

1832 Asset Management L.P.**Scotia Private High Yield Income Pool - Series M**

November 9, 2018

This document contains key information you should know about Scotia Private High Yield Income Pool (the "Fund"). You can find more detailed information in the fund's simplified prospectus. Ask your representative for a copy, contact 1832 Asset Management L.P. at 1-800-268-9269 or fundinfo@scotiabank.com, or visit www.scotiabank.com/scotiaprivatepools.

Before you invest in any fund, consider how the fund would work with your other investments and your tolerance for risk.

Quick Facts

Date series started:	October 5, 2010	Fund Manager:	1832 Asset Management L.P.
Total value of Fund on September 30, 2018:	\$1,035,658,544	Portfolio Manager:	1832 Asset Management L.P.
Management expense ratio (MER):	0.37%	Sub-advisor:	Guardian Capital LP
		Minimum investment:	\$250,000 initial

What does the Fund invest in?

The Fund invests primarily in high yield, lower rated Canadian corporate bonds, preferred shares and short term money market securities. Up to 100% of the Fund's assets may be invested in, or exposed to, foreign securities.

The charts below provide you with a snapshot of the Fund's investments on September 30, 2018. The Fund's investments will change.

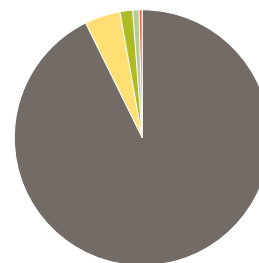
Top 10 investments (September 30, 2018)

1. Cash and Cash Equivalents	4.5%
2. JBS USA LLC / JBS USA Finance Inc. (Callable) 5.75% Jun 15, 2020	2.5%
3. CCO Holdings LLC / CCO Holdings Capital Corporation (Callable) 5.50% May 01, 2021	2.2%
4. Novelis Corporation (Callable) 5.88% Sep 30, 2021	2.0%
5. First Data Corporation (Callable) 5.75% Jan 15, 2019	1.9%
6. DISH DBS Corporation 5.88% Nov 15, 2024	1.7%
7. Amkor Technology Inc. (Callable) 6.38% Oct 01, 2022	1.6%
8. Zayo Group LLC / Zayo Capital Inc. (Callable) 5.75% Jan 15, 2022	1.6%
9. AK Steel Corporation (Callable) 6.38% Oct 15, 2020	1.5%
10. Sprint Corporation 7.25% Sep 15, 2021	1.5%
Total percentage of top 10 investments:	21.0%

Total number of investments: 157

Investment mix (September 30, 2018)**Asset Mix**

92.7%	Corporate Bonds
4.5%	Cash and Cash Equivalents
1.6%	Other Net Assets (Liabilities)
0.8%	Energy
0.4%	Federal Bonds

**How risky is it?**

The value of the Fund can go down as well as up. You could lose money.

One way to gauge risk is to look at how much a fund's returns change over time. This is called "volatility".

In general, funds with higher volatility will have returns that change more over time. They typically have a greater chance of losing money and may have a greater chance of higher returns. Funds with lower volatility tend to have returns that change less over time. They typically have lower returns and may have a lower chance of losing money.

Risk rating

1832 Asset Management L.P. has rated this Fund's risk to be **medium**.

This rating considers how much the Fund's returns have changed from year to year. It doesn't tell you how volatile the Fund will be in the future. The rating can change over time. A fund with a low risk rating can still lose money.

Low	Low to Medium	Medium	Medium to High	High
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For more information about the risk rating and specific risks that can affect the Fund's returns, see the Risk section in the Fund's simplified prospectus.

No guarantees

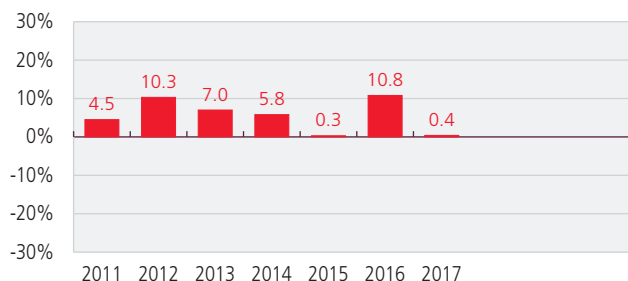
Like most mutual funds, this Fund doesn't have any guarantees. You may not get back the amount of money you invest.

How has the Fund performed?

This section tells you how the Series M units of the Fund have performed over the past 7 years. Returns are after expenses have been deducted. These expenses reduce the Fund's return.

Year-by-year returns

This chart shows how the Series M units of the Fund have performed in each of the past 7 calendar years. The Fund dropped in value in 0 of the 7 years. The range of returns and change from year to year can help you assess how risky the Fund has been in the past. It does not tell you how the Fund will perform in the future.



Best and worst 3-month returns

This table shows the best and worst returns for the Series M units of the Fund in a 3-month period over the past 7 years. The best and worst 3-month returns could be higher or lower in the future. Consider how much of a loss you could afford to take in a short period of time.

	Return	3 months ending	If you invested \$1,000 at the beginning of the period
Best return	5.6%	July 31, 2016	Your investment would rise to \$1,056
Worst return	-3.5%	October 31, 2015	Your investment would drop to \$965

Average return

A person who invested \$1,000 in Series M units of the Fund since its inception now has \$1,498. This works out to an annual compound return of 5.2%.

Who is this Fund for?

Investors who:

- want regular interest income
- want to contribute to the income portion of a diversified portfolio
- invest for the medium to long term

Series M units are available to investors who have signed a discretionary investment management agreement with the 1832 Asset Management L.P. or Scotiatrust.

A word about tax

In general, you'll have to pay income tax on any money you make on a fund. How much you pay depends on the tax laws where you live and whether or not you hold the fund in a registered plan, such as a Registered Retirement Savings Plan or a Tax-Free Savings Account.

Keep in mind that if you hold your fund in a non-registered account, fund distributions are included in your taxable income, whether you get them in cash or have them reinvested.

How much does it cost?

The following tables show the fees and expenses you could pay to buy, own and sell Series M units of the Fund. The fees and expenses, including any commissions, can vary among series of the Fund and among funds. Higher commissions can influence representatives to recommend one investment over another. Ask about other funds and investments that may be suitable for you at a lower cost.

1. Sales charges

Series M units of this Fund are classified as 'no-load', meaning there are no sales charges when you buy units through 1832 Asset Management L.P. or our affiliates. You may be required to pay sales charges if you buy units through other registered representatives.

2. Fund expenses

You do not pay these expenses directly. They affect you because they reduce the returns of the Series M units of the Fund.

As of June 30, 2018, Series M units of the Fund's expenses were 0.37% of its value, which equals \$3.70 for every \$1,000 invested.

	Annual rate (as a % of the Fund's value)
Management expense ratio (MER) This is the total of Series M units of the Fund's management fee, fixed administration fee and operating expenses (fund costs).	0.37%
Trading expense ratio (TER) These are the Fund's trading costs.	0.00%
Fund expenses	0.37%

More about the trailing commission

No trailing commissions are applicable to the Series M units of the Fund.

3. Other fees

You may have to pay other fees when you buy, hold, sell or switch units of the Fund.

Fee

What you pay

- **Short-term trading fee** 2% of the value of units you sell or switch within 31 days of buying them. This fee goes to the Fund.

What if I change my mind?

Under securities law in some provinces and territories, you have the right to:

- withdraw from an agreement to buy units of the Fund within two business days after you receive a copy of the Fund's simplified prospectus or Fund Facts document, or
- cancel your purchase within 48 hours after you receive confirmation of the purchase.

In some provinces and territories, you also have the right to cancel a purchase, or in some jurisdictions, claim damages, if the simplified prospectus, annual information form, Fund Facts document or financial statements contain a misrepresentation. You must act within the time limit set by the securities law in your province or territory.

For more information, see the securities law of your province or territory or ask a lawyer.

For more information

Contact 1832 Asset Management L.P. or your representative for a copy of the Fund's simplified prospectus and other disclosure documents. These documents and the Fund Facts make up the Fund's legal documents.

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To learn more about investing in mutual funds, see the brochure **Understanding mutual funds**, which is available on the website of the Canadian Securities Administrators at www.securities-administrators.ca.