This is a final annual information form for each of the mutual funds to which this document pertains.

ScotiaFunds®

Final Annual Information Form

May 16, 2018

Scotia Conservative Government Bond Capital Yield Class (Series A shares)

Scotia Fixed Income Blend Class (Series A shares)

Scotia Canadian Dividend Class (Series A shares)

Scotia Canadian Equity Blend Class (Series A shares)

Scotia U.S. Equity Blend Class (Series A shares)

Scotia Global Dividend Class (Series A shares)

Scotia International Equity Blend Class (Series A shares)

Scotia INNOVA Income Portfolio Class (Series A shares)

Scotia INNOVA Balanced Income Portfolio Class (Series A and Series T shares)

Scotia INNOVA Balanced Growth Portfolio Class (Series A and Series T shares)

Scotia INNOVA Growth Portfolio Class (Series A and Series T shares)

Scotia INNOVA Maximum Growth Portfolio Class (Series A and Series T shares)

Scotia Partners Balanced Income Portfolio Class (Series A and T shares)

Scotia Partners Balanced Growth Portfolio Class (Series A and T shares)

Scotia Partners Growth Portfolio Class (Series A and T shares)

Scotia Partners Maximum Growth Portfolio Class (Series A and T shares)

Each of the foregoing Funds and Portfolios are classes of Scotia Corporate Class Inc.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

The Funds and the securities they offer under this annual information form are not registered with the U.S. Securities and Exchange Commission and may be offered and sold in the United States only in reliance on exemptions from registration.

TABLE OF CONTENTS

Page

TABLE OF CONTENTS
(continued)

Page

INTRODUCTION

In this document:

Board means the board of directors of the Corporation;

Corporation means Scotia Corporate Class Inc.;

Corporate Funds refers to the ScotiaFunds that are classes of shares of the Corporation and *Corporate Fund* refers to any of them;

Fund or *Funds* means a Corporate Fund, including a Portfolio, that is listed in this annual information form and where the context requires, refers to ScotiaFunds, whether a Corporate Fund, a Trust Fund or an LP Fund;

LP Funds refers to any fund structured as a limited partnership established from time to time in which one or more Corporate Funds may invest, and *LP Fund* refers to any of them;

Manager, *1832 LP*, *we*, *us*, and *our* refer to 1832 Asset Management L.P.;

Portfolios or *Portfolio Classes* refers to the Scotia INNOVA Portfolio Classes and Scotia Partners Portfolio Classes that are listed in this annual information form and *Portfolio* or *Portfolio Class* refers to any of them;

Scotiabank includes The Bank of Nova Scotia (Scotiabank) and its affiliates, including The Bank of Nova Scotia Trust Company (Scotiatrust®), 1832 Asset Management L.P., Scotia Securities Inc. and Scotia Capital Inc. (including ScotiaMcLeod® and Scotia iTRADE®, each a division of Scotia Capital Inc.);

ScotiaFunds refers to all of our mutual funds and the series thereof which are offered under separate simplified prospectuses under the ScotiaFunds® brand;

Scotia INNOVA Portfolio Classes refers to Scotia INNOVA Income Portfolio Class, Scotia INNOVA Balanced Income Portfolio Class, Scotia INNOVA Balanced Growth Portfolio Class, Scotia INNOVA Growth Portfolio Class and Scotia INNOVA Maximum Growth Portfolio Class;

Scotia Partners Portfolio Classes refers to Scotia Partners Balanced Income Portfolio Class, Scotia Partners Balanced Growth Portfolio Class, Scotia Partners Growth Portfolio Class and Scotia Partners Maximum Growth Portfolio Class;

securities of a Fund refers to units or shares of a Fund;

securityholder refers to shareholders of a Corporate Fund or to unitholders of a Trust Fund or an LP Fund, as applicable;

Tax Act means the *Income Tax Act* (Canada);

Trust Funds refers to the ScotiaFunds that are structured as mutual fund trusts and issue units; and

underlying fund refers to an investment fund (either a ScotiaFund or other investment fund including an exchange-traded fund) in which a Fund invests.

NAMES AND FORMATION OF THE FUNDS

The Corporation was incorporated by certificate and articles of incorporation (the "**Articles**") dated April 17, 2012 under the *Canada Business Corporations Act* ("**CBCA**"). The Corporation is authorized to issue a class of special voting shares and 200 classes of mutual fund shares, although we may issue more in the future. Each class is authorized to issue 25 series of shares. The Board is authorized to refer to each class by a name, which appears on the cover of this annual information form.

The Corporation currently offers 16 classes of shares, each one of which offers Series A and some which also offer Series T shares as noted on the cover page. We may offer additional Corporate Funds in the future.

1832 LP is the manager of the Funds. The head office of 1832 LP and of the Funds is located at 1 Adelaide Street East, 28th Floor, Toronto, Ontario, M5C 2V9.

INVESTMENT RESTRICTIONS AND PRACTICES

The Funds' simplified prospectus contains detailed descriptions of the investment objectives, investment strategies and risk factors for the Funds. In addition, the Funds are subject to certain restrictions and practices contained in securities legislation, including National Instrument 81-102 – *Investment Funds* ("**NI 81-102**"), which are designed in part to ensure that the investments of the Funds are diversified and relatively liquid and to ensure the appropriate administration of the Funds. Except as otherwise described herein, each Fund is managed in accordance with these restrictions and practices. The Funds have permission from securities regulatory authorities to deviate from certain provisions of NI 81-102 and from certain provisions of securities laws as described below.

Before a change is made to the fundamental investment objectives of a Fund, the prior approval of shareholders of such Fund is required. This approval must be given by a resolution passed by at least a majority of the votes cast at a meeting of shareholders of such Fund.

Self-Dealing Restrictions

Offerings Involving a Related Underwriter

The Funds are considered dealer managed investment funds and follow the dealer manager provisions prescribed by NI 81-102.

The Funds cannot knowingly make an investment during, or for 60 days after, the period in which an affiliate or associate of the Manager, such as Scotia Capital Inc., acts as an underwriter or agent in an offering of equity securities (the "**Prohibition Period**"), unless the offering is being made under a prospectus and such purchases are made in compliance with the approval requirements of National Instrument 81-107 – *Independent Review Committee for Investment Funds* ("**NI 81-107**").

The Funds, along with other mutual funds managed by the Manager, can rely on exemptive relief from the Canadian securities regulatory authorities from the above requirements in order to:

(a) purchase securities of a Canadian reporting issuer which are (i) equity securities, or (ii) convertible securities, such as special warrants, which automatically permit the holder to purchase, convert or exchange such convertible securities into other equity securities of the reporting issuer once such other equity securities are listed and traded on an exchange, pursuant to a private placement during the Prohibition Period notwithstanding that a related underwriter, such as Scotia Capital Inc., participates in offering the securities of such issuer;

(b) purchase non-government debt securities which do not have an approved rating during the Prohibition Period notwithstanding that a related underwriter, such as Scotia Capital Inc., participates in offering the securities of such issuer; and

(c) invest in equity securities of an issuer that is not a reporting issuer in Canada during the Prohibition Period, whether pursuant to a private placement of the issuer in Canada or in the United States or a prospectus offering of the issuer in the United States of securities of the same class, notwithstanding that a related underwriter, such as Scotia Capital Inc., participates in offering the securities of such issuer.

Transactions with Related Parties

The Funds are subject to certain restrictions when dealing with, or investing in, the Manager or parties related to the Manager. The Funds, along with other mutual funds managed by the Manager, can rely on exemptive relief from the Canadian securities regulatory authorities from the above requirements in order to:

(a) purchase debt securities from, or sell debt securities to, related dealers that are acting as principal dealers in the Canadian debt securities market, provided such purchases are made in compliance with the approval requirements of NI 81-107 and certain other conditions; and

(b) purchase long-term debt securities issued by Scotiabank, an affiliate of the Manager, and other related issuers in the primary and secondary markets, provided such purchases are made in compliance with the approval requirements of NI 81-107 and certain other conditions.

Inter-Fund Trades

The Funds have obtained exemptive relief from the Canadian securities regulatory authorities to engage in inter-fund trading, which would otherwise be prohibited under applicable securities legislation. Inter-fund trading permits related investment funds and managed accounts to trade portfolio securities held by one of them with the others. Under the exemptive relief, the Funds may engage in inter-fund trading of debt securities and exchange traded securities on certain conditions aimed at ensuring that the trade is made at the market price at the time of the trade and that no additional commissions are paid. The independent review committee ("**IRC**") for the Funds and other investment funds managed by the Manager must approve the inter-fund trades in accordance with the approval requirements of NI 81-107.

Closed-End Funds

Each Fund, along with the other mutual funds managed by the Manager, has obtained exemptive relief from the Canadian securities regulatory authorities to invest in non-redeemable investment funds ("**Closed-End Funds**") provided that certain conditions are met, including that immediately after each such investment no more than 10% of the NAV of the Fund is invested in Closed-End Funds.

Derivatives

The Funds may use or invest in derivative instruments consistent with their respective investment objectives and as permitted by applicable securities laws. The Funds may use derivatives to hedge against certain investment risks, such as currency and interest rate fluctuations and stock market volatility. When a Fund uses derivatives for purposes other than hedging, it holds enough cash or money market instruments to fully cover its position in the derivative, as required by securities regulations. Investing in, or using, derivatives is subject to certain risks. If permitted by applicable securities legislation, the Funds may enter into over-the-counter bilateral derivatives transactions with counterparties that are related to the Manager.

The Funds have obtained exemptive relief from the Canadian securities regulatory authorities from the counterparty credit rating requirement, the counterparty exposure threshold and the custodial requirements set out in NI 81-102 in order to permit the Funds to clear certain swaps: (i) entered into with futures commission merchants ("**FCM**") that are subject to U.S. clearing requirements; or (ii) where there is the requirement that the swap be cleared through a central counterparty authorized to provide clearing services for purposes of the European Market Infrastructure Regulation and to deposit cash and other assets directly with the FCM, and indirectly with a clearing corporation, as margin for such swaps. In the case of FCMs in Canada, the FCM must be a member of the Canadian Investor Protection Fund and the amount of margin deposited, when aggregated with the other amount of margin already held by the FCM, must not exceed 10% of the net asset value of the Fund at the time of the deposit. In the case of FCMs outside of Canada: (i) the FCM must be a member of a clearing corporation and subject to a regulatory audit; (ii) the FCM must have a net worth (determined from audited financial statements or other publicly available financial information) in excess of $50 million; and (iii) the amount of margin deposited, when aggregated with the other amount of margin already held by the FCM, must not exceed 10% of the net asset value of the Fund at the time of the deposit.

Exchange-Traded Funds

The Funds have obtained exemptive relief from the Canadian securities regulatory authorities to invest in certain ETFs listed on a recognized exchange in Canada that are not "index participation units" where: (i) the Fund do not short sell securities of the ETF; (ii) the ETF is not a commodity pool; and (iii) the ETF is not relying on relief regarding the purchase of physical commodities, the purchase, sale or use of specified derivatives or with respect to the use of leverage. The Funds have obtained further exemptive relief to invest in certain ETFs created and managed by BlackRock Asset Management Canada Limited in compliance with the relief described above and certain other conditions.

Gold and Silver

Certain Funds have received the approval of the Canadian securities regulatory authorities to invest up to 10% of its net assets, taken at the market value thereof at the time of investment, in gold and silver (or the equivalent in certificates or specified derivatives of which the underlying interest is gold or silver).

Gold Exchange-Traded Funds

Certain Funds have received the approval of the Canadian securities regulatory authorities to invest in exchange-traded funds that are traded on a stock exchange in Canada or the United States and that hold or seek to replicate the performance of gold, permitted gold certificates or specified derivatives, of which the underlying interest is gold or permitted gold certificates, on an unlevered basis ("**Gold ETFs**"), provided such investment is in accordance with the fundamental investment objectives of the Fund and the Fund's aggregate market value exposure to gold (whether direct or indirect, including through Gold ETFs) does not exceed 10% of the net asset value of the Fund, taken at market value at the time of the transaction.

Securities Lending, Repurchase and Reverse Repurchase Transactions

The Funds may enter into securities lending, repurchase and reverse repurchase transactions consistent with their investment objectives and as permitted by applicable securities and tax laws. A securities lending transaction is where a mutual fund lends certain qualified securities to a borrower in exchange for a negotiated fee without triggering a disposition of the securities for tax purposes. A repurchase transaction is where a mutual fund sells a security at one price and agrees to buy it back from the same party at a specified price on a specified date. A reverse repurchase transaction is where a mutual fund buys securities for cash at one price and agrees to sell them back to the same party at a specified price on a specified date. Securities lending, repurchase and reverse repurchase transactions involve certain risks. If the other party to these transactions goes bankrupt or is for any reason unable to fulfill its obligations under the agreement, the Fund may experience difficulties or delays in receiving payment. To address these risks, any securities lending, repurchase or reverse repurchase transactions entered into by a Fund will comply with applicable securities laws, including the requirement that each agreement be, at a minimum, fully collateralized by investment grade securities or cash with a value of at least 102% of the market value of the securities subject to the transaction. The Funds will enter into securities lending, repurchase or reverse repurchase transactions only with parties that we believe, through conducting credit evaluations, have adequate resources and financial ability to meet their obligations under such agreements ("**qualified borrowers**"). In the case of securities lending or repurchase transactions, the aggregate market value of all securities lent and sold by a Fund will not exceed more than 50% of the net asset value ("**NAV**") of that Fund immediately after the Fund enters into such a transaction.

Short Selling

Certain Funds may engage in short selling consistent with their investment objectives and as permitted by the Canadian securities regulators. A short sale by a mutual fund involves borrowing securities from a lender which are then sold in the open market (or "sold short"). At a

later date, the same number of securities are repurchased by the mutual fund and returned to the lender. In the interim, the proceeds from the first sale are deposited with the lender and the mutual fund pays interest to the lender. If the value of the securities declines between the time that the mutual fund borrows the securities and the time it repurchases and returns the securities, the mutual fund makes a profit for the difference (less any interest the mutual fund is required to pay to the lender). In this way, the mutual fund has more opportunities for gains when markets are generally volatile or declining.

The Funds may engage in short selling only within certain controls and limitations. Securities are sold short only for cash. As well, at the time securities of a particular issuer are sold short by a Fund, the aggregate market value of all securities of that issuer sold short will not exceed 5% of the NAV of the Fund. The aggregate market value of all securities sold short by a Fund will not exceed 20% of the NAV of the Fund. The Fund may deposit assets with lenders in accordance with industry practice in relation to its obligations arising under short sale transactions. The Fund also will hold cash cover (as defined in NI 81-102) in an amount, including the Fund's assets deposited with lenders, that is at least 150% of the aggregate market value of all securities it sold short on a daily marked-to-market basis. No proceeds from short sales will be used by a Fund to purchase long positions other than cash cover. The Funds will also abide by all other NI 81-102 restrictions relating to short selling.

SHARES OF THE FUNDS

What are Classes and Series of Shares of the Corporation?

The Corporation issues classes of shares in series and may issue an unlimited number of shares of each series. Each such class is a mutual fund that has a separate set of investment objectives. Each Fund currently offers Series A shares and some Funds also offer Series T shares under a simplified prospectus.

Holders of shares of a Fund have the rights described below. Fractional shares carry the rights and privileges and are subject to the restrictions and conditions described for shares in the proportions that they bear to one share, except that any holder of a fractional share is not entitled to vote in respect of such fractional share.

When issued, shares of each Fund are fully paid and non-assessable and have no pre-emptive or conversion rights. Fractions of shares may also be issued.

Dividend rights

The Corporation does not pay dividends at regular intervals on Series A shares. Investors holding Series T shares will receive stable monthly distributions, which will usually represent a return of capital, but may also include ordinary dividends and/or capital gains dividends. Any capital gains dividends will generally be allocated amongst all Funds, although the Board may allocate ordinary or capital gains dividends only to a particular Fund if the Board believes it is appropriate to do so. Any dividend allocated by the Corporation to a Fund will generally be shared amongst all series of the Fund.

No distribution of capital to a series can be made if it exceeds that series' capital.

In the event of the liquidation or dissolution of the Corporation, all Funds have the right to participate in the remaining property of the Corporation based on the relative NAV of each Fund. If amounts payable on a return of capital in respect of a series of shares are not paid in full, the shares of all series of a Fund participate ratably on a return of capital based on the relative NAV of each series of such Fund.

Redemption

All shares of the Corporation are redeemable on the basis as described under *How to Sell Shares.*

In addition, the Corporation may, in its discretion, redeem securities of any series at their NAV per security: (a) if the total value of a securityholder's holdings of the Fund falls below a specified amount as fixed by the Manager from time to time; (b) to pay any outstanding fees or expenses owed by the securityholder, whether to the Corporation or another party; (c) if a securityholder fails to meet the eligibility requirements for those securities; (d) if authorized to do so by applicable law or by securities regulators; (e) if necessary to set off any other amount owing by the securityholder to the Corporation; or (f) if the holding of such securities by such securityholder would have an adverse effect on the Corporation or a Fund.

Conversions

The movement of your investment money from one Corporate Fund to another Corporate Fund, or from one series to another series of the same Corporate Fund, is called a conversion.

If you wish to change your investments within the Corporation, you can convert from one Corporate Fund to another Corporate Fund. If you wish to change fee structures, you may request that your securities of a series of a Corporate Fund be converted into securities of another series of the same Corporate Fund, provided that you meet certain criteria that may be established by the Manager. If after conversion, you no longer satisfy the criteria for that series, your securities may be redeemed by the Corporation, or may be converted into another series if you so direct, and if you meet the criteria for such series.

Voting rights

Securityholders of the Funds do not have the right to vote except as required by the CBCA or by Canadian securities legislation. Securityholders of a Fund or a series thereof have the right to vote on matters prescribed by the CBCA, including in particular, the modification of the rights and conditions attaching to a Fund or a series thereof. A separate Fund or series vote is required if a particular Fund or series is affected in a manner that is different from other Funds or series. At a shareholder meeting called to vote on these issues, a shareholder will be entitled to one vote per share of a Fund.

However, no vote of securityholders of a Fund or a series of shares of a Fund is required (and no rights to dissent arise) for the Corporation to:

- increase any maximum number of authorized shares of a Fund or a series of shares of the Fund having rights or privileges equal or superior to the shares of such Fund;
- effect an exchange or cancellation of all or part of the shares of the Fund or a series of shares of the Fund; or

- create a new corporate class fund of the Corporation or a series of a class fund of the Corporation having rights equal or superior to the shares of the Fund or a series of shares of the Fund.

In addition, if no shares of a series are outstanding, the Board may change the rights, privileges, restrictions and conditions attaching to such series. In some cases only some of the Funds or series of a Fund will vote on a particular matter stated above and in other cases the shareholders of all of the Funds or series of shares of a Fund will vote on such matter.

Subject to any exemption obtained by a Fund from applicable securities laws, or as otherwise may be permitted under securities laws, the following matters currently require shareholder approval pursuant to securities laws:

1. the appointment of a new manager, unless the new manager is an affiliate of the Manager;

2. a change in the fundamental investment objectives of a Fund;

3. a decrease in the frequency of calculating the NAV per unit of a Fund;

4. changing the basis of the calculation of a fee or expense that is charged to a Fund or directly to its shareholders by the Fund or the Manager in a way that could result in an increase in charges to the Fund or its shareholders, except in certain circumstances as permitted under securities laws (as described below);

5. introducing a fee or expense, to be charged to a Fund or directly to its shareholders by the Fund or the Manager in connection with holding securities of the Fund, in a way that could result in an increase in charges to the Fund or its shareholders, except in certain circumstances as permitted under securities laws (as described below);

6. where a Fund undertakes a reorganization with, or transfers its assets to, another issuer, and the Fund ceases to continue after the reorganization or transfer of its assets and the transaction results in shareholders of the Fund becoming shareholders of the other issuer. Notwithstanding the foregoing, no shareholder approval will be required for such a change if that change is approved by the IRC of the Fund, the assets of the Fund are being transferred to another mutual fund to which NI 81-102 and NI 81-107 both apply and that is managed by the Manager or an affiliate of the Manager, the reorganization or transfer of assets complies with other relevant securities legislation, and written notice of the reorganization or transfer is sent to the Fund's shareholders at least 60 days prior to the effective date of the reorganization or transfer;

7. where a Fund undertakes a reorganization with, or acquires assets from, another issuer, continues after such reorganization or acquisition of assets, and the transaction results in the shareholders of the other issuer becoming shareholders of the Fund and the transaction would be a material change to the Fund; and

8. where a Fund is restructured into a non-redeemable investment fund or into an issuer that is not an investment fund.

Because shareholders are not charged sales commissions or redemption fees when they invest in or redeem shares of the Funds, shareholder meetings in respect of Series A and T shares of the Funds are not required to approve the introduction of a fee or expense or any increase in the fees or expenses charged by parties to the Funds if these shareholders are notified of the change in writing at least 60 days before the effective date of the introduction or increase.

How the Shares are Valued

How much a Fund is worth is called its NAV. When a Fund calculates its NAV, it determines the market value of all of its assets and subtracts all of its liabilities. Separate NAVs are calculated for each series of a Fund at the end of each day based on each series' share of the Fund's NAV as determined in accordance with the Articles of Incorporation of the Corporation. The series NAV per share ("**NAV per share**") is calculated daily by dividing (a) the current market value of the proportionate share of the assets allocated to the series, less the liabilities of the series and the proportionate share of the common expenses allocated to the series, by (b) the total number of shares of that series outstanding at such time. A share's NAV is very important because it is the basis on which shares of a Fund are purchased and redeemed. The series NAV per share of a Fund varies from day to day. A Fund calculates the NAV of the shares at the close of business on each Valuation Date. Every day that the Toronto Stock Exchange is open for trading or each other day required for tax, accounting or distribution purposes of each year is a "Valuation Date". In unusual circumstances, calculation of the NAV per share may be suspended, subject to obtaining any necessary regulatory approval.

Valuation of Portfolio Securities and Liabilities

The NAV of a Fund must be calculated using the fair value of the Fund's assets and liabilities.

The value of the assets of a Fund are calculated using the following valuation principles:

1. the value of any cash on hand or on deposit, bills, demand notes, accounts receivable, prepaid expenses, cash dividends or distributions received (or to be received and declared to shareholders of record on a date as of which the NAV is being determined) and interest, accrued and not yet received, shall be deemed to be the full amount thereof, unless the Manager has determined that any such amount is not worth the full amount thereof, in which event the value shall be the fair value as determined by the Manager;

2. the value of any security that is listed on a stock exchange or traded on an over-the-counter market will be (A) the closing sale price on that day, or (B) if there is no such closing price, the average of the bid and the ask price at that time, or (C) if no bid or ask price is available, the price last determined for such security for the purpose of calculating NAV of the Fund. The value of interlisted securities shall be computed in accordance with directions set out from time to time by the Manager. Notwithstanding the foregoing, if, in the opinion of the Manager, stock exchange or over-the-counter quotations do not properly reflect the prices which

would be received by the Fund upon the disposal of securities necessary to reflect any redemption of shares, the value thereof shall be the fair value of such securities as determined by the Manager. In calculating the value of foreign securities listed on securities exchanges outside of North America, the Manager will place values on such securities which, in the Manager's view, most closely reflect the fair value of such securities at the time of NAV calculation;

3. the value of the securities of any other unlisted mutual fund will be the NAV per security on the Valuation Date or, if such date is not a valuation date of the mutual fund, the NAV per security on the most recent valuation date for the mutual fund;

4. the value of long positions and short positions in clearing corporation options is based on the mid-price and the value of long positions and short positions in debt-like securities and warrants that are traded on a stock exchange or other markets will be the closing sale price on the Valuation Date or, if there is no such sale price, the average of the bid and ask prices at that time, all as reported by any report in common use or authorized as official by the stock exchange or, if no bid or ask price is available, the last reported closing sale price of such security;

5. the value of long positions and short positions in clearing corporation options on futures is based on the daily settlement price determined by the respective exchange (if available); if no settlement price is available, the last reported closing sale price on the Valuation Date; or, if no closing sale price is available, the last reported settlement price of such security;

6. where a covered clearing corporation option or over-the-counter option is written by the Fund the premium received by the Fund will be reflected as a deferred credit which will be valued at an amount equal to the value of the clearing corporation option or over-the-counter option which would have the effect of closing the position; any difference resulting from revaluation shall be treated as an unrealized gain or loss on investment; the deferred credit shall be deducted in arriving at the NAV of the Fund; the securities, if any, which are the subject of a written clearing corporation option or over-the-counter option will be valued in a manner listed above for listed securities in paragraph (4) above;

7. the value of any standardized futures contract or forward contract shall be the gain or loss, if any, that would arise as a result of closing the position in the standardized futures contract or forward contract, as applicable, on the Valuation Date, unless "daily limits" are in effect, in which case fair market value shall be based on the value of the underlying interest on the Valuation Date as determined in a manner by the Manager in its discretion;

8. the value of any restricted security shall be determined based on the discretion of the Manager, such that it is fair and reasonable and in accordance with the valuation policy set out by the Manager; and

9. the value of any security or other asset for which a market quotation is not readily available, will be its fair value on that day determined in such manner as the Manager deems to be appropriate.

For the purpose of any conversion of monies from any other currency to Canadian currency for a Fund, the current rate of exchange as quoted to such Fund by its bankers as nearly as practicable at the time as of which the NAV is being computed is used.

The Manager will deviate from these valuation principles in circumstances where the above methods do not, in the view of the Manager, accurately reflect the fair value of a particular security at any particular time, for example, if trading in a security was halted because of significant negative news about a company.

The interim financial reports and annual financial statements of each Fund (the "**Financial Statements**") are required to be prepared in compliance with international financial reporting standards ("**IFRS**"). The Funds' accounting policies for measuring the fair value of their investments (including derivatives) are identical to those used in measuring their NAVs for transactions with shareholders, except as disclosed below.

The fair value of a Fund's investments (including derivatives) is the price that would be received to sell an asset, or the price that would be paid to transfer a liability, in an orderly transaction between market participants as at the date of the Financial Statements (the "**Reporting Date**"). The fair value of a Fund's 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 "**Close Price**"). In contrast, for IFRS purposes, each Fund uses the Close Price for both financial assets and liabilities where that price falls within that day's bid-ask spread. If a Close Price does not fall within the bid-ask spread, the Close Price will then be adjusted by the Manager, to a point within the bid-ask spread that is, in the view of the Manager, most representative of fair value based on specific facts and circumstances.

As a result of this potential adjustment, or other fair value adjustments the Manager may, in its sole discretion, determine to be fair and reasonable for the security, the fair value of the financial assets and liabilities of a Fund determined under IFRS may differ from the values used to calculate the NAV of that Fund.

IFRS are financial reporting standards and have no impact on the calculation of the NAV.

HOW TO PURCHASE AND SELL SHARES OF THE FUNDS

How to Purchase Shares

Scotia Conservative Government Bond Capital Yield Class, Scotia INNOVA Income Portfolio Class and Scotia Fixed Income Blend Class are closed to new purchases and to switches of securities from other funds into these Funds. The closure does not affect your ability to switch from these Funds to other funds. We may choose to re-open these Funds to new purchases in the future.

Shares of the other Funds described herein are offered for sale on a continuous basis at their NAV per share from time to time, computed in the manner described under *How the Shares are Valued*. There are generally no sales commissions or other fees payable on the purchase of such shares. Series A and Series T shares of such other Funds may be purchased directly from Scotia Securities Inc., ScotiaMcLeod and Scotia iTRADE, in such provinces and territories where Scotia Securities Inc., ScotiaMcLeod or Scotia iTRADE are qualified to receive orders for purchase or with dealers and brokers qualified in your province or territory. Series A and Series T shares of such other Funds are available to all investors.

Purchase orders received by the Manager by the close of trading of the Toronto Stock Exchange, generally 4:00 p.m. (Toronto time), on a Valuation Date will be effective on that day. Orders received after that time will be effective on the next Valuation Date. All orders for shares of a Fund will be forwarded to the Fund for acceptance or rejection and the Fund reserves the right to reject any order in whole or in part. Dealers and brokers must transmit an order for shares to the head office of a Fund and must make such transmittal wherever practical by courier, priority post or telecommunications facility without charge to you on the same day your completed purchase order is received. As a security policy (which may be changed at the discretion of the Manager) the Funds, except as provided below, generally will not accept purchase orders placed by telephone or wire directly by an investor. The decision to accept or reject your purchase order will be made promptly and, in any event, within one business day of receipt of your order by the Fund. Telephone orders and Internet orders may be placed with Scotia Securities Inc. representatives at branches or call centres of Scotiabank. Speak to your registered investment professional for details. If your order is rejected, all monies received with your rejected order will be returned to you immediately.

The minimum amounts for the initial and each subsequent investment in Series A and Series T shares of the Scotia INNOVA Portfolios is $50,000 and $50, respectively, in Series A and Series T shares of the Scotia Partners Portfolios is $10,000 and $25, respectively, and in Series A and Series T shares of Scotia Global Dividend Class, Scotia Canadian Dividend Class, Scotia Conservative Government Bond Capital Yield Class, Scotia Fixed Income Blend Class, Scotia Canadian Equity Blend Class, Scotia U.S. Equity Blend Class and Scotia International Equity Blend Class is $1,000 and $25, respectively. If you buy, sell or switch shares of a Fund through non-affiliated brokers or dealers you may be subject to higher minimum initial or additional investment amounts.

The minimum initial and additional investment amounts may be varied or waived at any time without notice at the absolute discretion of the Manager. The Manager reserves the right to terminate your account with a Fund after giving 10 days' written notice to you if the NAV of your investment in the Fund falls below the applicable minimum for an initial purchase. Your dealer or broker may impose higher minimum initial or additional investment amounts.

The NAV per share for the purpose of issuing shares is the NAV per share next determined following receipt of a purchase order. No share certificates will be issued by the Funds.

Payment for all orders of shares must be received at the head office of the Funds on or before the third business day from (but not including) the day the subscription price for the shares is determined. Subject to the implementation of changes to the timeframe for the settlement of

securities in Canada, effective September 5, 2017, payment in full of the purchase price for your order, together with all necessary documents must be received within two business days after the purchase price is determined. Where payment of the subscription price is not received, a Fund is deemed to have received and accepted on the first business day following such period an order for redemption of the shares and the redemption proceeds are applied to reduce the amount owing to the Fund in respect of the purchase of the shares. If the amount of the redemption proceeds exceeds the subscription price of the shares, the Fund is permitted to retain the excess. If the amount of the redemption proceeds is less than the issue price of the shares, Scotia Securities Inc., as principal distributor of Series A and Series T shares of the Funds, must pay to the Fund the amount of the deficiency. Scotia Securities Inc. is entitled to collect such amounts together with its costs, charges and expenses in so doing and interest thereon from dealers or brokers making the order for shares. Those dealers or brokers may, in turn, collect such amounts from the investor who failed to pay the subscription price. Where no other dealers or brokers have been involved in an order for shares, Scotia Securities Inc. is entitled to collect such amounts described above from the investor who has failed to make payment for the shares ordered.

Other than the short term trading fee described below, the Funds do not charge for redemptions, but reserve the right to impose redemption fees from time to time, upon providing shareholders 60 days' written notice of the amount and particulars of such fee. The Funds currently have no intention to impose such fees on any of the series described in this annual information form during the next 12 months.

Sales Charges

You may pay a sales charge or other fee if you buy Series A and/or Series T shares of a Fund through a dealer other than Scotia Securities Inc., ScotiaMcLeod or Scotia iTRADE. You negotiate any such charge or fee directly with your dealer. Series A and Series T shares of the Funds are no load. That means you do not pay a sales commission when you buy, switch or sell these shares through us or our affiliates.

Trailing commissions and Sales Incentive Programs

The Manager may pay Scotia Securities Inc., ScotiaMcLeod or Scotia iTRADE employees or other registered brokers and dealers a trailing commission on Series A and Series T shares of the Funds. This fee is calculated daily and paid monthly and, subject to certain conditions, is based on the value of the Series A and Series T shares you hold.

In addition, Scotiabank may also include sales of shares of the Funds in its general employee incentive programs which involve many different Scotiabank products.

How to Switch Funds

You can switch from one ScotiaFund to another ScotiaFund, as long as you are eligible to hold the particular series of the ScotiaFund into which you switch. A switch involves moving money from the First ScotiaFund to another ScotiaFund. Generally, a switch may be an order to sell and buy or to convert your securities. We describe these kinds of switches below. When we receive your order, we will sell or convert your securities from the Fund and use the proceeds to buy the

other ScotiaFund. The steps for buying and selling a ScotiaFund also apply to switches. A Fund may also charge you a short term or frequent trading fee if you switch your securities within 31 days of buying them, or if you have made multiple switches within 10 calendar days of purchase. See *How to Sell Shares* for details.

Switching between Corporate Funds and Series of a Corporate Fund

When you switch shares from one Corporate Fund to another Corporate Fund or between series within a Corporate Fund, it is treated as a conversion. You can convert shares of a Corporate Fund into shares of another Corporate Fund as long as you are eligible to hold the series of the other Corporate Fund. You can convert shares of a series to shares of another series within the same Corporate Fund as long as you are eligible to hold the other series of the Corporate Fund. When you convert shares between Corporate Funds or series, the value of your investment will not change (except for any fees you pay to convert), but the number of shares you hold will change. This is because each series of each Corporate Fund has a different share price.

A switch from a series of shares of one Corporate Fund for the same or a different series of shares of a different Corporate Fund within the Corporation will generally be considered a disposition for tax purposes and accordingly, you will realize a capital gain or capital loss. A switch between series of shares of the same Corporate Fund will generally not be considered a disposition for tax purposes and, accordingly, you will not realize a capital gain or capital loss provided that the two series of shares derive their value in the same proportion from the same property or group of properties. See *Tax Treatment of Your Investment*.

Switching between Corporate Funds and Trust Funds

Switching between a Corporate Fund and a Trust Fund is considered a disposition for tax purposes. If you hold your securities in a non-registered account, you may realize a capital gain or loss on the disposition. See *Tax Treatment of Your Investment*.

How to Sell Shares

You may at any time sell your shares back to a Fund by following the procedures described in the following section, unless at that time the Fund's obligation to purchase your shares has been temporarily suspended by the Fund with, where necessary, the prior consent of the Ontario Securities Commission. Your request to have a Fund buy back your shares constitutes a "redemption" by the Fund when completed and may be referred to in this annual information form as a "sell order" to the Fund. The redemption price for the shares that are the subject of your sell order will be the NAV of such shares next determined following receipt of your sell order by the Fund. Payment for your shares sold will be made by cheque within two business days after receipt by the Fund of your sell order. **The Manager cannot accept sell orders specifying a forward date or price, and sell orders will not be implemented before the Manager has actually received payment for shares issued to you under the corresponding purchase order.**

Short term trading (including "market-timing" trading) can increase a Fund's expenses, which affects all shareholders of the Fund. The Manager has systems in place to monitor for short term trades. These systems have the capability to detect and mark any redemption or switching that

occurs within 31 days of the purchase of the relevant shares. If it is determined that a redemption or switch constitutes a short term trade, the Fund will charge a fee of 2% of the amount redeemed or switched. This short term trading fee is retained by the Fund. While the fee will generally be paid out of the redemption proceeds of the Fund in question, 1832 LP has the right to redeem shares of other Funds in your account without notice to you to pay for the short term trading fee. 1832 LP may, in its sole discretion, decide which shares should be redeemed and the manner in which to do so. 1832 LP may waive the fee in certain circumstances and in its sole discretion.

The short term trading fee does not apply to: (i) automatic rebalancing that is part of the service offered by the Manager; (ii) transactions not exceeding a certain minimum dollar amount, as determined by the Manager from time to time; (iii) trade corrections or any other action initiated by the Manager or the applicable portfolio advisor; (iv) transfers of securities of one Fund between two accounts belonging to the same securityholder; (v) regularly scheduled registered retirement income fund ("**RRIF**") or life income fund ("**LIF**)" payments; and (vi) regularly scheduled automatic withdrawal plan payments.

The Manager may cause the redemption of all outstanding shares of a Fund held by a shareholder after giving 10 days' written notice if the aggregate NAV of such shares in a Fund declines below the minimum initial purchase amounts described under *How to Purchase Shares*.

How to Submit a Sell Order

The following is a summary of the procedure that you must follow when submitting a sell order. The Manager, however, may from time to time adopt additional permissible procedures and, if so, will advise all shareholders of such procedures.

Your sell order must be in writing and bear an authorized signature from your bank, trust company or registered dealer or broker and such other evidence of proper authority as a Fund may reasonably require. Any sell order by a corporation, trust, partnership, agent, fiduciary, surviving joint owner or estate must be accompanied by customary documentation evidencing the signatory's authority. Sell orders are effective only when all documentation is in order and received by the head office of a Fund. Any of these requirements may be waived at any time without notice in the absolute discretion of the Manager. Your sell order may be submitted to any branch of Scotia Securities Inc. or Scotia iTRADE in such provinces and territories where Scotia Securities Inc. or Scotia iTRADE are qualified to sell shares of the Fund. Sell orders may also be submitted to your registered dealer or broker. Dealers and brokers must transmit the particulars of a sell order to a Fund on the same day it is received at no charge to the investor and must make such transmittal wherever practical by courier, priority post or telecommunications facility. As a security policy (which may be changed at the discretion of the Manager), the Funds will generally not accept sell orders placed by telephone, wire or by other electronic means directly from shareholders.

If a shareholder fails to provide a Fund with a duly completed sell order within 10 business days of the date on which the NAV per share was determined for purposes of the sell order, the Fund is deemed to have received and accepted, as of the close of business on the 10th business day, an order for the purchase of the equivalent number of shares being redeemed and will apply the

amount of the redemption proceeds to the payment of the issue price of such shares. If such amount is less than the redemption proceeds, the Fund is permitted to retain the excess. If such amount exceeds the redemption proceeds, Scotia Securities Inc., as principal distributor of Series A and Series T shares of the Funds, must pay the applicable Fund the amount of the deficiency. Scotia Securities Inc. is entitled to collect such amount together with its costs and interest thereon from dealers or brokers placing the redemption order and those dealers or brokers may collect such amounts from the investor who failed to provide the duly completed sell order. Where no other dealers or brokers have been involved in a redemption order, Scotia Securities Inc. is entitled to collect such amounts described above directly from the investor who failed to provide the duly completed sell order.

All sell orders will be processed in the order in which they are received. Sell orders involving transfers to or from Registered Plans (defined below) may incur delays if the transfer documents are not completed in the sequence prescribed by Canada Revenue Agency, and release of the sale proceeds cannot be made by a Fund until all administrative procedures involved with such Registered Plans are complete.

INVESTMENT OPTIONS

For a description of the various investment options available. Please see the simplified prospectus of the Funds. Some further details are included below:

Pre-Authorized Contributions

You can set up regular pre-authorized contributions for Series A and Series T shares of the Funds held by you provided that you meet the minimum investment amounts indicated under *How to Purchase Shares*. You select the frequency of your purchases, which may be weekly, bi-weekly, semi-monthly, monthly, bi-monthly, quarterly, every four months, semi-annually or annually, by pre-authorizing payments from your bank account at Scotiabank or any other major Canadian financial institution.

You may change the amount of each purchase or the frequency of purchase or you may discontinue the plan at any time without penalty by contacting your registered investment professional. Forms used to begin pre-authorized contributions can be obtained when you place your order with your dealer or broker. Similar automatic investment plans for Series A and Series T shares of the Funds may be available through ScotiaMcLeod and other dealers.

The Funds have received exemptive relief from securities regulatory authorities from certain requirements in securities legislation to deliver Fund Facts to investors that make subsequent purchases of securities of the Funds under a pre-authorized investment plan or a similar contribution plan, subject to the conditions of an exemption order dated June 11, 2014. Participants in a pre-authorized investment plan or a similar contribution plan will not be sent a copy of any Fund Facts unless they request that it be sent at the time they enroll in the plan or subsequently request it from their broker or dealer. This exemption does not apply to investors resident in Québec. For more information, refer to *Pre-authorized contributions* in the Funds' simplified prospectus.

Registered Plans

You may open a registered retirement savings plan ("**RRSP**"), RRIF, life income retirement account, locked-in retirement savings plan, LIF, locked-in retirement income fund, prescribed retirement income fund, tax-free savings accounts ("**TFSA**") or registered education savings plans ("**RESP**") (which, collectively with a deferred profit sharing plan and registered disability savings plan ("**RDSP**"), are referred to as "**Registered Plans**") to hold shares of the Funds. Minimum initial and subsequent deposits for a Registered Plan are the same as those set out under *How to Purchase Shares*. These minimum deposits may be varied or waived at any time, without notice, in the discretion of the Manager. Shares of the Funds may also be held in a self-directed RRSP or RRIF (or other self-directed Registered Plan) with any other financial institution as may be approved by the Manager, but such plans may be subject to fees.

You may open a Registered Plan (or other similar plans that may be offered by the Manager or Scotia Securities Inc.) by completing an application form and declaration of trust which you may obtain directly from Scotia Securities Inc. and Scotiatrust or from the offices of a participating dealer appointed by 1832 LP or Scotia Securities Inc. in certain provinces and territories.

You are urged to consult your own tax advisor for full particulars of the tax implications of establishing, amending and terminating Registered Plans under the Tax Act and applicable provincial tax legislation. It is your responsibility as a holder of a Registered Plan to determine the consequences to you under relevant income tax legislation. The Funds assume no liability as a result of Registered Plans being made available.

Automatic Withdrawal Plan

Series A and Series T shareholders may establish an automatic withdrawal plan under which sufficient shares of a Fund will be redeemed on a periodic basis in order to provide these shareholders with regular cash payments. To establish and maintain an automatic withdrawal plan for Series A or Series T shares, the minimum balance needed to start the plan is $50,000 for the Scotia INNOVA Portfolio classes and $10,000 for all other Funds and the minimum for each withdrawal is $50.

See *How to Purchase Shares* to determine the minimum investment amounts. The minimum initial investment amounts and withdrawal amounts may be varied or waived at any time without notice in the absolute discretion of the Manager.

You may amend or terminate your automatic withdrawal plan without charge upon written notice to the Manager. The amendment or termination will be effective within 30 days of receipt of that notice.

Under a withdrawal plan, if you withdraw more money than your Series A or Series T shares are earning, you will eventually use up your investment.

You may realize tax consequences on any redemption or other transfer of shares. See *Tax Treatment of Your Investment*.

TAX TREATMENT OF YOUR INVESTMENT

This section is a general, but not an exhaustive, summary of how your investments in the Funds are taxed under the Tax Act. It applies to investors (other than trusts) who are resident in Canada, deal with the Corporation at arm's length and hold their shares as capital property. This summary is based on the current provisions of the Tax Act and the regulations thereunder, specific proposals to amend the Tax Act and regulations that have been publicly announced by the Minister of Finance (Canada) (the "**Minister**") prior to the date hereof (the "**Tax Proposals**") and the current published administrative practices and policies of the Canada Revenue Agency. This summary does not otherwise take into account or anticipate any change in law or administrative practice, whether by legislative, regulatory, administrative or judicial action. In addition, it does not take into account provincial, territorial or foreign tax considerations. This summary assumes that the Corporation will qualify as a "mutual fund corporation" within the meaning of the Tax Act at all material times. This summary also assumes that the Corporation has elected pursuant to subsection 39(4) of the Tax Act to have all "Canadian securities" (as defined in the Tax Act) held by the Corporation treated as capital property.

This summary is of a general nature only and is not exhaustive of all possible income tax considerations. Accordingly, prospective investors should consult their own tax advisors about their individual circumstances.

Taxation of the Corporation

Although the Corporation can have many different investment objectives and many different pools of portfolio investments, the Corporation is one legal entity and a single taxpayer. As a result, all of the Corporation's revenues, deductible expenses (including expenses common to all series of shares and management fees, and other expenses specified to a particular Fund or series of a Fund), and capital gains and capital losses in connection with all of the investment portfolios of the Funds, will be taken into account in determining the income or loss of the Corporation and applicable taxes payable by the Corporation as a whole.

The Corporation is required to compute its net income and net realized capital gains in Canadian dollars for the purposes of the Tax Act. As a consequence, the Corporation may realize income or capital gains by virtue of changes in the value of a foreign currency relative to the Canadian dollar.

The Corporation is liable for tax under Part I of the Tax Act on its other income (excluding taxable dividends received from taxable Canadian corporations) and net realized capital gains at the rate applicable to mutual fund corporations, less applicable refund or credits. Any income taxes payable by the Corporation on its net income will be allocated among its Funds in a manner determined by the Board, in its sole discretion. As a result, the assets of a Fund may be used to satisfy some or all of the taxes payable allocated to it by the Corporation. The Corporation may derive income or gains from investments in foreign countries and, as a result, may also be liable to pay tax to such countries.

Capital gains may be realized by the Corporation in a variety of circumstances, including on the disposition of portfolio assets as a result of shareholders of a Fund converting or switching their

shares into shares of a different Corporate Fund or a Trust Fund. The "suspended loss" rules in the Tax Act may prevent the Corporation from recognizing capital losses on the disposition of securities in certain circumstances which may increase the amount of net realized capital gains of the Corporation. Taxes paid by the Corporation on the taxable portion of net realized capital gains are refundable on a formula basis (i) shares are redeemed, (ii) shares are switched on a taxable basis or (iii) when the Corporation pays capital gains dividends. Capital gains dividends paid by the Corporation are generally allocated amongst all Funds whether or not the capital gain was attributable to the Fund or series. However, in special circumstances, the Board, in its sole discretion, may allocate capital gains dividends to only one or more classes. The Corporation is generally subject to tax on taxable dividends received by it from taxable Canadian corporations under Part IV of the Tax Act, which tax will be refundable on a formula basis when the Corporation pays ordinary dividends. Ordinary dividends paid by the Corporation will generally be allocated to the particular Fund that generated the taxable dividends, although the Board, in its sole discretion, may also allocate amongst all Funds if the Board believes it is appropriate to do so.

Taxation of Shareholders

Taxable Shareholders of the Funds

(i) Dividends

In the case of shareholders of a Fund that are individuals, taxable dividends paid by the Corporation (other than capital gains dividends), whether received in cash or reinvested in additional shares, will be included in computing income and are subject to the dividend gross-up and tax credit treatment normally applicable to taxable dividends paid by a taxable Canadian corporation. A Fund will designate taxable dividends of the Fund as "eligible dividends" to the extent permitted under the Tax Act.

On February 27, 2018, the Minister of Finance (Canada) announced proposals to amend the Tax Act that would limit the deferral advantage that could be obtained from earning passive income in a private corporation. Shareholders that are private corporations should consult their own tax advisors.

In the case of shareholders of a Fund that are corporations, taxable dividends paid by the Corporation, whether received in cash or reinvested in additional securities, will be included in computing income but generally will also be deductible in computing taxable income. A "private corporation" (as defined in the Tax Act) which is entitled to deduct such dividends in computing its taxable income will normally be subject to the refundable tax under Part IV of the Tax Act. Certain other corporations that are controlled directly or indirectly by or for the benefit of an individual (other than a trust) or a related group of individuals (other than trusts) are also subject to the refundable tax under Part IV of the Tax Act. Corporations, other than private corporations, should consult their own tax advisors as to the possible application of tax under Part IV.1 of the Tax Act. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received by a shareholder that is a corporation as proceeds of a disposition or a capital gain.

Capital gains dividends paid by the Corporation will be treated as realized capital gains in the hands of shareholders and will be subject to the general rules relating to the taxation of capital gains that are described below. Capital gains may be realized by the Corporation on the disposition of portfolio assets of the Corporation as a result of shareholders of a series of shares of one Fund switching their shares of such series into shares of the same series of another Fund. Capital gains dividends may be paid by the Corporation to shareholders of any particular Fund or Funds in order to obtain a refund of capital gains taxes payable by the Corporation, as a whole, whether or not such taxes relate to the investment portfolio attributable to such series.

(ii) Management Fee Rebates

Generally, shareholders of a Fund are required to include in their income for a particular year any management fee rebate paid directly to the shareholders. Shareholders should consult their own advisors with respect to the tax treatment of such management fee rebates in their particular situation.

(iii) Switches and Redemptions

Upon the actual or deemed disposition of a share of a Fund, including on the redemption of a security by a Corporate Fund and on a switch between Funds (but generally not a reclassification of shares between series of the same Fund except as described below) a capital gain (or a capital loss) will be realized to the extent that the proceeds of disposition of the share of the Fund exceed (or are exceeded by) the aggregate adjusted cost base to the shareholder of the share and any reasonable costs of disposition. Shareholders of a Fund must calculate the adjusted cost base separately for shares of each series of a Fund owned. Generally, one-half of a capital gain is included in computing income as a taxable capital gain and one-half of a capital loss is an allowable capital loss which is deducted against taxable capital gains for the year. Generally, any excess of allowable capital losses over taxable capital gains of the shareholder for the year may be carried back up to three years or forward indefinitely and deducted against taxable capital gains in those other years.

The reclassification of securities of a particular series of a Fund as securities of another series of the same Fund will generally not be considered to be a disposition for tax purposes and, in that case, a shareholder will realize neither a gain nor a loss as a result of a reclassification, provided that the two series of securities derive their value in the same proportion from the same property or group of properties, which will not be the case if the two series differ as to whether or how they use hedging instruments. Where a reclassification of securities is not considered a disposition for tax purposes, the cost of the acquired securities will be averaged with the adjusted cost base of identical securities of such series owned by the shareholder.

If a shareholder disposes of shares of a Fund and the shareholder, the shareholder’s spouse or another person affiliated with the shareholder (including a corporation controlled by the shareholder) has acquired shares of the Fund within 30 days before or after the shareholder disposes of the shareholder’s shares (such newly acquired shares being considered "substituted property"), the shareholder’s capital loss may be deemed to be a "superficial loss". If so, the shareholder’s loss will be deemed to be nil and the amount of the loss will instead be added to the adjusted cost base of the shares which are "substituted property".

If a shareholder that is a corporation disposes of shares of a Fund, the amount of any capital loss otherwise determined may be reduced by the amount of taxable dividends received on such shares under circumstances described in the Tax Act. Similar rules apply where a corporation is a beneficiary of a trust or a member of a partnership that owns shares of a Fund.

A shareholder that is throughout the relevant taxation year a "Canadian-controlled private corporation", as defined in the Tax Act, may be liable to pay an additional refundable tax of 10 2/3% on its "aggregate investment income", as defined in the Tax Act, for the year, which is defined to include taxable capital gains. On February 27, 2018, the Minister of Finance (Canada) announced proposals to amend the Tax Act that would limit the deferral advantage that could be obtained from earning passive income in a private corporation. Shareholders that are private corporations should consult their own tax advisors.

Shareholders that are individuals may be liable for alternative minimum tax in respect of Canadian source dividends, capital gains dividends and capital gains realized by the shareholder.

Non-Taxable Shareholders of the Funds

In general, the amount of dividends (including capital gains dividends) paid or payable to a Registered Plan from the Fund, or capital gains realized on a disposition of shares of, a Fund, will not be taxable under the Tax Act. Withdrawals from Registered Plans (other than TFSAs) may be subject to tax.

Eligibility for Registered Plans

Provided that the Corporation qualifies as a "mutual fund corporation" as defined in the Tax Act at all material times, shares of the Funds will be "qualified investments" under the Tax Act for Registered Plans.

Provided that the holder or annuitant of a TFSA, RRSP or RRIF (i) deals at arm's length with the Corporation for purposes of the Tax Act, and (ii) does not hold a "significant interest" (as defined in the Tax Act) in the Corporation, the shares of any series of the Fund will not be a prohibited investment for a TFSA, RRSP or RRIF. The prohibited investment rules will apply to a trust governed by a RESP or RDSP, effective March 22, 2017. Investors should consult with their tax advisors regarding whether an investment in a Fund will be a prohibited investment for their TFSA, RRSP, RRIF, RESP or RDSP.

International Information Reporting Requirements

Pursuant to the U.S. Foreign Account Tax Compliance Act of 2009 ("**FATCA**") and the Canada-U.S. Intergovernmental Agreement ("**Canada-U.S. IGA**") and its implementing provisions under the Tax Act, the Funds are required to report information relating to certain unitholder's investment in the Funds to the Canada Revenue Agency. Generally, each Fund will be required to report information, including certain financial information, on accounts held by investors that fail to provide information to their financial advisor or dealer related to their citizenship and residency for tax purposes and/or investors that are identified as, or in the case of certain entities as having one or more controlling persons who are, U.S. citizens (including U.S. citizens living

in Canada) or U.S. residents owning, directly or indirectly, an interest in the Fund, to the Canada Revenue Agency. The Canada Revenue Agency will in turn provide such information to the U.S. Internal Revenue Service.

The Funds will endeavor to comply with the requirements imposed under the Canada-U.S. IGA and its implementing provision under the Tax Act. However, if the Funds cannot satisfy the applicable requirements under the Canada-U.S. IGA or its implementing provision of the Tax Act and are unable to comply with the requirements under FATCA, the Funds may be subject to U.S. withholding tax on U.S. and certain non-U.S. source income and gross proceeds. The Funds may also be subject to the penalty provisions of the Tax Act. Any potential U.S. withholding taxes or penalties associated with such failure to comply would reduce the Funds' net asset value.

In addition, to meet the objectives of the Organisation for Economic Co-operation and Development Common Reporting Standards (the "**CRS**"), each Fund is required under Part XIX of the Tax Act to identify and, beginning in 2018, to report to the CRA certain information (including residency details and financial information such as account balances) relating to investments held by investors or by the "controlling persons" of certain entities who are resident in a country other than Canada or the United States. The information would then be available for sharing with CRS participating jurisdiction in which the investor resides for tax purposes under the provision and safeguards of the Multilateral Administrative Assistance in Tax Matters or the relevant bilateral tax treaty.

HOW THE FUNDS ARE MANAGED AND ADMINISTERED

Directors and Executive Officers of the Corporation

The names, municipalities of residence, offices and principal occupations during the past five years of the directors and executive officers of the Corporation are as follows:

Name and Municipality of Residence	Positions Held	Principal Occupation
Glen Gowland Toronto, Ontario	Chairman, President and Director	President, the Manager Senior Vice President, Asset Management, Scotiabank
Justin Ashley* Toronto, Ontario	Chief Financial Officer and Director	Vice President, Asset Management Operations, Scotiabank
Jim Morris* Caledon, Ontario	Director	Chief Operating Officer, the Manager
Anil Mohan* Toronto, Ontario	Director	Vice President, Business Analysis & Planning, Scotiabank
Simon Mielniczuk Toronto, Ontario	Secretary	Senior Manager, Legal Services, Global Asset Management, Scotiabank

* Member of the Audit Committee of the Board of Directors

Unless otherwise disclosed above or under *Directors and Executive Officers of the General Partner of the Manager*, during the past five years, all of the directors and executive officers of the Corporation have held their present principal occupations (or similar positions with their present employer or its affiliates).

The directors of the Corporation (other than directors who are directors or officers of the 1832 Asset Management G.P. Inc., the general partner of the Manager (the "**General Partner**"), the Manager or their affiliates) are remunerated by the Corporation for acting in such capacity. The fees are allocated proportionately to each of the class of the Corporation.

The Manager

1832 LP acts as the manager of the Funds pursuant to a master management agreement (the "**Master Management Agreement**") amended and restated on August 20, 2015, as amended on November 9, 2015, January 6, 2016, January 21, 2016, June 24, 2016, November 14, 2016, January 10, 2017, September 21, 2017 and November 14, 2017 and as may be amended from time to time.

Pursuant to the Master Management Agreement, 1832 LP is required to provide, or cause to be provided, portfolio management services to the Funds, including all decisions as to the purchase and sale of portfolio securities and as to the execution of all portfolio transactions, and all necessary or advisable administrative services and facilities including valuation, fund accounting and shareholder records. The Master Management Agreement provides that the Manager may engage or employ any person to perform administrative functions on behalf of the Funds, and brokers or dealers in connection with the portfolio transactions of the Funds.

The Master Management Agreement may only be assigned upon consent of the other party and in compliance with all applicable laws, regulations and other restrictions of regulatory authorities in Canada. No changes to the Master Management Agreement may be made without the approval of shareholders where required by law, regulations or policies of securities regulatory authorities. Where such laws, regulations or policies do not require shareholder approval, the provisions of the Master Management Agreement may be amended with the approval of the Board of Directors and the Manager.

The Manager receives, pursuant to the Master Management Agreement, fees from the Funds in respect of each series of shares of the Funds as described in the simplified prospectus. The Funds are required to pay tax on the fees which they pay to the Manager, as well as on most other goods and services they acquire.

In order to encourage very large investments in a Fund and to achieve effective management fees that are competitive for these large investments, the Manager may agree to waive a portion of the management fee that it would otherwise be entitled to receive from a Fund or a shareholder with respect to a shareholder's investment in the Fund. An amount equal to the amount so waived may be distributed to such shareholder by the Fund or the Manager, as applicable (a "**Management Fee Rebate**"). In this way, the cost of Management Fee Rebates are effectively borne by the Manager, not the Funds or the shareholder as the Funds or the shareholder, as applicable, are paying a discounted management fee. All Management Fee Rebates are

automatically reinvested in additional shares of the relevant series of a Fund. The payment of Management Fee Rebates by the Fund or the Manager, as applicable, to a shareholder in respect of a large investment is fully negotiable between the Manager, as agent for the Fund, and the shareholder's financial advisor and/or dealer, and is primarily based on the size of the investment in the Fund. The Manager will confirm in writing to the shareholder's financial advisor and/or dealer the details of any Management Fee Rebate arrangement.

For additional information concerning the management of the Funds, you should refer to *Material Contracts* in this annual information form.

Directors and Executive Officers of the General Partner of the Manager

The Board of Directors of the General Partner currently consists of seven members.

Directors are appointed to serve on the Board of Directors of the General Partner until such time as they retire or are removed and their successors are appointed. The directors and executive officers of the General Partner collectively have extensive experience in the analysis and understanding of the risks associated with many of the businesses underlying the securities that may comprise the Fund's investments. The Manager will draw upon this experience when necessary in analyzing potential investments for the Fund.

The names, municipalities of residence, offices and principal occupations during the past five years for each of the directors and executive officers of the General Partner are as follows:

Name and Municipality of Residence	Positions Held with the General Partner	Principal Occupation
Glen Gowland Toronto, Ontario	Chairman of the Board, President and Director	President, the Manager Senior Vice President, Asset Management, Scotiabank
Anil Mohan Toronto, Ontario	Chief Financial Officer and Director	Chief Financial Officer, the Manager Vice President, Business Analysis & Planning, Scotiabank
Brett Bastin Toronto, Ontario	Director	Managing Director, Institutional Asset Management, Scotiabank
Craig Gilchrist Toronto, Ontario	Director	Managing Director & Vice President Chief Investment Officer, Scotia Wealth Management, Scotiabank
Erin Griffiths Toronto, Ontario	Director	Online Brokerage Managing Director, Global Online Brokerage, Scotiabank
Jim Morris Caledon, Ontario	Director	Chief Operating Officer, the Manager

John Pereira Richmond Hill, Ontario	Director	Senior Vice President and Chief Operating Officer, Asset Management, Scotiabank
Gregory Joseph Grimsby, Ontario	Controller	Director, Global Asset Management Finance, Scotiabank
Simon Mielniczuk Toronto, Ontario	Secretary	Senior Manager, Legal Services, Global Asset Management, Scotiabank

During the past five years, all of the directors and executive officers of the General Partner have held their present principal occupations (or similar positions with their current employer or its affiliates) except for Mr. Bastin who prior to May 2017 was Managing Director, Global Asset Management with RBC Global Asset Management Inc.

Executive Officers of the Manager

The names and municipalities of residence of the executive officers of the Manager, their principal occupations over the past five years, and the positions and offices held with the Manager are as follows:

Name and Municipality of Residence	Positions Held with the Manager	Principal Occupation
Glen Gowland Toronto, Ontario	President	President, the Manager Senior Vice President, Asset Management, Scotiabank
Anil Mohan Toronto, Ontario	Chief Financial Officer	Chief Financial Officer, the Manager Vice President, Business Analysis & Planning, Scotiabank
Bruno Carchidi Toronto, Ontario	Chief Compliance Officer	Chief Compliance Officer, the Manager Vice President, Compliance, Scotiabank
Simon Mielniczuk Toronto, Ontario	Secretary	Senior Manager, Legal Services, Global Asset Management, Scotiabank

The Portfolio Advisors and Sub-advisors

Pursuant to the Master Management Agreement as described under *Material Contracts*, 1832 LP acts as portfolio advisor to the ScotiaFunds, including certain Funds. The individuals providing advice are as follows:

Portfolio Manager	Current Title	Length of Service with Portfolio Advisor	Principal occupation in the last 5 years
Eric Benner *Scotia Global Dividend*	Portfolio Manager	2 years	Joined in April 2016 Prior to April 2016 – Managing Director

Portfolio Manager	Current Title	Length of Service with Portfolio Advisor	Principal occupation in the last 5 years
Class *Scotia Canadian Dividend Class (Co-manager)*			& Co-Head of Equities, OMERS Capital Markets
Judith Chan *Scotia INNOVA Income Portfolio Class* *Scotia INNOVA Balanced Income Portfolio Class* *Scotia INNOVA Balanced Growth Portfolio Class* *Scotia INNOVA Growth Portfolio Class* *Scotia INNOVA Maximum Growth Portfolio Class* *Scotia Fixed Income Blend Class* *Scotia Canadian Equity Blend Class* *Scotia U.S. Equity Blend Class* *Scotia International Equity Blend Class* *Scotia Partners Balanced Income Portfolio Class* *Scotia Partners Balanced Growth Portfolio Class* *Scotia Partners Growth Portfolio Class* *Scotia Partners Maximum Growth Portfolio Class*	Director, Portfolio Solutions- Scotia Asset Management	12 years	From September 2012 to present – Director, Portfolio Solutions, the Manager From November 2008 to September 2012– Senior Manager, Investment Oversight, the Manager
Kevin Pye *Scotia Conservative Government Bond Capital Yield Class*	Portfolio Manager	7 years	Joined in March 2011
Bill McLeod *Scotia Canadian Dividend Class (Co-manager)*	Portfolio Manager	Less than 1 Year	Joined in September 2017 Prior to September 2017 – Head of Canadian Equities, HSBC Global Asset Management (Canada) Limited
Thomas Dicker *Scotia Canadian*	Portfolio Manager	7 years	Joined in April 2011

Portfolio Manager	Current Title	Length of Service with Portfolio Advisor	Principal occupation in the last 5 years
Dividend Class (Co-manager)			

Fund Governance

The Manager is responsible for the day-to-day administration and management of the Funds. The Manager is the portfolio advisor for some of the Funds and retains various portfolio advisors and sub-advisors for the rest of the Funds. The Manager receives regular reports from its portfolio advisors regarding their compliance with applicable investment guidelines and parameters and compliance with the investment restrictions and practices of the Funds.

The Manager has established appropriate policies, procedures, practices and guidelines to ensure the proper management of the funds including, as required by NI 81-107 policies and procedures relating to conflicts of interest. The Manager has adopted a mutual fund sales practice policy that complies with National Instrument 81-105 – *Mutual Fund Sales Practices*. The Manager has adopted a Personal Trading Policy for employees that addresses potential internal conflicts of interest in respect of the Funds. In addition, Scotiabank has adopted Guidelines for Business Conduct, which also addresses the issue of internal conflicts.

Risk management is dealt with on a number of levels. The investment advisory agreements between the Manager and the portfolio advisors specify that the Funds must comply with the investment restrictions and practices outlined in applicable securities legislation, including NI 81-102, subject to any exemption granted by the securities regulatory authorities. The portfolio advisors have established policies and guidelines relating to business practices, risk management controls and conflicts of interest. In addition, each portfolio advisor has its own code of ethics that addresses such things as personal trading by employees.

Independent Review Committee

The Manager has established the IRC in accordance with NI 81-107 with a mandate to review and provide recommendations or approval, as required, on conflict of interest matters referred to it by the Manager on behalf of a Fund. The IRC is responsible for overseeing the Manager's decisions in situations where the Manager is faced with any present or perceived conflicts of interest, all in accordance with NI 81-107.

The IRC may also approve certain mergers between a Fund and other funds, and any change of the auditor of a Fund. Subject to any corporate and securities law requirements, no securityholder approval will be obtained in such circumstances, but you will be sent a written notice at least 60 days before the effective date of any such transaction or change of auditor. In certain circumstances, securityholder approval may be required to approve certain mergers.

The IRC has five members, Carol S. Perry (Chair), Stephen J. Griggs, Simon Hitzig, Heather A. T. Hunter and Jennifer L. Witterick, each of whom is independent of the Manager. On April 30,

2018, Brahm Gelfand and D. Murray Paton resigned as members of the IRC. On May 15, 2018, the IRC appointed Mr. Griggs and Ms. Hunter as members.

The IRC prepares and files a report to the securityholders each fiscal year that describes the IRC and its activities for securityholders as well as contains a complete list of the standing instructions. These standing instructions enable the Manager to act in a particular conflict of interest matter on a continuing basis provided the Manager complies with its policies and procedures established to address that conflict of interest matter and reports periodically to the IRC on the matter. This report to the securityholders is available on the Manager's website at www.scotiafunds.com, or, at no cost, by contacting the Manager at fundinfo@scotiabank.com.

The compensation and other reasonable expenses of the IRC will be paid out of the assets of the Funds as well as out of the assets of the other investment funds for which the IRC may act as the independent review committee. The main components of compensation are an annual retainer and a fee for each committee meeting attended. The chair of the IRC is entitled to an additional fee. Expenses of the IRC may include premiums for insurance coverage, travel expenses and reasonable out-of-pocket expenses. Please see *Remuneration of Members of the IRC* for additional information.

Securities Lending, Repurchase and Reverse Repurchase Transactions

Pursuant to the requirements of NI 81-102, the Manager intends to manage the risks associated with securities lending, repurchase and reverse repurchase transactions by requiring that each securities agreement be, at a minimum, secured by investment grade securities or cash and that the collateral held by a Fund be at least 102% of the market value of the securities subject to the transaction. The amount of collateral will be adjusted daily to ensure this collateral coverage is maintained at all times. In the case of securities lending or repurchase transactions, the aggregate market value of all securities lent and sold by a Fund will not exceed more than 50% of the NAV of that Fund immediately after the Fund enters into such a transaction.

Policies and procedures relating to any securities lending, repurchase and reverse repurchase transaction entered into on behalf of a Fund will be developed by the Manager and the Fund's custodian acting as its agent in administering the transaction. Such policies and procedures will set out (i) the objectives and goals for securities lending, repurchase transactions or reverse repurchase transactions and (ii) the risk management procedures, including limits and other controls on such transactions, applicable to the Fund.

The creditworthiness of each qualified borrower to a securities loan will be evaluated by the Manager. Any agreements, policies and procedures that are applicable to the Fund relating to securities lending will be reviewed and approved annually by senior management of the Manager. The Board of Directors will also be kept apprised of any securities lending policies.

Proxy Voting Policies and Procedures

We have in place policies and procedures (the "**Proxy Voting Policy**") to ensure that proxies relating to securities held by a Fund are voted in the best interest of each Fund.

1832 LP's approach to voting of securities depends on the type of portfolio asset of the Fund.

Fund of funds investments

The Corporate Funds may invest in other underlying mutual funds, including mutual funds managed by us. If a securityholder meeting is called for an underlying fund that is managed by us, 1832 LP will not vote the shares of the underlying mutual fund. 1832 LP may arrange for these securities to be voted by securityholders of the applicable Fund. However, given the costs and complexity of doing so, 1832 LP may not arrange for a flow-through of voting rights.

Other securities

Where 1832 LP also acts as portfolio advisor for a Fund, it has retained the services of a third party consultant with expertise on proxy voting matters to provide proxy voting guidance. 1832 LP reviews each proxy, along with the recommendations made by the consultant with respect to proxy issues and may vote in accordance with such recommendations if appropriate and if consistent with its policies and procedures. Where proxies relate to relatively routine matters, such as the regular appointment of auditors and the election of directors, proxies are generally voted in accordance with management's recommendations. Where the proxy relates to non-routine matters, such as proposed mergers and reorganizations or a dissident slate of directors, these matters are brought to the attention of an appropriate senior officer of 1832 LP on a case-by-case basis for consideration and final approval.

The Proxy Voting Policy sets out a process to ensure that the Manager can resolve material conflicts of interest relating to proxy voting that may arise between a Fund and 1832 LP or its affiliates or individuals making proxy voting decisions. In the case where a material conflict of interest arises, the Proxy Voting Policy permits consulting and following the voting recommendation of a reputable independent proxy voting service provider.

Generally, 1832 LP will vote proxies with management of an issuer on routine business, otherwise 1832 LP will not own or maintain a position in the securities of that issuer. Examples of routine business applicable to an issuer are: voting on the size, nomination and election of the board of directors and the appointment of auditors. All other special or non-routine matters will be assessed on a case-by-case basis with a focus on the potential impact of the vote on the value of a Fund's investment in that issuer. Examples of non-routine business are: stock-based compensation plans, executive severance compensation arrangements, shareholders rights plans, corporate restructuring plans, going private transactions in connection with leveraged buyouts, lock-up arrangements, crown jewel defenses, supermajority approval proposals, and stakeholder or shareholder proposals. On occasion, 1832 LP may abstain from voting a proxy or a specific proxy item when it is concluded that the potential benefit of voting the proxy of that issuer is outweighed by the cost of voting the proxy. In addition, 1832 LP will not vote proxies received for issuers of portfolio securities which are no longer held in a Fund's account.

Availability of Proxy Voting Information

The Proxy Voting Policy is available upon request and at no charge by calling 1-800-268-9269 (416-750-3863 in Toronto) for English or 1-800-387-5004 for French, or by writing to 1832 LP at the address on the back cover of this annual information form.

The proxy voting record for each Fund for the most recent 12-month period ending June 30 of each year will be available upon request and at no cost at any time after August 31 of that year. The proxy voting record for each Fund will also be available on the ScotiaFunds website at www.scotiafunds.com.

Policies on the Use of Derivatives

All of the Funds may use derivatives as described in the simplified prospectus. Any use of derivatives by a Fund is governed by the Manager's own policies and procedures which set out (i) the objectives and goals of derivatives trading and (ii) the risk management practices, including control policies and procedures, applicable to derivatives trading. These policies and procedures are prepared and reviewed annually by senior management of the Manager. The decision as to the use of derivatives, including the oversight of the limits and controls on derivatives trading, is made by senior portfolio managers of the Manager in accordance with our compliance procedures and risk control measures. Risk measurement procedures or simulations generally are used to test the portfolio of the Funds under stress conditions.

For further information about how the Funds use derivatives, refer to *Investment Restrictions and Practices - Derivatives* above and *About derivatives* in the Funds' simplified prospectus.

Policies on Short-Selling

We have in place policies and procedures relating to short-selling by a Fund (including objectives, goals and risk management procedures). Agreements, policies and procedures that are applicable to a Fund relating to short-selling (including trading limits and controls in addition to those specified above) are reviewed by our senior management. If we authorize a portfolio advisor or the sub-advisor to engage in short-selling, we delegate responsibility to the Fund's portfolio advisor or the sub-advisor. Each third-party portfolio advisor's policies and procedures must guide that portfolio advisor in relation to short-selling. All policies must require compliance with applicable regulatory rules. We review the policies of each third party portfolio advisor to ensure that short-selling will be conducted in accordance with the best interests of the Fund. The decision to effect any particular short sale is made by the portfolio advisor and reviewed and monitored as part of the portfolio advisor's ongoing compliance procedures and risk control measures. Risk measurement procedures or simulations generally are used to test the portfolio of the Funds under stress conditions.

Principal Distributor

The unissued Series A and Series T shares offered by the simplified prospectus of the Funds are distributed by Scotia Securities Inc. pursuant to an amended and restated distributorship agreement between Scotia Securities Inc. and 1832 LP (the "**Master Distributorship Agreement**") with effect for each Fund as of the date it was created.

Portfolio Transactions and Brokers

1832 LP or a portfolio advisor or the sub-advisor of a Fund, makes decisions as to the purchase and sale of securities and other assets of the Funds, as well as decisions regarding the execution of portfolio transactions of a Fund, including the selection of market, broker and the negotiation

of commissions. In effecting these portfolio transactions, 1832 LP or the portfolio advisor or the sub-advisor may place brokerage business with numerous dealers and brokers on the basis of the best execution, which includes a number of considerations such as price, volume, speed and certainty of execution, and total transaction cost. 1832 LP and each of the portfolio advisors and sub-advisors have policies in place regarding broker selection and best execution and the selection of brokers.

1832 LP uses the same criteria in selecting all of its dealers and brokers, regardless of whether the dealer or broker is an affiliate of us. In certain circumstances, 1832 LP receives goods or services from dealers or brokers in exchange for directing brokerage transactions to such dealers or brokers. These types of goods and services include research goods and services ("**research goods and services**") and order execution goods and services ("**order execution goods and services**").

1832 LP currently has in place brokerage arrangements with its affiliate, Scotia Capital Inc. Scotia Capital Inc. may provide research goods and services, order execution goods and services and mixed-use goods and services in exchange for effecting brokerage transactions.

1832 LP receives research goods and services, which include: (i) advice as to the value of securities and the advisability of effecting transactions in securities; and (ii) analyses and reports concerning securities, issuers, industries, portfolio strategy or economic or political factors and trends that may have an impact on the value of securities. The research goods and services that we are provided in exchange for brokerage commissions include advice, analyses and reports that focus on, among other matters, specific stocks, sectors and economies.

1832 LP also receives order execution goods and services, such as data analysis, software applications and data feeds. These goods and services may be provided by the executing dealer directly or by a party other than the executing dealer.

In certain instances, 1832 LP may receive goods and services containing some elements that qualify as research goods and services and/or order execution goods and services and other elements that do not qualify as either of such permitted goods and services. These types of goods and services are considered to be mixed-use ("**mixed-use goods and services**"). If 1832 LP obtains mixed-use goods and services, we only use brokerage commissions to pay for the portion that is used in our investment or trading decisions or in effecting securities transactions, each on behalf of the Funds or client accounts.

For those Funds for which 1832 LP acts as the portfolio advisor, 1832 LP's investment management and trade execution teams decide which dealers or brokers are allocated brokerage business based on the competitiveness of the commission costs, their ability to provide best execution of trades and the range of services and quality of research received. 1832 LP may use research goods and services and order execution goods and services to benefit our Funds and clients other than those whose trades generated the brokerage commission. However, 1832 LP has policies and procedures in place such that over a reasonable period of time, all clients, including the Funds, receive fair and reasonable benefit in return for the commission generated.

The names of such dealer or third parties who have provided research goods and services and/or order execution goods and services since the date of the last annual information form are available upon request by calling us toll-free at 1-800-268-9269 (or 416-750-3863 in Toronto) for English or 1-800-387-5004 for French, or by email at fundinfo@scotiabank.com or by writing to us at the address on the back cover of this annual information form.

Changes to the Corporate Funds

Certain amendments with respect to the Funds, such as a change in the fundamental investment objectives of a Fund, or any other change for which the approval of shareholders is required by securities regulatory authorities or pursuant to the CBCA, may not be made without the approval of a majority of votes cast at a meeting of shareholders duly called for that purpose.

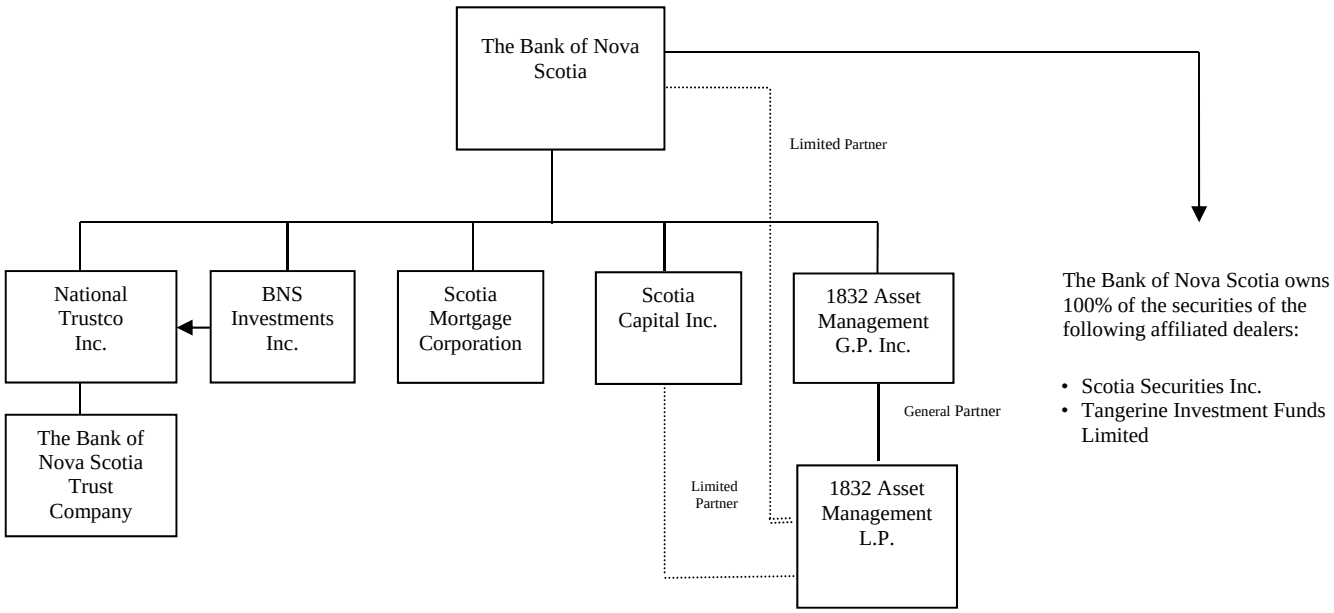
The Promoter

1832 LP is the promoter of the Funds. 1832 LP received, and will receive, remuneration from, and in respect of, such Funds as set out under the headings *The Manager* and *Material Contracts*.

Affiliated Entities

The only affiliated entities that provide services to the Funds and to the Manager in connection with the funds are Scotiabank, Scotia Capital Inc., The Bank of Nova Scotia Trust Company and Scotia Securities Inc. The amount of fees received from a fund by these entities each year is disclosed in the Fund's audited annual financial statements.

The following diagram shows the relationship between the Manager and these entities:



Principal Holders of Securities

As at April 25, 2018, Scotiabank owned all of the issued and outstanding shares of 1832 Asset Management G.P. Inc., which is the general partner of 1832 LP, and owned directly and indirectly 100% of 1832 LP. The special voting share is held by a trust. As at April 25, 2018, the principal holders of securities of each series of shares of the Funds were as follows:

Name of holder	Issuer	Series of holdings	Type of Ownership	Number of Securities	Percentage of Series
Individual A	Scotia Fixed Income Blend Class	Series A shares	Beneficial	11,627	10.0%
Individual B	Scotia International Equity Blend Class	Series A shares	Beneficial	4,992	10.5%
Individual C	Scotia International Equity Blend Class	Series A shares	Beneficial	6,021	12.6%
Individual D	Scotia Partners Balanced Income Portfolio Class	T	Beneficial	32,086	13.1%
Individual E	Scotia Partners Balanced Growth Portfolio Class	T	Beneficial	35,109	12.8%
Individual F	Scotia Partners Balanced Growth Portfolio Class	T	Beneficial	32,592	11.9%
Individual G	Scotia Partners Growth Portfolio Class	T	Beneficial	30,421	53.2%
Ilac Services Company Ltd.	Scotia Partners Maximum Growth Portfolio Class	Series A shares	Beneficial	33,374	25.0%
Individual H	Scotia Partners Maximum Growth Portfolio Class	T	Beneficial	3,626	14.0%
Ram Appliance Service Ltd.	Scotia Partners Maximum Growth Portfolio Class	T	Beneficial	3,269	12.6%
Individual I	Scotia Partners Maximum Growth Portfolio Class	T	Beneficial	4,659	17.9%
Sampson Site Technical Services Ltd.	Scotia Partners Maximum Growth Portfolio Class	T	Beneficial	3,009	11.6%
Individual J	Scotia Partners Maximum Growth Portfolio Class	T	Beneficial	6,157	23.7%

To protect the privacy of individual investors, we have omitted the name of the individual investor. This information is available on request by contacting us at the telephone number on the back cover of this annual information form.

As at May 1, 2018, the directors and executive officers of the General Partner and the executive officers of the Manager, in aggregate, did not beneficially own more than 10%, directly or indirectly, any securities of any series of a Fund. As at May 1, 2018, the directors and executive officers of the General Partner and the executive officers of the Manager did not own any securities of the Manager or more than one percent of the outstanding common shares and preferred shares of The Bank of Nova Scotia or of any service provider to the Funds or to the Manager.

As at May 1, 2018, the members of the IRC, in aggregate, did not beneficially own more than 10%, directly or indirectly, any securities of any series of a Fund. As at May 1, 2018, the members of the IRC did not own any securities of the Manager or more than one percent of the outstanding common shares and preferred shares of The Bank of Nova Scotia or of any service provider to the Fund or to the Manager.

Remuneration of Members of the IRC

Each member of the IRC receives a fee for attending each meeting of the IRC and each meeting held for education or information purposes, as well as an annual retainer and is reimbursed for reasonable expenses incurred. For the financial year ending December 31, 2017, each member of the IRC received the compensation and reimbursement of reasonable expenses as set out in the table below.

IRC Member	Compensation	Expenses Reimbursed
Brahm Gelfand	$58,000	$2,337.06
Simon Hitzig	$58,000	$100.69
D. Murray Paton	$54,500	$317.84
Carol S. Perry (Chair)	$73,000	$100.69
Jennifer L. Witterick	$56,000	$0

These fees and expenses were allocated among all the investment funds managed by the Manager for which the IRC has been appointed in a manner that, in the Manager's view, is considered fair and reasonable.

Material Contracts

Copies of the Articles, the Master Management Agreement, the Master Distributorship Agreement, and the Custodian Agreement are available for inspection at the head office of 1832 LP during normal business hours.

Articles of Incorporation

That Corporation was incorporated under the CBCA by Articles dated April 17, 2012.

Master Management Agreement

The Master Management Agreement is between 1832 LP as the manager, the Corporation on behalf of the Corporate Funds, the LP Funds by their respective general partners, and 1832 LP, in its capacity as trustee of the Trust Funds, with effect for each Fund as of the date it was created. The initial term of the Manager in respect of a Fund is five years and is automatically renewed for a further five years unless terminated in accordance with the provisions of the Agreement. The Master Management Agreement may be terminated at any time by the Manager giving at least 90 days' prior notice to a Fund of such termination and by the trustee of a Trust Fund, the Board in respect of a Corporate Fund or the general partner of an LP Fund with securityholder approval on 90 days' written notice to the Manager prior to the expiry of the term or at any time by the trustee of the Trust Funds, the Board in respect of Corporate Funds or the general partners of LP Funds if bankruptcy or insolvency or other proceedings relating to the Manager are commenced and such proceedings are not stayed within 60 days.

Master Distributorship Agreement

The Master Distributorship Agreement is between Scotia Securities Inc. and the Manager on behalf of the ScotiaFunds, including in respect of Series A and Series T shares of the Funds, with effect for each ScotiaFund as of the date it was created. Provided that the terms of the Master Distributorship Agreement are satisfied, Scotia Securities Inc. may appoint participating dealers. The Master Distributorship Agreement may be terminated at any time upon the request of the distributor or by agreement of the distributor and the Manager, or after six months following a securityholders' meeting approving the termination.

Custodian Agreement

Scotiabank acts as custodian of the ScotiaFunds' portfolio securities pursuant to the Custodian Agreement, as amended and restated, between the Manager on behalf of the ScotiaFunds and Scotiabank. The Funds pay all reasonable fees and expenses of Scotiabank for custodial services, including safekeeping and administrative services. The Custodian Agreement permits Scotiabank to appoint sub-custodians on the same terms and conditions it has with each of the ScotiaFunds, and may be terminated by either party giving at least 60 days' prior notice to the other of such termination. As of the date of this annual information form, The Bank of New York, New York, U.S.A., acts as principal sub-custodian of the ScotiaFunds.

Legal and Administrative Proceeding

The Manager is not aware of any material litigation outstanding, threatened or pending by or against the Funds or the Manager.

The Manager entered into a settlement agreement with the Ontario Securities Commission (the "**OSC**") on April 24, 2018 (the "**Settlement Agreement**"). The Settlement Agreement states that, between November 2012 and October 2017, the Manager failed to (i) comply with National Instrument 81-105 Mutual Fund Sales Practices ("**NI 81-105**") by not meeting the minimum standards of conduct expected of industry participants in relation to certain sales practices; (ii) have systems of controls and supervision over sales practices sufficient to provide reasonable assurances the Manager was complying with its obligations under NI 81-105; and (iii) maintain adequate books, records and other documents to demonstrate compliance with NI 81-105. The Manager agreed to (i) pay an administrative penalty of $800,000 to the OSC; (ii) submit to a review of its sales practices, procedures and controls by an independent consultant; and (iii) pay costs of the OSC's investigation in the amount of $150,000. Other than the foregoing, the Manager has had no disciplinary history with any securities regulator.

Portfolio Advisor Changes

Prior to August 12, 2016, CI Investments Inc. was the portfolio advisor to Scotia Global Dividend Class.

Related Party Transactions

The Manager receives management fees and administration fees from the Funds as described under the sub-heading *The Manager* above. The fees received by the Manager are disclosed in the financial statements of the Funds.

Scotiabank may earn some income as a result of providing custodial services, including safekeeping and administrative services, and shareholder recordkeeping services to the Funds and as a result of acting as agent in respect of securities lending, repurchase and reverse repurchase transactions.

1832 LP will earn income as a result of providing portfolio management services to certain Funds. Scotia Capital Inc. will earn brokerage fees as a result of providing trade execution services for certain Funds from time to time.

Funds that invest in underlying funds that are managed by the Manager or an associate or affiliate of the Manager will not vote any of the securities of those underlying funds. The Manager may, however, arrange for shareholders to vote their share of those securities.

Auditor, Transfer Agent, Registrar and Securities Lending Agent

PricewaterhouseCoopers LLP, Chartered Professional Accountants, Toronto, Ontario, is the auditor of the Funds.

The auditor of the Funds may only be changed with the approval of the IRC and upon providing shareholders of the Funds with 60 days' advance written notice as permitted by applicable securities laws.

1832 LP acts as the registrar and transfer agent for the Funds pursuant to the registrar and transfer agency agreement described above. 1832 LP has made arrangements to have certain registrar and transfer agency functions performed by Scotiabank.

In the event a Fund engages in a securities lending, repurchases or reverse repurchase transaction then The Bank of Nova Scotia will be appointed as the Fund's securities lending agent. The principal office of The Bank of Nova Scotia is located in Toronto, Ontario. The general partner of the Manager is a wholly-owned subsidiary of the securities lending agent and therefore the securities lending agent is an affiliate of the Manager. The agreement entered into with the securities lending agent provides that:

- collateral equal to 102% of the market value of the loaned securities will be required to be delivered in connection with a securities lending transaction;

- the Fund will indemnify and hold harmless the securities lending agent from any loss or liability (including the reasonable fees and disbursements of counsel) incurred by the securities lending agent in rendering services under the agreement or in connection with any breach of the terms of the agreement or any loan by the Fund or the Manager on behalf of the Fund, except such loss or liability which results from the security lending agent's failure to exercise the standard of care required by the agreement; and

- the agreement can be terminated by any party on five business days' written notice.

CERTIFICATE OF THE FUNDS

May 16, 2018

Scotia Conservative Government Bond Capital Yield Class
Scotia Fixed Income Blend Class
Scotia Canadian Dividend Class
Scotia Canadian Equity Blend Class
Scotia U.S. Equity Blend Class
Scotia Global Dividend Class
Scotia INNOVA Income Portfolio Class
Scotia INNOVA Balanced Income Portfolio Class
Scotia INNOVA Balanced Growth Portfolio Class
Scotia INNOVA Growth Portfolio Class
Scotia INNOVA Maximum Growth Portfolio Class
Scotia International Equity Blend Class
Scotia Partners Balanced Income Portfolio Class
Scotia Partners Balanced Growth Portfolio Class
Scotia Partners Growth Portfolio Class
Scotia Partners Maximum Growth Portfolio Class

This annual information form, together with the simplified prospectus and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus, as required by the securities legislation of all provinces and territories of Canada and do not contain any misrepresentations.

"Glen Gowland"
Glen Gowland
Chairman and President
(*Signing in the capacity of Chief Executive Officer*)
Scotia Corporate Class Inc.

"Justin Ashley"
Justin Ashley
Chief Financial Officer
Scotia Corporate Class Inc.

ON BEHALF OF
the Board of Directors of Scotia Corporate Class Inc.

"Anil Mohan"
Anil Mohan
Director

"Jim Morris"
Jim Morris
Director

CERTIFICATE OF THE MANAGER AND PROMOTER

May 16, 2018

Scotia Conservative Government Bond Capital Yield Class
Scotia Fixed Income Blend Class
Scotia Canadian Dividend Class
Scotia Canadian Equity Blend Class
Scotia U.S. Equity Blend Class
Scotia Global Dividend Class
Scotia INNOVA Income Portfolio Class
Scotia INNOVA Balanced Income Portfolio Class
Scotia INNOVA Balanced Growth Portfolio Class
Scotia INNOVA Growth Portfolio Class
Scotia INNOVA Maximum Growth Portfolio Class
Scotia International Equity Blend Class
Scotia Partners Balanced Income Portfolio Class
Scotia Partners Balanced Growth Portfolio Class
Scotia Partners Growth Portfolio Class
Scotia Partners Maximum Growth Portfolio Class

(collectively, the "Funds")

This annual information form, together with the simplified prospectus and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus as required by the securities legislation of each province and territory of Canada and do not contain any misrepresentations.

"Glen Gowland"

Glen Gowland
Chairman of the Board and President,
(*Signing in the capacity of Chief Executive Officer*) 1832 Asset Management G.P. Inc., as general partner for and on behalf of 1832 Asset Management L.P., as manager and promoter of the Funds

"Anil Mohan"

Anil Mohan
Chief Financial Officer, 1832 Asset Management G.P. Inc., as general partner for and on behalf of 1832 Asset Management L.P., as manager and promoter of the Funds

ON BEHALF OF
the Board Of Directors of 1832 Asset Management G.P. Inc., as general partner for and on behalf of 1832 Asset Management L.P., as manager and promoter of the Funds

"Brett Bastin"

Brett Bastin
Director

"Jim Morris"

Jim Morris
Director

CERTIFICATE OF THE PRINCIPAL DISTRIBUTOR

(Series A and Series T shares)

May 16, 2018

Scotia Conservative Government Bond Capital Yield Class
Scotia Fixed Income Blend Class
Scotia Canadian Dividend Class
Scotia Canadian Equity Blend Class
Scotia U.S. Equity Blend Class
Scotia Global Dividend Class
Scotia INNOVA Income Portfolio Class
Scotia INNOVA Balanced Income Portfolio Class
Scotia INNOVA Balanced Growth Portfolio Class
Scotia INNOVA Growth Portfolio Class
Scotia INNOVA Maximum Growth Portfolio Class
Scotia International Equity Blend Class
Scotia Partners Balanced Income Portfolio Class
Scotia Partners Balanced Growth Portfolio Class
Scotia Partners Growth Portfolio Class
Scotia Partners Maximum Growth Portfolio Class

(collectively, the "Funds")

To the best of our knowledge, information and belief, this annual information form, together with the simplified prospectus and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus as required by the securities legislation of each province and territory of Canada and do not contain any misrepresentations.

Scotia Securities Inc.
as principal distributor of the Series A and Series T
shares of the Funds

By: *"Glen Gowland"*
Glen Gowland
Director

ScotiaFunds®

Scotia Conservative Government Bond Capital Yield Class (Series A shares)

Scotia Fixed Income Blend Class (Series A shares)

Scotia Canadian Dividend Class (Series A shares)

Scotia Canadian Equity Blend Class (Series A shares)

Scotia U.S. Equity Blend Class (Series A shares)

Scotia Global Dividend Class (Series A shares)

Scotia International Equity Blend Class (Series A shares)

Scotia INNOVA Income Portfolio Class (Series A shares)

Scotia INNOVA Balanced Income Portfolio Class (Series A and Series T shares)

Scotia INNOVA Balanced Growth Portfolio Class (Series A and Series T shares)

Scotia INNOVA Growth Portfolio Class (Series A and Series T shares)

Scotia INNOVA Maximum Growth Portfolio Class (Series A and Series T shares)

Scotia Partners Balanced Income Portfolio Class (Series A and T shares)

Scotia Partners Balanced Growth Portfolio Class (Series A and T shares)

Scotia Partners Growth Portfolio Class (Series A and T shares)

Scotia Partners Maximum Growth Portfolio Class (Series A and T shares)

Managed by:
1832 Asset Management L.P.
1 Adelaide Street East
28th Floor
Toronto, Ontario
M5C 2V9

www.scotiafunds.com
1.800.268.9269
fundinfo@scotiabank.com

Additional information about the Funds is available in the Funds' Fund Facts, management reports of fund performance and financial statements.

You can get a copy of the Funds' financial statements and management reports of fund performance free of charge by calling 1-800-268-9269 (416-750-3863 in Toronto) for English or 1-800-387-5004 for French, or from your registered investment professional or on our website at www.scotiafunds.com.

These documents and other information about the Funds, such as information circulars and material contracts, are also available at www.sedar.com.