the difference between the net asset value per unit and net assets per unit, if any, is described in note 2.

	December 31, 2015		December 31, 2014	
	Net asset value per unit (\$)	Net assets per unit (\$)	Net asset value per unit (\$)	Net assets per unit (\$)
Series I	11.37	11.37	10.77	10.77

The accompanying notes are an integral part of the financial statements.

# Scotia U.S. Dividend Growers LP

## STATEMENTS OF FINANCIAL POSITION

As at

(in dollars except per unit amounts)	December 31, 2015	December 31, 2014
<b>ASSETS</b>		
Current assets		
Investments		
Non-derivative financial assets	490,227,164	130,536,035
Cash	197,908	6,791,902
Subscriptions receivable	65,100	79,113
Accrued investment income and other	235,049	168,964
	<u>490,725,221</u>	<u>137,576,014</u>
<b>LIABILITIES</b>		
Current liabilities		
Payable for securities purchased	—	368,538
	<u>—</u>	<u>368,538</u>
Net assets attributable to holders of redeemable units	<u>490,725,221</u>	<u>137,207,476</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES</b>		
Series I	<u>490,725,221</u>	<u>137,207,476</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT</b>		
Series I	<u>15.08</u>	<u>12.08</u>

## STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except per unit amounts)	2015	2014**
<b>INCOME</b>		
Net gain (loss) on investments (note 2)		
Dividends	4,707,516	926,447
Interest for distribution purposes	2,912	2,035
Net realized gain (loss) on non-derivative financial assets	15,650,101	1,878,069
Change in unrealized gain (loss) on non-derivative financial assets	58,512,760	20,278,174
Net gain (loss) on investments	<u>78,873,289</u>	<u>23,084,725</u>
Net realized and unrealized gain (loss) on foreign exchange	<u>1,352,650</u>	<u>(135,365)</u>
Total income (loss)	<u>80,225,939</u>	<u>22,949,360</u>
<b>EXPENSES</b>		
Fixed administration fees (note 6)	248,413	31,069
Independent Review Committee fees	832	92
Interest expense and bank overdraft charges	8,556	—
Foreign withholding taxes/tax reclaims	690,948	141,352
Audit fees	—	1,300
Legal fees	—	68
Unitholder administration costs	—	2,301
Unitholder reporting costs	—	2,008
Other fund costs	614	—
Harmonized Sales Tax/Goods and Services Tax	32,438	4,502
Transaction costs	91,142	31,580
Total expenses	<u>1,072,943</u>	<u>214,272</u>
Expenses absorbed by the Manager	<u>—</u>	<u>(1)</u>
Net expenses	<u>1,072,943</u>	<u>214,271</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>79,152,996</u>	<u>22,735,089</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES</b>		
Series I	<u>79,152,996</u>	<u>22,735,089</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT†</b>		
Series I	<u>3.08</u>	<u>2.31</u>
<b>WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES</b>		
Series I	<u>25,658,814</u>	<u>9,855,359</u>

† The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2015	2014**
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD</b>		
Series I	<u>137,207,476</u>	<u>—</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS</b>		
Series I	<u>79,152,996</u>	<u>22,735,089</u>
<b>REDEEMABLE UNIT TRANSACTIONS</b>		
Proceeds from issue		
Series I	367,569,448	119,273,966
Payments on redemption		
Series I	(93,204,699)	(4,801,579)
	<u>274,364,749</u>	<u>114,472,387</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		
Series I	<u>353,517,745</u>	<u>137,207,476</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD</b>		
Series I	<u>490,725,221</u>	<u>137,207,476</u>

## STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2015	2014**
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	79,152,996	22,735,089
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(15,650,101)	(1,878,069)
Unrealized (gain) loss on foreign exchange of cash	(2,252,768)	(107,729)
Change in unrealized (gain) loss on non-derivative financial assets	(58,512,760)	(20,278,174)
Purchases of non-derivative financial assets	(491,485,042)	(165,954,926)
Proceeds from sale of non-derivative financial assets	205,497,093	57,912,092
Transaction costs	91,142	31,580
Accrued investment income and other	(66,085)	(168,964)
Net cash provided by (used in) operating activities	<u>(283,225,525)</u>	<u>(107,709,101)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of redeemable units	367,583,462	119,194,853
Amounts paid on redemption of redeemable units	(93,204,699)	(4,801,579)
Net cash provided by (used in) financing activities	<u>274,378,763</u>	<u>114,393,274</u>
Unrealized gain (loss) on foreign exchange of cash	2,252,768	107,729
Net increase (decrease) in cash	<u>(8,846,762)</u>	<u>6,684,173</u>
Cash (bank overdraft), beginning of period	6,791,902	—
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<u>197,908</u>	<u>6,791,902</u>
Interest paid <sup>(1)</sup>	8,556	—
Interest received <sup>(1)</sup>	3,207	1,673
Dividends received, net of withholding taxes <sup>(1)</sup>	3,950,187	616,493

<sup>(1)</sup> Classified as operating items.

\*\* Fund's inception date was May 26, 2014.

The accompanying notes are an integral part of the financial statements.

# Scotia U.S. Dividend Growers LP (Continued)

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2015

Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 99.9%			
Industrials – 22.7%			
112,868	Boeing Company, The	18,604,927	22,562,830
170,046	Danaher Corporation	17,731,769	21,838,095
146,425	Equifax Inc.	15,585,095	22,549,900
85,671	Roper Industries, Inc.	22,250,329	22,477,278
368,040	Southwest Airlines Co.	15,836,601	21,917,383
		<u>90,008,721</u>	<u>111,345,486</u>
Consumer Discretionary – 26.7%			
121,976	Home Depot Inc., The	15,626,899	22,309,494
298,512	Ross Stores, Inc.	16,086,481	22,214,904
263,402	Starbucks Corporation	17,606,392	21,867,899
227,588	TJX Companies, Inc., The	17,153,497	22,319,091
180,211	Tractor Supply Company	19,424,532	21,309,196
144,961	Walt Disney Company, The	17,474,127	21,066,428
		<u>103,371,928</u>	<u>131,087,012</u>
Consumer Staples – 18.7%			
170,614	CVS Caremark Corporation	19,131,896	23,063,694
208,567	Hormel Foods Corporation	15,076,940	22,806,021
398,889	Kroger Co., The	22,268,510	23,075,950
309,694	Tyson Foods, Inc.	22,155,640	22,841,469
		<u>78,632,986</u>	<u>91,787,134</u>
Health Care – 14.1%			
162,469	AmerisourceBergen Corporation	22,505,878	23,297,327
102,835	Amgen Inc.	21,943,851	23,086,569
140,423	UnitedHealth Group Incorporated	18,053,042	22,846,145
		<u>62,502,771</u>	<u>69,230,041</u>
Financials – 8.8%			
171,078	Aon PLC	20,062,578	21,816,840
304,113	Lincoln National Corporation	20,359,978	21,138,644
		<u>40,422,556</u>	<u>42,955,484</u>
Information Technology – 8.9%			
300,760	Amphenol Corporation	19,564,782	21,724,999
163,983	MasterCard, Inc., Class A	16,894,548	22,097,008
		<u>36,459,330</u>	<u>43,822,007</u>
	TOTAL INVESTMENT PORTFOLIO	<u>411,398,292</u>	<u>490,227,164</u>
	OTHER ASSETS, LESS LIABILITIES – 0.1%		<u>498,057</u>
	NET ASSETS – 100.0%		<u>490,725,221</u>

For equities, all common shares unless otherwise noted.  
The accompanying notes are an integral part of the financial statements.

# Scotia U.S. Dividend Growers LP

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

### 1. The Fund (note 1)

The Fund's investment objective is to maximize total investment return by investing primarily in equity securities of U.S. companies listed on U.S. exchanges that have exhibited strong dividend growth and have the potential for long-term capital growth.

### 2. Risks associated with financial instruments (note 4)

#### i) Interest rate risk

The majority of the Fund's financial assets and liabilities were non-interest bearing as at December 31, 2015 and December 31, 2014. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

#### ii) Currency risk

The tables below indicate the currencies to which the Fund had significant exposure, net of the impact of currency forward contracts and currency spot contracts, if any, based on the monetary and non-monetary assets and liabilities of the Fund. The tables also illustrate the potential impact on the Fund if the functional currency of the Fund had strengthened or weakened by 10% in relation to each of the other currencies, with all other variables held constant.

Currency	December 31, 2015			
	Net currency exposure (\$)	Percentage of net assets (%)	Impact on the Fund (\$)	Percentage of net assets (%)
US Dollar	490,425,072	99.9	49,042,507	10.0
	490,425,072	99.9	49,042,507	10.0

Currency	December 31, 2014			
	Net currency exposure (\$)	Percentage of net assets (%)	Impact on the Fund (\$)	Percentage of net assets (%)
US Dollar	136,912,504	99.8	13,691,250	10.0
	136,912,504	99.8	13,691,250	10.0

#### iii) Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, derivatives and commodities, if applicable. As at December 31, 2015, approximately 99.9% (December 31, 2014 – 95.1%) of the

Fund's net assets were exposed to price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$49,022,716 (December 31, 2014 – \$13,053,604). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### iv) Credit risk

The Fund had no significant exposure to bonds and debentures, preferred shares or derivatives as at December 31, 2015 or December 31, 2014. In addition, all investment transactions are executed by brokers with an approved credit rating. As such the risk of default on transactions with counterparties and brokers related to purchase and sale of securities is considered minimal. In instances where the credit rating were to fall below the approved rating, the Manager would take appropriate action.

#### v) Liquidity risk

The table below summarizes the Fund's financial liabilities based on the remaining period to the contractual maturity date.

	December 31, 2015		December 31, 2014	
	On demand (\$)	Less than 3 months (\$)	On demand (\$)	Less than 3 months (\$)
Current liabilities	–	–	–	368,538
Liability for written options	–	–	–	–
Unrealized loss on derivatives	–	–	–	–
Redeemable units	490,725,221	–	137,207,476	–
	490,725,221	–	137,207,476	368,538

Redeemable units are redeemable on demand at the holder's option. However, the Manager does not expect that the contractual maturity disclosed in the table above will be representative of the actual cash outflows, as holders of these instruments typically retain them for a longer term.

#### vi) Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, geographical location,

# Scotia U.S. Dividend Growers LP (Continued)

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

asset type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk:

	Percentage of net assets (%)	
	December 31, 2015	December 31, 2014
Consumer Discretionary	26.7	32.0
Consumer Staples	18.7	4.7
Financials	8.8	13.4
Health Care	14.1	4.5
Industrials	22.7	31.7
Information Technology	8.9	8.8

vii) Fair value classification (note 2)

The tables below illustrate the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2015	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	490,227,164	–	–	490,227,164
	490,227,164	–	–	490,227,164

December 31, 2014	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	130,536,035	–	–	130,536,035
	130,536,035	–	–	130,536,035

## Transfers between levels

During the periods ended December 31, 2015 and 2014, there were no significant transfers between Level 1 and Level 2.

## 3. Offsetting of financial assets and liabilities (note 2)

As at December 31, 2015 or December 31, 2014, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

## 4. Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2015 or December 31, 2014.

## 5. Comparison of net asset value per unit and net assets per unit (note 2)

The table below provides a comparison of the net asset value per unit and net assets per unit. The primary reason for the difference between the net asset value per unit and net assets per unit, if any, is described in note 2.

	December 31, 2015		December 31, 2014	
	Net asset value per unit (\$)	Net assets per unit (\$)	Net asset value per unit (\$)	Net assets per unit (\$)
Series I	15.08	15.08	12.08	12.08

The accompanying notes are an integral part of the financial statements.

# Scotia U.S. Low Volatility Equity LP

## STATEMENTS OF FINANCIAL POSITION

As at

(in dollars except per unit amounts)	December 31, 2015	December 31, 2014
<b>ASSETS</b>		
Current assets		
Investments		
Non-derivative financial assets	865,848,707	917,526,728
Cash	6,357,705	235,915,795
Receivable for securities sold	—	134,958,612
Subscriptions receivable	36,800	104,750
Accrued investment income and other	1,654,632	90
	<u>873,897,844</u>	<u>1,288,505,975</u>
<b>LIABILITIES</b>		
Current liabilities		
Payable for securities purchased	177,753	377,946,440
Redemptions payable	1,120,000	—
	<u>1,297,753</u>	<u>377,946,440</u>
Net assets attributable to holders of redeemable units	<u>872,600,091</u>	<u>910,559,535</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES</b>		
Series I	<u>872,600,091</u>	<u>910,559,535</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT</b>		
Series I	<u>12.75</u>	<u>11.46</u>

## STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except per unit amounts)	2015	2014**
<b>INCOME</b>		
Net gain (loss) on investments (note 2)		
Dividends	11,769,856	10,562,211
Interest for distribution purposes	9,916	6,445
Net realized gain (loss) on non-derivative financial assets	93,662,770	52,710,737
Change in unrealized gain (loss) on non-derivative financial assets	(28,167,664)	38,799,418
Net gain (loss) on investments	<u>77,274,878</u>	<u>102,078,811</u>
Securities lending	12,356	12,762
Net realized and unrealized gain (loss) on foreign exchange	<u>15,158,289</u>	<u>9,857,647</u>
Total income (loss)	<u>92,445,523</u>	<u>111,949,220</u>
<b>EXPENSES</b>		
Fixed administration fees (note 6)	610,182	218,721
Independent Review Committee fees	1,153	1,240
Interest expense and bank overdraft charges	987	365
Foreign withholding taxes/tax reclaims	1,661,269	1,584,332
Audit fees	—	13,998
Filing fees	—	316
Legal fees	—	1,749
Unitholder administration costs	—	44,095
Unitholder reporting costs	—	6,598
Other fund costs	1,074	—
Harmonized Sales Tax/Goods and Services Tax	79,538	32,837
Transaction costs	<u>442,266</u>	<u>756,020</u>
Total expenses	<u>2,796,469</u>	<u>2,660,271</u>
Expenses absorbed by the Manager	—	(3)
Net expenses	<u>2,796,469</u>	<u>2,660,268</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>89,649,054</u>	<u>109,288,952</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES</b>		
Series I	<u>89,649,054</u>	<u>109,288,952</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT†</b>		
Series I	<u>1.23</u>	<u>1.59</u>
<b>WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES</b>		
Series I	<u>72,606,006</u>	<u>68,554,258</u>

† The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2015	2014**
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD</b>		
Series I	<u>910,559,535</u>	<u>—</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS</b>		
Series I	<u>89,649,054</u>	<u>109,288,952</u>
<b>REDEEMABLE UNIT TRANSACTIONS</b>		
Proceeds from issue		
Series I	88,265,809	805,453,386
Payments on redemption		
Series I	<u>(215,874,307)</u>	<u>(4,182,803)</u>
	<u>(127,608,498)</u>	<u>801,270,583</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		
Series I	<u>(37,959,444)</u>	<u>910,559,535</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD</b>		
Series I	<u>872,600,091</u>	<u>910,559,535</u>

## STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2015	2014**
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	89,649,054	109,288,952
Adjustments for:		
Non-cash income in kind	(50,634)	—
Net realized (gain) loss on non-derivative financial assets	(93,662,770)	(52,710,737)
Unrealized (gain) loss on foreign exchange of cash	(2,625,693)	(12,722,475)
Change in unrealized (gain) loss on non-derivative financial assets	28,167,664	(38,799,418)
Purchases of non-derivative financial assets	(2,331,458,121)	(2,729,621,617)
Proceeds from sale of non-derivative financial assets	2,205,429,541	2,145,836,852
Transaction costs	442,266	756,020
Accrued investment income and other	(1,654,542)	(90)
Net cash provided by (used in) operating activities	<u>(105,763,235)</u>	<u>(577,972,513)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of redeemable units	88,333,759	805,348,636
Amounts paid on redemption of redeemable units	<u>(214,754,307)</u>	<u>(4,182,803)</u>
Net cash provided by (used in) financing activities	<u>(126,420,548)</u>	<u>801,165,833</u>
Unrealized gain (loss) on foreign exchange of cash	2,625,693	12,722,475
Net increase (decrease) in cash	<u>(232,183,783)</u>	<u>223,193,320</u>
Cash (bank overdraft), beginning of period	<u>235,915,795</u>	<u>—</u>
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<u>6,357,705</u>	<u>235,915,795</u>
Interest paid <sup>(1)</sup>	987	—
Interest received <sup>(1)</sup>	7,290	6,355
Dividends received, net of withholding taxes <sup>(1)</sup>	<u>8,456,671</u>	<u>8,977,879</u>

<sup>(1)</sup> Classified as operating items.

\*\* Fund's inception date was January 27, 2014.

The accompanying notes are an integral part of the financial statements.

# Scotia U.S. Low Volatility Equity LP (Continued)

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2015

Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 99.2%				EQUITIES (cont'd)			
Energy – 2.6%				Financials – 16.5%			
82,300	Chevron Corporation	9,201,510	10,236,423	71,700	Affac, Inc.	6,085,784	5,936,245
116,100	Exxon Mobil Corporation	11,845,510	12,512,859	55,500	American Financial Group Inc.	5,143,089	5,532,576
		21,047,020	22,749,282	396,300	Annaly Capital Management Inc.	5,155,141	5,140,988
Materials – 5.2%				106,400	Aspen Insurance Holdings Ltd.	6,777,064	7,110,305
75,500	Avery Dennison Corporation	6,125,471	6,542,700	67,400	Capital One Financial Corporation	7,270,072	6,726,764
179,200	Bemis Company, Inc.	10,361,421	11,071,902	46,100	CNA Financial Corporation	2,365,749	2,240,065
63,100	Clearwater Paper Corporation	4,761,727	3,973,257	55,000	Everest Re Group Ltd.	13,246,454	13,935,788
83,400	International Paper Company	5,257,486	4,348,376	30,400	Hanover Insurance Group Inc., The	3,138,427	3,419,774
23,900	Kaiser Aluminum Corporation	2,537,078	2,765,256	350,200	Medical Properties Trust Inc.	5,716,382	5,574,567
52,700	Schweitzer-Mauduit International Inc.	2,415,738	3,057,835	561,400	MFA Financial Inc.	5,375,611	5,124,317
74,200	Silgan Holdings Inc.	5,206,776	5,512,639	210,100	Piedmont Office Realty Trust Inc., Class A	4,934,985	5,485,898
141,100	Sonoco Products Company	7,728,604	7,975,379	62,000	PNC Financial Services Group, Inc., The	8,080,159	8,172,404
		44,394,301	45,247,344	200,400	Progressive Corporation, The	8,110,620	8,813,421
Industrials – 6.4%				44,200	Reinsurance Group of America	5,613,188	5,231,966
46,300	Boeing Company, The	8,862,588	9,255,582	2,835	RMR Group Inc., The, Class A	50,634	56,498
32,200	Deere & Company	4,046,011	3,396,482	160,200	Select Income REIT	4,150,617	4,391,226
47,400	Kaman Corporation	2,612,393	2,673,940	347,000	Starwood Property Trust Inc.	9,801,917	9,866,707
35,300	Northrop Grumman Corporation	8,087,034	9,217,632	148,200	Travelers Companies, Inc., The	20,606,003	23,128,645
38,600	Raytheon Company	5,603,072	6,645,711	105,700	Validus Holdings, Ltd.	6,509,252	6,766,776
214,000	Republic Services, Inc.	12,086,296	13,019,293	91,600	Washington Federal Inc.	2,829,222	3,018,834
60,300	United Technologies Corporation	7,889,311	8,008,783	161,000	XL Group PLC	8,260,367	8,723,886
109,000	Werner Enterprises Inc.	4,146,086	3,525,952			139,220,737	144,397,650
		53,332,791	55,743,375	Information Technology – 11.5%			
Consumer Discretionary – 7.3%				166,900	Amdocs Ltd.	12,885,067	12,595,922
59,600	Bed Bath & Beyond Inc.	5,039,015	3,977,070	55,700	Apple Inc.	8,513,058	8,105,761
35,200	Brinker International, Inc.	2,766,758	2,334,269	279,400	Cisco Systems, Inc.	10,449,760	10,492,908
107,300	Comcast Corporation, Class A	8,557,261	8,373,932	123,700	Convergys Corporation	3,937,925	4,255,518
59,700	Dick's Sporting Goods, Inc.	4,095,933	2,917,421	321,100	EMC Corporation	11,213,860	11,403,942
43,200	Foot Locker, Inc.	4,127,142	3,888,819	253,600	Intel Corporation	9,760,143	12,082,537
70,200	Kohl's Corporation	5,662,983	4,624,208	59,700	International Business Machines Corporation	12,461,655	11,358,415
70,500	Macy's, Inc.	6,424,615	3,410,583	129,900	Oracle Corporation	6,817,883	6,562,638
2,600	NVR Inc.	5,050,352	5,907,865	71,500	QUALCOMM, Inc.	6,044,250	4,942,713
97,600	Scripps Networks Interactive	7,473,406	7,452,247	48,500	Science Applications International Corporation	3,360,362	3,070,699
149,100	Target Corporation	15,425,573	14,969,387	135,300	Symantec Corporation	4,091,450	3,929,495
96,200	Viacom Inc., Class B	6,662,653	5,476,084	68,900	Tyco Electronics Ltd.	5,670,850	6,156,567
		71,285,691	63,331,885	212,200	Western Union Company	5,714,045	5,256,064
Consumer Staples – 12.1%						100,920,308	100,213,179
166,600	Altria Group, Inc.	12,122,288	13,411,960	Telecommunication Services – 7.3%			
127,100	Archer-Daniels-Midland Company	8,049,912	6,444,911	370,500	AT&T Inc.	16,913,674	17,631,633
33,300	British American Tobacco PLC	5,223,423	5,086,624	270,600	Nippon Telegraph & Telephone Corporation – ADR	13,996,130	14,872,203
84,600	Bunge Limited	8,803,201	7,991,762	222,600	NTT DoCoMo Inc. ADR	5,096,177	6,311,007
43,300	CVS Caremark Corporation	6,339,616	5,853,318	161,700	SK Telecom Co., Ltd. – ADR	4,964,515	4,506,140
106,300	Dr. Pepper Snapple Group, Inc.	11,638,535	13,701,523	322,400	Verizon Communications Inc.	19,912,549	20,608,417
165,600	Kroger Co., The	8,619,842	9,580,052			60,883,045	63,929,400
67,000	Philip Morris International Inc.	7,502,302	8,144,391	Utilities – 13.2%			
151,700	Tyson Foods, Inc.	8,285,975	11,188,628	125,800	AGL Resources Inc.	7,927,325	11,097,339
54,300	Universal Corporation VA	4,183,323	4,209,532	178,000	Ameren Corporation	9,707,130	10,642,040
230,600	Wal-Mart Stores, Inc.	21,701,157	19,549,670	178,100	American Electric Power Company, Inc.	13,306,919	14,352,534
		102,469,574	105,162,371	125,300	Consolidated Edison, Inc.	10,474,587	11,134,678
Health Care – 17.1%				115,800	Duke Energy Corporation	11,302,684	11,430,740
152,200	AbbVie Inc.	14,128,087	12,466,352	100,500	Edison International	7,942,328	8,227,554
25,800	Amgen Inc.	6,007,678	5,792,128	123,800	Entergy Corporation	11,046,955	11,701,649
96,200	Baxalta Inc.	4,757,235	5,192,701	238,100	Exelon Corporation	10,013,297	9,144,394
73,700	Cardinal Health, Inc.	8,369,746	9,097,450	199,300	FirstEnergy Corp.	8,855,217	8,745,749
54,600	Express Scripts, Inc.	5,954,865	6,598,938	236,900	Public Service Enterprise Group Incorporated	12,855,299	12,671,121
154,800	GlaxoSmithKline PLC – ADR	9,002,174	8,638,417	75,300	SCANA Corporation	5,416,821	6,297,824
224,200	Johnson & Johnson	29,735,736	31,842,307			108,848,562	115,445,622
326,900	Merck & Co., Inc.	25,457,719	23,879,923	TOTAL INVESTMENT PORTFOLIO			
531,400	Pfizer Inc.	25,200,302	23,723,277			855,226,436	865,848,707
84,800	Quest Diagnostics Incorporated	8,323,200	8,339,619	OTHER ASSETS, LESS LIABILITIES – 0.8%			
141,300	Sanofi – ADR	10,159,873	8,330,617				6,751,384
35,200	UnitedHealth Group Incorporated	5,727,792	5,726,870	NET ASSETS – 100.0%			
		152,824,407	149,628,599				872,600,091

For equities, all common shares unless otherwise noted.

The accompanying notes are an integral part of the financial statements.



# Scotia U.S. Low Volatility Equity LP

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

### 1. The Fund (note 1)

The Fund's investment objective is to generate long-term capital growth. It may invest directly in, or provide exposure to, investments including, but not limited to, exchange-traded funds reflecting the primary sectors of the S&P 500, as well as cash and cash equivalents.

### 2. Risks associated with financial instruments (note 4)

#### i) Interest rate risk

The majority of the Fund's financial assets and liabilities were non-interest bearing as at December 31, 2015 and 2014. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

#### ii) Currency risk

The tables below indicate the currencies to which the Fund had significant exposure, net of the impact of currency forward contracts and currency spot contracts, if any, based on the monetary and non-monetary assets and liabilities of the Fund. The tables also illustrate the potential impact on the Fund if the functional currency of the Fund had strengthened or weakened by 10% in relation to each of the other currencies, with all other variables held constant.

Currency	December 31, 2015			
	Net currency exposure (\$)	Percentage of net assets (%)	Impact on the Fund (\$)	Percentage of net assets (%)
US Dollar	867,693,750	99.4	86,769,375	9.9
	867,693,750	99.4	86,769,375	9.9

Currency	December 31, 2015			
	Net currency exposure (\$)	Percentage of net assets (%)	Impact on the Fund (\$)	Percentage of net assets (%)
US Dollar	1,153,350,456	126.7	115,335,046	12.7
	1,153,350,456	126.7	115,335,046	12.7

#### iii) Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, derivatives and commodities, if applicable. As at December 31, 2015, approximately 99.2% (December 31, 2014 – 100.8%) of the

Fund's net assets were exposed to price risk. If prices of these investments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$86,584,871 (December 31, 2014 – \$91,752,673). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### iv) Credit risk

The Fund had no significant exposure to bonds and debentures, preferred shares or derivatives as at December 31, 2015 or December 31, 2014. In addition, all investment transactions are executed by brokers with an approved credit rating. As such the risk of default on transactions with counterparties and brokers related to purchase and sale of securities is considered minimal. In instances where the credit rating were to fall below the approved rating, the Manager would take appropriate action.

#### v) Liquidity risk

The table below summarizes the Fund's financial liabilities based on the remaining period to the contractual maturity date.

	December 31, 2015		December 31, 2014	
	On demand (\$)	Less than 3 months (\$)	On demand (\$)	Less than 3 months (\$)
Current liabilities	–	1,297,753	–	377,946,440
Liability for written options	–	–	–	–
Unrealized loss on derivatives	–	–	–	–
Redeemable units	872,600,091	–	910,559,535	–
	872,600,091	1,297,753	910,559,535	377,946,440

Redeemable units are redeemable on demand at the holder's option. However, the Manager does not expect that the contractual maturity disclosed in the table above will be representative of the actual cash outflows, as holders of these instruments typically retain them for a longer term.

#### vi) Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, geographical location,

# Scotia U.S. Low Volatility Equity LP (Continued)

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

asset type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk:

	Percentage of net assets (%)	
	December 31, 2015	December 31, 2014
Consumer Discretionary	7.3	20.5
Consumer Staples	12.1	20.1
Energy	2.6	–
Financials	16.5	20.2
Health Care	17.1	–
Industrials	6.4	–
Information Technology	11.5	20.0
Materials	5.2	–
Telecommunication Services	7.3	–
Utilities	13.2	20.1

vii) Fair value classification (note 2)

The tables below illustrate the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2015	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	865,848,707	–	–	865,848,707
	865,848,707	–	–	865,848,707

December 31, 2014	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	917,526,728	–	–	917,526,728
	917,526,728	–	–	917,526,728

## Transfers between levels

During the periods ended December 31, 2015 and 2014, there were no significant transfers between Level 1 and Level 2.

## 3. Offsetting of financial assets and liabilities (note 2)

As at December 31, 2015 or December 31, 2014, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

## 4. Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2015. The following table provides information about the Fund's interest in Underlying Funds as at December 31, 2014.

Underlying Fund	December 31, 2014	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
Vanguard Consumer Discretionary ETF	186,304,651	10.3
Vanguard Utilities ETF	182,875,944	7.6
Vanguard Consumer Staples ETF	182,624,831	6.5
Vanguard Financials ETF	183,842,198	6.1
Vanguard Information Technology Index ETF	181,879,104	2.3
	917,526,728	

## 5. Comparison of net asset value per unit and net assets per unit (note 2)

The table below provides a comparison of the net asset value per unit and net assets per unit. The primary reason for the difference between the net asset value per unit and net assets per unit, if any, is described in note 2.

	December 31, 2015		December 31, 2014	
	Net asset value per unit (\$)	Net assets per unit (\$)	Net asset value per unit (\$)	Net assets per unit (\$)
Series I	12.76	12.75	11.46	11.46

# Notes to the Financial Statements

For the periods indicated in Note 1.

## 1. The Funds

1832 Asset Management L.P., a wholly owned subsidiary of The Bank of Nova Scotia (“Scotiabank”), is the manager of the funds. In this document, “we”, “us”, “our”, the “Manager”, and “1832 Asset Management” refer to 1832 Asset Management L.P. The registered office of the Funds is Dynamic Funds Tower, 1 Adelaide St. E, 28th Floor, Toronto, Ontario, M5C 2V9.

The funds presented in these financial statements are Limited Partnerships. We refer to a Limited Partnership individually as a “Fund” and collectively, as the “Funds”.

The Limited Partnerships are each an open-ended mutual fund organized as a limited partnership governed by the laws of Ontario pursuant to separate limited partnership agreements. Each Fund is divided into one general partner unit, representing the interest in the relevant fund held by its General Partner, and Series I units (“units”) representing interests in each Fund held by its limited partner unitholder(s). ScotiaFunds GP Inc. is the “General Partner” and the initial limited partner of each Fund.

The Statements of Financial Position are as at December 31, 2015 and 2014, and the Statements of Comprehensive Income, Changes in Net Assets Attributable to Holders of Redeemable Units and Cash Flows are for the periods ended December 31, 2015 and 2014. For Funds that started during either period, the information presented is for the period from the Fund’s commencement date to December 31, 2015 or 2014, as applicable. The Schedule of Investment Portfolio for each of the Funds is as at December 31, 2015. Throughout this document, reference to the periods refers to the reporting periods described above.

These financial statements were approved and authorized for issue on March 10, 2016, by the Board of Directors of the General Partner of the Fund and by the Board of Directors of 1832 Asset Management G.P. Inc., as general partner for and on behalf of 1832 Asset Management L.P., in its capacity as the Manager of the Funds.

The investment objectives for each of the Funds are provided in the respective Fund’s “Fund Specific Notes”. The commencement date for each Fund is as follows:

Limited Partnerships	Inception Date
1832 AM Canadian Dividend LP	April 6, 2015
1832 AM Canadian Growth LP	April 6, 2015
1832 AM Canadian Preferred Share LP	January 27, 2014
1832 AM Global Completion LP	January 27, 2014
1832 AM North American Preferred Share LP	January 27, 2014
1832 AM Tactical Asset Allocation LP	April 6, 2015
Scotia Global Low Volatility Equity LP	January 27, 2014
Scotia Total Return Bond LP	January 27, 2014
Scotia U.S. Dividend Growers LP	May 26, 2014
Scotia U.S. Low Volatility Equity LP	January 27, 2014

The Funds may offer an unlimited number of units of Series I. Series I units are only available for sale to other ScotiaFunds.

## 2. Summary of Significant Accounting Policies

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

### (a) Basis of preparation

These annual financial statements of the Funds have been prepared in compliance with International Financial Reporting Standards (“IFRS”) as published by the International Accounting Standards Board (IASB), in accordance with the Canadian securities legalisation.

The preparation of these financial statements in accordance with IFRS requires the use of judgment in applying its accounting policies and to make estimates and assumptions concerning the future. Significant accounting judgements and estimates made by the management are disclosed in Note 3.

### (b) Financial instruments

#### Classification

The Funds classify investments, including derivatives as financial assets or financial liabilities at fair value through profit and loss (FVTPL). This category has two sub categories: financial assets and financial liabilities are either held for trading or designated at fair value through profit or loss at inception.

Financial assets or financial liabilities held for trading are those acquired principally for the purpose of selling or repurchasing in the near future or on initial recognition

as part of an identical portfolio of financial instruments that are managed together for which there is evidence of actual short-term profit taking.

Derivatives and any short positions are also included in this category.

Financial assets and financial liabilities designated at fair value through profit or loss at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the respective Funds' investment strategy as documented in the Simplified Prospectus.

The Funds' obligations for net assets attributable to holders of redeemable units are presented at the redemption amount.

#### *Recognition and measurement*

Regular purchases and sales of investments are recognized on the date on which the Funds commit to purchase or sell their investments at fair value. Transaction costs are expensed as incurred in the Statements of Comprehensive Income. Subsequent to initial recognition, financial assets and liabilities at FVTPL are measured at fair value as presented below. Gains and losses arising from changes in their fair value are included in the Statements of Comprehensive Income for the periods in which they arise.

#### (c) Fair value measurement and hierarchy of financial instruments

Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price). The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and marketable securities) are based on quoted market prices at the close of trading on the reporting date. The Funds use the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of financial assets and liabilities that are not traded in an active market, including over-the-counter derivatives, is determined using valuation techniques. The Funds use a variety of methods and make assumptions that are based on market conditions existing at each reporting date. Valuation techniques

include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and others commonly used by market participants and which make the maximum use of observable inputs.

IFRS 13, *Fair value measurement*, requires the use and disclosure of a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value of financial instruments. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets and the lowest priority to unobservable inputs. The three level hierarchy based on inputs levels are defined as follows:

- Level 1: Fair value is based on unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2: Fair value is based on inputs other than unadjusted quoted prices included in Level 1 that are observable for the assets or liabilities, either directly or indirectly.
- Level 3: Fair value is based on at least one significant non-observable input that is not supported by market data for the financial assets or liabilities.

Changes in valuation methodology may result in transfer in and out of a level. The Funds' policy is to recognize these transfers as of the date of the event or circumstance giving rise to the transfer. The three level fair value hierarchy, transfers between levels and a reconciliation of level 3 financial instruments are disclosed in the respective Fund's "Fund Specific Notes".

The Manager is responsible for performing the fair value measurements included in the financial statements of the Funds, including level 3 measurements. The Manager obtains pricing from a third party pricing vendor, which is monitored and reviewed by the valuation team daily. At each financial reporting date, the Manager reviews and approves all level 3 fair value measurements. The Funds also have a Valuation Committee which includes the Chief Financial Officer, members of the finance team, as well as members of the investment council and compliance teams. The committee meets quarterly to perform detailed reviews of the valuations of investments held by the Funds.

Financial instruments are valued at their fair value as summarized below:

- (i) North American equities are valued at the closing market price recorded by the security exchange

on which the security is principally traded. Non-North American equities are valued at fair value based on information provided by an independent pricing source.

- (ii) Fixed income securities, including bonds and mortgage-backed securities, are valued using quotations received from an independent pricing source.
- (iii) Short-term debt instruments are carried at amortized cost, which approximates fair value.
- (iv) Investments in underlying funds are valued based on the Net Asset Value per unit provided by the underlying fund's manager at the end of each valuation date.
- (v) Unlisted warrants are valued using the Black-Scholes option valuation model. The model factors in the time value of money and the volatility inputs significant to such valuation.
- (vi) Options contracts are valued at their mid-price as reported by the principal exchange or the over-the-counter market on which the contract is traded.
- (vii) Futures contracts are valued at their close prices on each valuation date.
- (viii) Open forward currency contracts are valued at the gain or loss that would arise as a result of closing the position on the valuation date.

(d) Net Assets versus Net Asset Value

The Funds' accounting policies for measuring the fair value of their investments and derivatives are identical to those used in measuring their net asset value for transactions with unitholders in accordance with Part 14 of National Instrument 81-106 Investment Funds for Continuous Disclosure ("NI 81-106"), except where the last traded market price for financial assets and liabilities are not within the bid-ask spread as described above. A comparison of the net assets per unit in accordance to IFRS ("Net Assets per unit") and the net assets per unit calculated in accordance to NI 81-106 ("Net Asset Value per unit") are presented in the "Fund Specific Notes" for each Fund.

(e) Income recognition

Gains and losses arising from changes in fair value of financial instruments, other than derivatives, are shown in the Statements of Comprehensive Income as "Change in unrealized gain (loss) on non-derivative financial assets" and as "Net realized gain (loss) on non-derivative financial assets" when the positions are closed out.

The premium received or paid on options purchased or written are included in the cost of the options. Any difference resulting from revaluation at the reporting date is treated as "Change in unrealized gain (loss) on non-derivative financial assets."

Gains and losses arising from changes in fair value of spots, forwards, and futures contracts are shown in the Statements of Comprehensive Income as "Change in unrealized gain (loss)" of the respective derivative contract and in the Statements of Financial Position as "Unrealized Gain" or "Unrealized Loss" of the respective derivative contract until the contracts are closed out or expire. Once the contracts are closed out or expired, the resulting realized gains and losses, of forwards, and futures contracts are shown in the Statements of Comprehensive Income as "Net Realized gain (loss)" of the respective derivative contract.

Dividend income and distributions from underlying funds are recognized on the ex-dividend date. Distributions received from income trusts are recognized based on the nature of the underlying components such as dividend income, interest income, capital gains, and return of capital by applying previous year characterizations reported by the trust as current year characterizations are not available until the following year. The interest income component of the distributions received from underlying funds are included as part of "Interest for distribution purposes" in the Statements of Comprehensive Income.

Interest for distribution purposes includes the coupon interest received by the Fund, recognized on an accrual basis. The Fund does 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. Realized gain or loss on the sale of short-term debt instruments are recorded as an adjustment to interest income.

(f) Functional and presentation currency and foreign exchange translation

The functional and presentation currency of the Funds is the Canadian dollar. Canadian dollars is the currency of primary economic environment in which the Funds operate or where mixed indicators exist in the primary environment, the Canadian dollar is the currency in which they raise capital. Any other currency other than functional currency represents foreign currency to the Funds. Amounts denominated in foreign currencies are converted into the functional currency as follows:

- (i) Fair value of investments, derivative contracts and monetary and non-monetary assets and



liabilities at the rates of exchange prevailing as at the valuation date;

- (ii) Foreign income and expenses are translated into Canadian dollars at the rates of exchange applicable on the valuation date; and
- (iii) Purchase or sale of investments and investment income at the rates of exchange prevailing on the respective dates of such transactions, while purchase or sale of monetary assets at the spot rate agreed upon with the counterparty.

Realized and unrealized gain (loss) incurred in the Funds from monetary assets and liabilities are shown in the Statements of Comprehensive Income as “Net realized and change in unrealized gain on foreign exchange of cash” while all other sources of foreign exchange gains and losses shown in “Net realized and change in unrealized gain (loss) on foreign exchange”.

(g) Investments in unconsolidated structured entities

Certain Funds invest in mutual funds and/or exchange-traded funds managed by the Manager or by third party investment managers. The relevant Funds consider all investments in such funds (“Underlying Funds”) to be investments in unconsolidated structured entities based on the fact that the decisions made by these Underlying Funds are not governed by voting rights or any other similar rights held by the Funds. Consequently, the Funds, as Investment Entities account for these unconsolidated structured entities at fair value.

The Underlying Funds’ objectives assist the Funds in achieving their primary objectives and whose investment strategies do not include the use of leverage. The Underlying Funds finance their operations by issuing redeemable units or shares which are puttable at the holder’s option, and entitle the holder to a proportional stake in the respective fund’s net assets. The Funds hold redeemable shares or units in each of their Underlying Funds. These investments are included in “Non-derivative financial assets” in the Statements of Financial Position. The change in fair value of each Underlying Fund is included in the Statements of Comprehensive Income in ‘Change in unrealized gain (loss) of non-derivative financial assets’. The exposure to investments in Underlying Funds at fair value is disclosed in the Fund’s “Fund Specific Notes”. The Funds’ maximum exposure to loss from their interests in Underlying Funds is equal to the total carrying value of its investments in Underlying Funds.

Mortgage-backed securities or asset-backed securities are also considered to be unconsolidated structured

entities. Mortgage-backed securities are formed by pooling various types of mortgages while asset-backed securities are formed by pooling assets such as auto loans, credit card receivables or student loans. An interest or claim to this future cash flow (interest and principal) is then sold in the form of debt or equity securities, which could be held by the Funds. As unconsolidated structured entities, the Funds account for these investments at fair value. As at December 31, 2015 and 2014, the maximum exposure to these securities was less than 5% of the net assets of the respective Funds.

(h) Redeemable Units Issued by the Funds

The Funds’ outstanding redeemable units qualify as “puttable instruments” as required by the International Accounting Standard 32: Financial Instruments: *Presentation* (“IAS 32”) which states that units or shares of an entity that include a contractual obligation for the issuer to repurchase or redeem them for cash or another financial asset should be classified as financial liabilities.

Each Limited Partnership issues two types of units (general part unit and Series I) that are equally subordinated but have different features. This violates one of the criteria that are required in order for the redeemable units to be presented as equity under IAS 32. Consequently, the Funds’ outstanding redeemable units are classified as financial liabilities in these financial statements.

(i) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is presented in the Statements of Financial Position only if there is a legal right to offset the amounts and there is an intention either to settle on a net basis or to realize the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted under IFRS, for gains and losses arising from a group of similar transactions, such as gains and losses from financial instruments at fair value through profit or loss. Financial assets and liabilities that are subject to master netting or comparable agreements and the related potential effect of offsetting are disclosed in the respective Fund’s “Fund Specific Notes”.

(j) Other financial assets and liabilities

Other financial assets and liabilities other than investment securities are valued at cost or amortized cost. These balances are short-term in nature; therefore, their carrying values approximate fair values.

- (k) Increase (decrease) in net assets attributable to holders of redeemable units per unit

“Increase (decrease) in net assets attributable to holders of redeemable units per unit” is disclosed in the Statements of Comprehensive Income and represents, for each Series of units, the increase or decrease in net assets attributable to holders of redeemable units from operations for the period attributable to each Series divided by the weighted average number of units outstanding for the corresponding Series during the period.

- (l) Accounting standards issued but not yet effective

The final version of IFRS 9, Financial Instruments, was issued by the IASB in July 2014 and will replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 introduces a presentation model for classification and measurement, a single, forward-looking “expected loss” impairment model and a substantially reformed approach to hedge accounting.

This new model uses a principles based approach for determining the classification of financial assets and is driven by cash flow characteristics and the business model in which an asset is held. It also includes changes in respect of own credit risk in measuring liabilities elected to be measured at fair value, so that gains caused by the deterioration of an entity’s own credit risk on such liabilities are no longer recognized in profit or loss.

IFRS 9 is effective for the Funds beginning in annual periods on or after January 1, 2018.

### 3. Significant accounting judgments and estimates

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. These estimates are made based on information available as at the date of issuance of the financial statements. Actual results could materially differ from those estimates. The following discusses the most significant accounting judgments and estimates that the Funds have made in preparing the financial statements:

#### *Investment Entities*

In accordance with IFRS 10: *Consolidated Financial Statements*, the Manager has determined that the Funds meet the definition of an Investment Entity which requires that the Funds obtain funds from one or more investors for the purpose of providing investment management services, commits to their investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and measures and evaluates the performance of their investments on a fair value basis.

Consequently, the Funds do not consolidate their investment in Underlying Funds, but instead measure these at FVTPL, as required by the accounting standard.

#### *Classification and measurement of investments and application of the fair value option*

In classifying and measuring financial instruments held by the Funds, the Manager is required to make significant judgments about whether or not the business of the Funds is to invest on a total return basis for the purpose of applying the fair value option for financial assets under IAS 39: “*Financial Instruments – Recognition and Measurement*”. The most significant judgments made include the determination that certain financial instruments are held-for-trading and that the fair value option can be applied to those which are not.

#### *Fair value measurement of derivatives and securities not quoted in an active market*

Key areas of estimation, where the Manager has made complex or subjective judgments, include the determination of fair values of financial instruments and derivatives that are not quoted in an active market. The use of valuation techniques for financial instruments and derivatives that are not quoted in an active market requires the Manager to make assumptions that are based on market conditions existing as at the date of the financial statements. Changes in these assumptions as a result of changes in market conditions could affect the reported fair value of financial instruments and derivatives.

### 4. Discussion of Financial Instrument Risk

Each Fund’s investment activities expose it to a variety of financial risks: market risk (including interest rate risk, currency risk, and other price risk), credit risk and liquidity risk. Each Fund’s investment practices include portfolio monitoring to ensure compliance with stated investment guidelines. The Manager seeks to minimize potential adverse effects of risks on each Fund’s performance by employing and overseeing professional and experienced portfolio advisors that regularly monitor each Fund’s securities and financial market developments. The risks are measured using a method that reflects the expected impact on the results and net assets attributable to unitholders of the Funds from reasonably possible changes in the relevant risk variables.

The Manager maintains a risk management practice that includes monitoring compliance with investment restrictions to ensure that the Funds are being managed in accordance with the Funds’ stated investment objectives, strategies and securities regulations.

Some Funds invest in Underlying Funds. These Funds are indirectly exposed to market risk, credit risk, and liquidity risk in the event that the Underlying Funds invest in financial instruments that are subject to those risks.



A Fund's exposure to market risk, credit risk and liquidity risk, where applicable, is disclosed in the respective Fund's "Fund Specific Notes".

(a) Market risk

(i) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the future cash flows or the fair values of interest-bearing financial instruments. Each Fund's exposure to interest rate risk is concentrated in its investments in debt securities (such as bonds and debentures) and interest rate derivative instruments, if any. Short-term investments and other assets and liabilities are short-term in nature and/or non-interest bearing and are not subject to a significant amount of interest rate risk due to fluctuations in the prevailing levels of market interest rates.

(ii) Currency risk

The Funds may invest in monetary and non-monetary assets denominated in currencies other than their functional currency. Currency risk is the risk that the value of foreign investments will fluctuate due to changes in the foreign exchange rates of those currencies in relation to the Fund's functional currency. Other financial assets (including dividends and interest receivable and receivable for investments sold) and financial liabilities that are denominated in foreign currencies do not expose the Funds to significant currency risk. Funds may enter into foreign exchange forward contracts or currency futures contracts for hedging purposes to reduce their foreign currency risk exposure.

(iii) Price risk

Price risk is the risk that the fair value of a Fund's financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, derivatives and commodities. The maximum risk resulting from these financial instruments is equivalent to their fair value, except for written options, short sales and futures contracts sold, where possible losses can be unlimited.

(b) Credit risk

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Funds. A Fund's investment in debt instruments represents the main concentration of credit risk. The fair value of debt instruments includes consideration of the creditworthiness of the issuer, and accordingly, represents the maximum credit risk exposure to the Funds. Credit risk may also exist in relation to counterparties to derivatives. All the transactions in listed securities are settled or paid upon delivery using

approved brokers. The risk of default with the counterparty is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is only made on a purchase once the securities have been received by the broker.

Custody and derivative transactions are carried out by counterparties that have a DBRS or DBRS equivalent credit rating of A or higher. In instances where the credit rating was to fall below the approved rating, the Manager would take appropriate action.

The Funds can also be exposed to credit risk to the extent that the Funds' custodian may not be able to settle trades for cash. Canadian securities regulations require that the Funds employ a custodian that meets certain capital requirements. These regulations state that, among other things, a fund's custodian be either a bank listed in Schedule I, II, or III of the Bank Act (Canada), or a company incorporated in Canada affiliated with a bank with shareholders' equity of not less than \$10,000,000. The Bank of Nova Scotia, which is custodian for all the Funds, meets all Canadian Securities Administrators' requirements to act as custodian.

A Fund may enter into securities lending transactions with counterparties whereby the Fund temporarily exchanges securities for collateral with a commitment by the counterparty to deliver the same securities on a future date. Credit risk associated with these transactions is considered minimal as all counterparties have approved credit rating and the market value of cash or securities held as collateral must be at least 104% of the fair value of the securities loaned as at the end of each trading day.

(c) Liquidity risk

The Funds' exposure to liquidity risk arises primarily from the daily cash redemption of units. The Funds primarily invest in securities that are traded in active markets and can be readily disposed of. In addition, each Fund aims to retain sufficient cash and cash equivalent positions to maintain liquidity. The Funds may, from time to time, enter into over-the-counter derivative contracts or invest in securities that are not traded in an active market and may be illiquid. Illiquid securities are identified in the respective Fund's Schedule of Investment Portfolio.

(d) Concentration risk

Concentrations of risk arise from financial instruments that have similar characteristics and are affected similarly by changes in economic or other conditions. The identification and disclosure of risks concentration is provided in the respective Fund's "Fund Specific Notes".

## 5. Management Fees

The Manager is not paid a management fee by the Funds in respect of Series I units. The management fee is negotiable and paid by unitholders directly to the Manager.

## 6. Fixed Administration Fees and Operating Expenses

The Manager pays certain operating expenses of the Funds. These expenses include regulatory filing fees and other day-to-day operating expenses including, but not limited to, transfer agency and recordkeeping, accounting and fund valuation costs, custody fees, audit and legal fees, administration costs, bank charges, costs of preparing and distributing annual and semi-annual reports, prospectuses, annual information forms, Fund Facts and statements, investor communications and continuous disclosure materials. The Manager is not obligated to pay any other expense, cost or fee, including those arising from new government or regulatory requirements relating to the foregoing expenses, costs and fees. In return, each Series of the Funds pays a Fixed Administration Fee to the Manager (the “Fixed Administration Fee”). Up to December 31, 2016, the Fixed Administration Fee payable by each Series of the Funds is subject to a transitional adjustment payment, details of which are presented in the Funds’ simplified prospectus.

In addition to the Fixed Administration Fee, each Series of the Funds pays certain operating expenses directly, referred to as “Other Fund Costs”. These include the costs and expenses related to the Independent Review Committee (“IRC”) of the Funds, costs associated with the change to IFRS and the ongoing audit costs associated with compliance with IFRS, cost of any government or regulatory requirements (such as compliance with Canadian OTC derivatives trade reporting rules, “Volcker Rule” under Dodd Frank Wall Street Reform and Consumer Protection Act, and other applicable U.S. regulations), any new fees introduced by a securities regulators or other government authorities that is based on the assets or other criteria of the Funds, any transaction costs, including all fees and costs related to derivatives, and any borrowing costs, and taxes (including, but not limited to, GST or HST, as applicable). More details about the Other Fund Costs can be found in the Funds’ most recent simplified prospectus. Other Fund Costs will be allocated among the Funds and each Series of the Funds is allocated its own expenses and its proportionate share of these expenses that are common to all Series. Other than IRC fees, these Other Fund Costs are disclosed in the Statements of Comprehensive Income as “Other fund costs”.

Prior to August 22, 2014, the Funds were responsible for operating expenses relating to the carrying on of their business. Each Series of the Funds were allocated its own expenses and its proportionate share of the Fund’s expenses that are common to all Series. Operating expenses may include legal fees and other costs incurred in order to comply with legal and regulatory requirements and policies, audit fees, custodial fees, taxes, unitholder communication costs, IRC fees and other administration costs include such as departmental expenses incurred and paid by the Manager which support the daily operation of the Funds.

The Manager may, in some years and in certain cases, pay a portion of a Series’ Fixed Administration Fee, Other Fund Costs or Operating Expenses. The Fixed Administration Fee and Other Fund Costs are included in the management expense ratio of each Series of a Fund.

The Fixed Administration Fee, Other Fund Costs and Operating Expense are accrued daily and paid monthly. The maximum annual rates of the Fixed Administration Fee, which are a percentage of the net asset value for each series of units of each Fund, are as follows:

	<b>% of Net Asset Value</b>
	<b>Series I</b>
1832 AM Canadian Dividend LP	0.04
1832 AM Canadian Growth LP	0.04
1832 AM Canadian Preferred Share LP	0.07
1832 AM Global Completion LP	0.07
1832 AM North American Preferred Share LP	0.07
1832 AM Tactical Asset Allocation LP	0.04
Scotia Global Low Volatility Equity LP	0.10
Scotia Total Return Bond LP	0.03
Scotia U.S. Dividend Growers LP	0.07
Scotia U.S. Low Volatility Equity LP	0.07

## 7. Redeemable Units

Units issued and outstanding represent the capital of each Fund. Each of the Funds may issue an unlimited number of units. Each unit is redeemable at the option of the unitholder in accordance with the limited partnership agreements, ranks *pari passu* with all other units of the Funds and entitles the unitholder to a proportionate undivided interest in the Net Asset Value of the Funds. The Funds’ capital is managed in accordance with each of the Funds’ investment objectives, policies and restrictions, as outlined in the Funds’ prospectus. The Funds have no specific restrictions or specific capital requirements on the subscriptions or redemptions of units, other than minimum subscription requirements.

The units of each Series of the Funds are issued and redeemed at their Net Asset Value per unit of each Series which is determined as of the close of business on each day that the Toronto Stock Exchange is open for trading. The Net Asset Value per unit is calculated by dividing the Net Asset Value per Series by the total number of outstanding units of each Series.

One general partner unit was issued to the General Partner for cash consideration of \$10.00 per unit for each of the Funds under the limited partnership agreement between the General Partner and the limited partners of each Fund. The General Partner is entitled to 0.01% of the net income of each fund and 0.01% of the net loss of each fund.

For the periods ended December 31, 2015 and 2014, the following number of units were issued, reinvested and redeemed:

LP Funds	December 2015					December 2014				
	Opening Units	Units Issued	Units Reinvested	Units Redeemed	Ending Units	Opening Units	Units Issued	Units Reinvested	Units Redeemed	Ending Units
<b>1832 AM Canadian Dividend LP</b>										
Series I Units	–	55,850,223	–	353,384	55,496,839	–	–	–	–	–
<b>1832 AM Canadian Growth LP</b>										
Series I Units	–	19,718,648	–	25,279	19,693,369	–	–	–	–	–
<b>1832 AM Canadian Preferred Share LP</b>										
Series I Units	15,080,430	5,503,176	–	6,798,352	13,785,254	–	15,319,434	–	239,004	15,080,430
<b>1832 AM Global Completion LP</b>										
Series I Units	25,476,723	7,072,796	–	1,799,563	30,749,956	–	25,917,622	–	440,899	25,476,723
<b>1832 AM North American Preferred Share LP</b>										
Series I Units	34,870,877	7,190,261	–	20,160,461	21,900,677	–	34,915,657	–	44,780	34,870,877
<b>1832 AM Tactical Asset Allocation LP</b>										
Series I Units	–	16,766,461	–	430,131	16,336,330	–	–	–	–	–
<b>Scotia Global Low Volatility Equity LP</b>										
Series I Units	50,697,662	17,296,103	–	5,545,939	62,447,826	–	51,635,222	–	937,560	50,697,662
<b>Scotia Total Return Bond LP</b>										
Series I Units	33,363,350	43,193,300	–	1,665,988	74,890,662	–	33,378,350	–	15,000	33,363,350
<b>Scotia U.S. Dividend Growers LP</b>										
Series I Units	11,357,375	28,077,649	–	6,897,381	32,537,643	–	11,793,014	–	435,639	11,357,375
<b>Scotia U.S. Low Volatility Equity LP</b>										
Series I Units	79,451,548	7,433,253	–	18,470,136	68,414,665	–	79,466,548	–	15,000	79,451,548

## 8. Income Taxes

No provision for income taxes has been recorded in these financial statements as the earnings or loss of a Fund is allocated to the limited partners and the General Partner, who are responsible for any income taxes applicable thereto.

### *Withholding Taxes*

The Funds currently incur withholding taxes imposed by certain countries on investment income and in some cases, capital gains. Such income and capital gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the Statements of Comprehensive Income.

## 9. Client Brokerage Commissions

Client brokerage commissions are arrangements pursuant to which products or services, other than the execution of portfolio securities transactions, are obtained by a portfolio adviser from or through a broker-dealer in exchange for directing client securities transactions to the broker-dealer. The ascertainable soft dollar arrangements in connection with investment portfolio transactions for the periods ended December 31, 2015 and 2014 are set out below.

Fund	2015 (\$)	2014 (\$)
1832 AM Canadian Dividend LP	121,902	–
1832 AM Canadian Growth LP	87,175	–
1832 AM Canadian Preferred Share LP	7,247	614
1832 AM Global Completion LP	710	–
1832 AM North American Preferred Share LP	13,357	1,596
1832 AM Tactical Asset Allocation LP	112	–
Scotia U.S. Low Volatility Equity LP	7,510	2,699

## 10. Related Party Transactions

The Manager is a wholly-owned subsidiary of The Bank of Nova Scotia (“Scotiabank”). Scotiabank also owns, directly or indirectly, 100% of Scotia Securities Inc., HollisWealth Advisory Services Inc. and Tangerine Investment Funds Limited, each a mutual fund dealer, and Scotia Capital Inc., (which includes HollisWealth, ScotiaMcLeod and Scotia iTRADE), an investment dealer.

- The Manager received a Fixed Administration Fee in exchange for paying certain operating expenses of the Funds as detailed in note 6. In addition, Scotiabank as the custodian for all the Funds earns a fee for providing custody and related services. The fixed administration fees are disclosed in separate line in the Statements of Comprehensive Income and Statements of Financial Position. The custodian fee charged to the Funds is paid by the Manager, in exchange for the Fixed Administration Fee received from these Funds.
- Decision about the purchase and sale of the Funds’ portfolio securities are made by appointed Portfolio Managers of each Fund. Provided that the pricing, service and other terms are comparable to those offered by other dealers, a portion of the portfolio transactions may be executed for the Funds, by a related party to the Funds. In such cases, the related party will receive commissions from the Fund.

Brokerage fees paid to related parties for the periods ended December 31, 2015 and 2014 are as follows:

<b>Fund</b>	<b>December 31, 2015</b>	<b>December 31, 2014</b>
1832 AM Canadian Dividend LP	\$51,658	\$ –
1832 AM Canadian Growth LP	28,813	–
1832 AM Canadian Preferred Share LP	21,620	53,861
1832 AM North American Preferred Share LP	35,442	84,949
Scotia U.S. Dividend Growers LP	–	31,580

- (c) The Manager received approval from the Independent Review Committee to invest the Funds' overnight cash with Scotiabank with interest paid by Scotiabank to the Funds based on prevailing market rates. The interest earned by the Funds is disclosed in "Interest for distribution purposes" in the Statements of Comprehensive Income.
- (d) The Manager has received approval from the Independent Review Committee for the Funds to purchase securities of related party. Any related securities purchased by the Funds are disclosed in the Schedule of Investment Portfolio for the respective Funds.

securities on loan and the collateral received by the Funds as at December 31, 2015 and 2014 are as follows:

<b>Funds</b>	<b>As at December 31, 2015</b>	
	<b>Market value of securities on loan (\$)</b>	<b>Market value of collateral received (\$)</b>
1832 AM Canadian Preferred Share LP	2,194,687	2,319,656
1832 AM Global Completion LP	70,485,440	74,553,360
1832 AM North American Preferred Share LP	2,911,606	3,075,251
Scotia Global Low Volatility Equity LP	25,279,802	26,715,556
Scotia Total Return Bond LP	40,730,572	42,833,022
Scotia U.S. Low Volatility Equity LP	7,320,525	7,768,260

<b>Funds</b>	<b>As at December 31, 2014</b>	
	<b>Market value of securities on loan (\$)</b>	<b>Market value of collateral received (\$)</b>
1832 AM Canadian Preferred Share LP	1,367,954	1,444,671
1832 AM Global Completion LP	44,153,752	46,661,203
1832 AM North American Preferred Share LP	869,966	920,348
Scotia Global Low Volatility Equity LP	12,386,634	13,104,029
Scotia Total Return Bond LP	2,823,973	2,970,910
Scotia U.S. Low Volatility Equity LP	4,234,029	4,481,207

## 11. Securities Lending

Some of the Funds may enter into securities lending transactions under a securities lending program with their custodian, The Bank of Nova Scotia. These transactions involve the temporary exchange of securities for collateral with a commitment to return the same securities to the Fund on a future date. The income earned from these securities lending transactions is recorded in the Statements of Comprehensive Income. The fair value of the securities lent and collateral held is determined on a daily basis. The securities lending arrangement can be terminated by the borrower, the securities lending agent or the Fund at any time. The aggregate market value of all securities loaned by a Fund cannot exceed 50% of the Net Assets of the Fund.

The Funds receive collateral of at least 104% of the value of the securities on loan. Collateral is received in the form of debt obligations of the Government of Canada, a Canadian provincial government, the government of the United States of America, certain financial institutions or other qualified securities, and is not included in the Schedule of Investment Portfolio. The aggregate market value of the

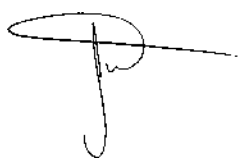
# Management's Responsibility For Financial Reporting

The accompanying financial statements of the Funds (as defined in Note 1) have been prepared by 1832 Asset Management L.P. in its capacity as manager (the "Manager") of the Funds and have been approved by the Board of Directors of the general partner of the Funds (as defined in Note 1) and by the Board of Directors of 1832 Asset Management G.P. Inc., as general partner for and on behalf of 1832 Asset Management L.P. The Board of Directors of the general partner of the Funds and the Board of Directors of 1832 Asset Management G.P. Inc., as general partner for and on behalf of 1832 Asset management L.P. are responsible for the information and representations contained in these financial statements and the management report of fund performance.

The Manager maintains appropriate processes to ensure that relevant and reliable financial information is produced. The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and include certain amounts that are based on estimates and judgments made by the Manager. The significant accounting policies which the Manager believes are appropriate for the Funds are described in Note 2 to the financial statements.

The Finance Committee of the Board of Directors of 1832 Asset Management G.P. Inc. is responsible for reviewing the financial statements and the management report of fund performance and recommending them to the Board of Directors of the general partner of the Funds and 1832 Asset Management G.P. Inc. for approval, in addition to meeting with management, internal auditors and external auditors to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues.

PricewaterhouseCoopers LLP is the external auditor of the Funds, appointed by the general partner of the Funds. The auditor of the Funds has audited the financial statements in accordance with the Canadian generally accepted auditing standards to enable it to express to the securityholders its opinion on the financial statements. The auditor's report is set out herein.



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Jordy Chilcott  
Co-President  
1832 Asset Management L.P.

March 10, 2016



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Abdurrehman Muhammadi  
Chief Financial Officer  
1832 Asset Management L.P.

# Independent Auditor's Report

## To the Partners of the Funds

1832 AM Canadian Dividend LP  
1832 AM Canadian Growth LP  
1832 AM Canadian Preferred Share LP  
1832 AM Global Completion LP  
1832 AM North American Preferred Share LP  
1832 AM Tactical Asset Allocation LP  
Scotia Global Low Volatility Equity LP  
Scotia Total Return Bond LP  
Scotia U.S. Dividend Growers LP  
Scotia U.S. Low Volatility Equity LP  
(collectively the Funds)

We have audited the accompanying financial statements of each of the Funds, which comprise the statements of financial position, comprehensive income, changes in net assets attributable to holders of redeemable units and cash flows as at and for the periods indicated in note 1, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

## Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by

management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in each of our audits is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, the 2015 financial statements present fairly, in all material respects, the financial position, financial performance and cash flows of each of the Funds as at and for the periods indicated in note 1, in accordance with International Financial Reporting Standards.

*PricewaterhouseCoopers LLP*

Chartered Professional Accountants,  
Licensed Public Accountants  
Toronto, Ontario  
March 10, 2016



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