

Scotia Mortgage Income Fund - Series A

Canadian Short Term Fixed Income

Investment Objective

The fund's objective is to provide regular interest income. It invests primarily in high quality mortgages on residential properties in Canada.

Reasons for Investing

- Exposure to unique asset class by holding mortgages purchased from the Bank of Nova Scotia via Scotia Mortgage Corporation.
- Mortgages are guaranteed to be re-purchased by Bank of Nova Scotia at par in the event of a default, making it a low risk income option.
- Provides diversification when held in a portfolio of other fixed income and equity funds.

Risk Rating



Time Horizon — Medium-Long

FUND ESSENTIALS

Inception Date	November 30, 1992
Total Assets \$mil	73.79
Min. Initial Inv.(\$)	500
Min. Additional Inv.(\$)	25
Income Distribution	Monthly
Capital Distribution	Annually
MER % (as of 12/31/2017)	1.50
NAV \$	10.63
FTSE TMX Canada Residential Mortgage Market Index, 1/3rd in 1 yr Index, 1/3rd in 3 yr Index and Benchmark	
1/3rd in 5 yr Index	

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	BNS361
F	No Load	CAD	BNS561

Portfolio Manager(s)

Kevin Pye 1832 Asset Management L.P.

Management 1832 Asset Management L.P.

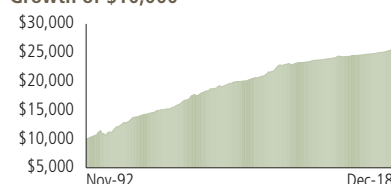
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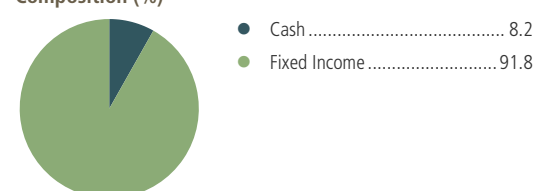
PERFORMANCE & PORTFOLIO ANALYSIS

Compound returns (%)	1 Mth	3 Mth	6 Mth	1 Yr	2 Yr	3 Yr	5 Yr	10 Yr			
Fund	0.37	0.75	1.27	2.17	1.66	1.42	1.22	1.44			
Calendar Year Returns (%)	YTD	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Fund	2.17	1.14	0.96	0.77	1.04	1.12	1.39	0.99	1.01	3.88	5.89
Distributions (\$/unit)	YTD	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	0.20	0.16	0.10	0.11	0.18	0.18	0.19	0.17	0.19	0.32	0.37
Interest	--	0.16	0.10	0.11	0.18	0.18	0.19	0.17	0.19	0.32	0.37

Growth of \$10,000



Composition (%)



Top 10 Holdings

Mortgages - Conventional

Total

% Assets

91.8

91.8

Geographic Allocation (%)

Canada 100.0

Fixed Income Breakdown (%)

Short-term investments (Cash & Other) 8.2
Conventional Mortgages 91.8

Total Portfolio Holdings

Stock Holdings 0
Bond Holdings 1
Other Holdings 1
Total Number of Underlying Holdings 2

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MANAGER BIO



Kevin Pye

Manager Since December 2, 2010

1832 Asset Management L.P.

Kevin Pye is Vice President & Portfolio Manager at 1832 Asset Management L.P. Kevin has been a member of the fixed income team at 1832 Asset Management L.P. and predecessor companies where he was responsible for the management of institutional accounts with mandates that have an average term of 10 years or less. Kevin holds the CFA designation and has a B.A. from The University of Western Ontario, and an M.A. from Wilfrid Laurier University.

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Fund prices are provided for information purposes only. All information pertains to Series A units of the fund unless stated otherwise. Units of the fund are only available for sale to residents of Canada, unless the laws of a foreign jurisdiction permit sales to its residents. Please contact your financial advisor for more details. The contents of this document should not be considered an offer to sell to, or a solicitation to buy mutual fund units from, any person in a jurisdiction where such offer or solicitation is considered unlawful.

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1832 Asset Management L.P., as Manager of the ScotiaFunds, may compensate its staff and any appointed sub-distributor by regular payments based on the net asset value (NAV) of units held by investors. For further details, please refer to the Simplified Prospectus.