

Mutual Funds: Understanding Costs

- ▶ Mutual funds are an easy way to build a diversified portfolio while enjoying the peace of mind of knowing your savings are managed by experienced investment professionals. A Management Expense Ratio, or MER, is a key measure of the cost of owning a mutual fund.

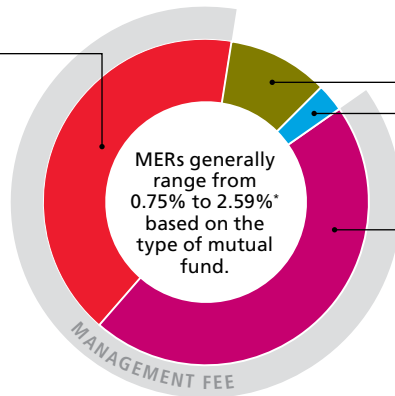
MANAGEMENT EXPENSE RATIO (MER)

Trailing Commission

- » Covers the cost of advice and service from Scotiabank and your advisor

A MER is built directly into the daily price of a mutual fund. Mutual fund performance is reported after the MER is deducted.

*Investor Economics. Median MERs of Canadian Series A mutual funds in 2013



Taxes

- » On the management fee and operating expenses

Operating Expenses

- » Covers the day-to-day administrative and operational costs

Investment Management Fee

- » Covers the cost of professional investment management

THE VALUE OF A FINANCIAL ADVISOR



Helping you plan ahead:

- » Understand your financial goals
- » Develop a customized plan to help you achieve them
- » Recommend and implement tailored solutions



Keeping you on track:

- » Review your portfolio regularly
- » Update you on the markets
- » Adjust your strategy and solutions when needed

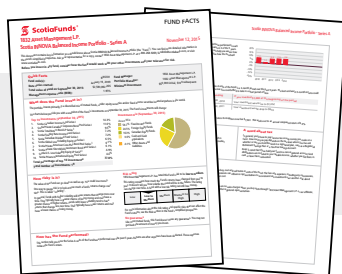


Service when you need it:

- » Access to branches, online, phone and mobile at your convenience
- » Answer your questions and address concerns

WHERE TO FIND MORE INFORMATION ON FEES

Fund Facts:



- » Detailed information about the fund, including the MER
- » Outlines the maximum Trailing Commission as percentage, and in dollars per \$1,000 invested

Commissions, trailing commissions, management fees and expenses may be associated with mutual fund investments. Please read the prospectus before investing. Mutual funds are not guaranteed or insured by the Canada Deposit Insurance Corporation or any other government deposit insurer, their values change frequently and past performance may not be repeated.

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