

# **TANGERINE INVESTMENT FUNDS**

## **ANNUAL INFORMATION FORM**

**Tangerine Balanced Income Portfolio**

**Tangerine Balanced Portfolio**

**Tangerine Balanced Growth Portfolio**

**Tangerine Dividend Portfolio**

**Tangerine Equity Growth Portfolio**

No securities regulatory authority has expressed an opinion about these units and it is an offence to claim otherwise. The Funds and the units of the Funds offered under this annual information form are not registered with the United States Securities and Exchange Commission and they are sold in the United States only in reliance on exemptions from registration.

October 30, 2018

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## 1. NAME, FORMATION AND HISTORY OF THE FUNDS

### *Introduction*

This annual information form contains information concerning the Tangerine Investment Funds listed on the cover page of this document. We refer to the mutual funds described in this document individually as a “**Fund**” and, collectively, the “**Funds**”.

The Funds are managed by Tangerine Investment Management Inc. (“**TIMI**”, “**our**”, “**we**”, “**us**”, or the “**Manager**”), which is also the trustee, manager, promoter and portfolio advisor of the Funds.

Units of the Funds are generally referred to in this annual information form as “**units**”. Units of the Funds are sold through Tangerine Investment Funds Limited (“**TIFL**” or the “**Dealer**”), and may from time to time be offered for sale via other authorized dealers.

### *Address of the Funds and TIMI*

The office of TIMI and the Funds is located at 3389 Steeles Avenue East, Toronto, Ontario M2H 0A1.

### *Formation of the Funds*

The Funds are open-ended mutual funds, established as trusts under the laws of Ontario and are governed by a Master Declaration of Trust dated November 19, 2008 (the “**Declaration of Trust**”). There have been no material amendments made to the Declaration of Trust.

### *Major Changes to the Funds*

At a special meeting held on January 9, 2009, the shareholders of ING DIRECT Streetwise Balanced Income Class, ING DIRECT Streetwise Balanced Class and ING DIRECT Streetwise Balanced Growth Class (collectively, the “**Corporate Funds**”), each of which was a class of mutual fund shares of ING Direct Corporate Class Limited (the “**Corporation**”), were asked to consider a resolution to convert (the “**Conversion**”) their Corporate Fund into the corresponding Fund.

The Conversion took place on January 9, 2009, when the Corporation transferred all of its assets to the Funds in exchange for units of the Funds. The assets of the Corporation attributable to ING DIRECT Streetwise Balanced Income Class were transferred to ING DIRECT Streetwise Balanced Income Fund (such fund’s name was changed to ING DIRECT Streetwise Balanced Income Portfolio and is now known as Tangerine Balanced Income Portfolio). The number of units issued by ING DIRECT Streetwise Balanced Income Fund (currently known as Tangerine Balanced Income Portfolio) was equal to the number of ING DIRECT Streetwise Balanced Income Class shares of the Corporation immediately prior to the transfer. Similar transfers took place in respect of the other assets of the other two Corporate Funds. On the same day, the Corporation redeemed all the outstanding shares of each of the Corporate Funds at their net asset value and transferred the units of the corresponding Fund to its shareholders as consideration for the redemption. Each ING DIRECT Streetwise Balanced Income Class shareholder received units of ING DIRECT Streetwise Balanced Income Fund (currently known as Tangerine Balanced Income Portfolio) corresponding to the number of shares of the ING DIRECT Streetwise Balanced Income Class they held in exchange for those Shares. A similar matching occurred for the shareholders of the other two Corporate Funds.

In connection with the Conversion, the Funds obtained regulatory relief from the Canadian securities administrators to include in their sales communications and reports to unitholders the past performance data and standard performance data, as applicable, of the Corporate Funds.

The Corporation was subsequently wound-up and receipt of the Certificate of Dissolution dated June 2, 2011 was issued by Industry Canada pursuant to subsection 210(3) of the *Canada Business Corporations Act*.

On August 29, 2012, ING Groep N.V. announced that it entered into an agreement with The Bank of Nova Scotia (“BNS”) pursuant to which BNS agreed to acquire all of the issued and outstanding shares of Tangerine Bank (formerly known as ING Bank of Canada), the sole shareholder of TIMI (the “**ING Bank Transaction**”). The ING Bank Transaction closed on November 15, 2012, and resulted in a change of control of TIMI, the manager of the Funds. Accordingly, on or about May 9, 2014, the portfolios were each renamed to reflect the new Tangerine brand name (as described in the table below).

Each Fund was established on the date indicated in the following table (which, for the purpose of this document, means the date on which the Fund was first formed). The table also shows whether the Funds’ names have changed and any major events affecting the Funds in the last 10 years (such as mergers, changes in fundamental investment objectives or changes in a portfolio advisor).

<b>Fund</b>	<b>Former names in the last 10 years</b>	<b>Date of Formation</b>	<b>Major events in the last 10 years</b>
Tangerine Balanced Income Portfolio	ING DIRECT Streetwise Balanced Income Portfolio (November 14, 2012 to April 7, 2014)  ING DIRECT Streetwise Balanced Income Fund (since inception to November 14, 2012)	November 19, 2008	Conversion with ING DIRECT Streetwise Balanced Income Class on January 9, 2009.
Tangerine Balanced Portfolio	ING DIRECT Streetwise Balanced Portfolio (November 14, 2012 to April 7, 2014)  ING DIRECT Streetwise Balanced Fund (since inception to November 14, 2012)	November 19, 2008	Conversion with ING DIRECT Streetwise Balanced Class on January 9, 2009.
Tangerine Balanced Growth Portfolio	ING DIRECT Streetwise Balanced Growth Portfolio (November 14, 2012 to April 7, 2014)  ING DIRECT Streetwise Balanced Growth Fund (since inception to November 14, 2012)	November 19, 2008	Conversion with ING DIRECT Streetwise Balanced Growth Class on January 9, 2009.

<b>Fund</b>	<b>Former names in the last 10 years</b>	<b>Date of Formation</b>	<b>Major events in the last 10 years</b>
Tangerine Dividend Portfolio	Not Applicable	November 2, 2016	Not applicable
Tangerine Equity Growth Portfolio	ING DIRECT Streetwise Equity Growth Portfolio (November 14, 2012 to April 7, 2014)  ING DIRECT Streetwise Equity Growth Fund (since inception to November 14, 2012)	November 17, 2011	Not applicable

## 2. INVESTMENT RESTRICTIONS

### *National Instrument 81-102*

The Funds' simplified prospectus dated October 30, 2018 (the "**Simplified Prospectus**") contains detailed descriptions of the investment objectives, investment strategies and risks 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**"). These restrictions are designed in part to ensure that the investments of mutual funds are diversified and relatively liquid and to ensure the proper administration of mutual funds. We intend to manage the Funds in accordance with these restrictions and practices or to obtain relief from the securities regulatory authorities before implementing any variations.

### *Standard Investment Restrictions and Practices*

The standard investment restrictions and practices set out in NI 81-102 are deemed to be included in this annual information form. A copy of the investment restrictions and practices adopted by the Funds will be provided to you upon request by writing to us at the address shown under Section 1, "**Name, Formation and History of the Funds**".

### *Exemptions and Approvals*

The Funds have received regulatory approval to purchase long-term debt securities issued by BNS, 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 (as defined below) and certain other conditions.

The Funds have relied on standing instructions from the Independent Review Committee for the Funds in respect of investing in and holding securities of a related issuer, and of an entity related to the Manager. The applicable standing instructions require that investment decisions relating to the above types of transactions (i) are made free from any influence by us or any entity related to us and without taking into account any considerations relevant to us or any entity related to us; (ii) represent the business judgment of the portfolio advisor uninfluenced by any consideration other than the best interests of the Fund; and (iii) achieve a fair and reasonable result for the Fund. In the case of debt securities issued by a related

party, the standing instructions require that the securities have, at the time of purchase, a term to maturity of 365 days or more, and a designated rating granted by a designated rating agency, as these terms are defined in NI 81-102.

### ***Change of Investment Objectives***

Any change to the fundamental investment objectives of the Funds must first be approved by a majority of the votes cast at a meeting of unitholders called for that purpose.

### ***Eligibility for Registered Tax Plans***

In order to qualify as a “mutual fund trust” under the *Income Tax Act* (Canada) (the “**Tax Act**”), so that units of each Fund are qualified investments for registered retirement savings plans (“**RRSPs**”), registered retirement income funds (“**RRIFs**”), life income funds (“**LIFs**”), locked-in retirement accounts (“**LIRAs**”), locked-in retirement income funds (“**LRIFs**”), tax-free savings accounts (“**TFSAs**”), registered education savings plans (“**RESPs**”), and registered disability savings plans (“**RDSPs**”) (each a “**Registered Plan**” and collectively, “**Registered Plans**”), the Funds must comply with certain requirements set out in the Tax Act. Each of the Funds intends to comply with such requirements in order to qualify as a “mutual fund trust”. Holders of Registered Plans should consult with their own advisors as to whether units of a Fund would be “prohibited investments” for such plans for the purposes of the Tax Act.

## **3. DESCRIPTION OF UNITS**

Each of the Funds is a separate trust formed under the Declaration of Trust. TIMI, as the Funds’ Trustee, has sole discretion in determining whether the capital of each of the Funds is divided into one or more series of units and the attributes which shall attach to each series of units. Units of the Funds are not currently offered in series. Units of a Fund have the following attributes:

- (a) each unit shall be without nominal or par value;
- (b) unitholders are entitled to one vote per unit held at all unitholder meetings;
- (c) at each meeting of unitholders, each unitholder shall have one vote for each unit owned by such unitholder as determined at the close of business on the record date for voting for each such meeting, with no voting rights being attributed to fractions of a unit;
- (d) each unit shall entitle the holder thereof to participate *pro rata* with respect to all distributions of income and capital gains, returns of capital, and upon liquidation of the Fund to participate *pro rata* with the other unitholders in the net asset value of the Fund remaining after the satisfaction of outstanding liabilities of the Fund as provided in Article 11 of the Declaration of Trust;
- (e) distributions shall be allocated among units of the Fund in such manner and at such times as the Trustee considers appropriate and equitable;
- (f) there shall be no pre-emptive rights attaching to the units;
- (g) there shall be no cancellation or surrender provisions attaching to the units except as set out in the Declaration of Trust;

- (h) all units shall be issued as fully paid and non-assessable so that there shall be no liability for future calls or assessments with respect to the units;
- (i) all units shall be fully transferable with the consent of the Trustee provided such transfer is made in compliance with the Declaration of Trust;
- (j) the number of units of a Fund which may be issued is unlimited; and
- (k) fractional units may be issued and shall be proportionately entitled to all the same rights as whole units, except as provided in paragraph (c), above.

### ***Voting Rights and Changes Requiring Investor Approval***

Meetings of unitholders of a Fund may be convened by the Trustee from time to time as it may deem advisable and in accordance with the notice provisions set out in the Declaration of Trust. Unless otherwise provided in the Declaration of Trust or by securities legislation, every question submitted to a meeting of unitholders will be decided by the majority of votes cast. Meetings of unitholders of a Fund will be convened to consider and approve:

- (a) any matter which is required to be submitted to all such unitholders for approval under applicable securities legislation;
- (b) amendments to the Declaration of Trust, any changes to a Fund or any matters relating to the administration of the Fund for which the approval of the unitholders is required by securities legislation;
- (c) any other matter or thing stated in the Declaration of Trust that is required to be consented to or approved by unitholders of the Fund; and
- (d) the appointment of a successor trustee pursuant to Article 11 of the Declaration of Trust.

You have the right to exercise one vote for each unit held at unitholder meetings of your Fund. The following material changes cannot be made to a Fund without the consent of unitholders by a majority of votes cast at a meeting of unitholders of the Fund:

- A change in the manager of the Fund, unless the new manager is our affiliate.
- Any change in the investment objectives of the Fund.
- Any decrease in the frequency of calculating the unit price.
- Any reorganization with, or acquisition of assets from, another mutual fund, if the Fund will continue thereafter, the unitholders of the other fund will become unitholders of the Fund and the transaction would be a significant change for the Fund.
- Any other matter which is required by the Declaration of Trust, by the laws applicable to the Fund or by any agreement to be submitted to a vote of the investors in the Fund.

Although unitholder approval will not be obtained in respect of a change to the management agreement of the Fund or the entering into of any new contract as a result of which the basis of the calculation of management fee rates, the administration fee or other expenses that are charged to the Fund could result in

an increase in charges to the Fund, we will provide unitholders with at least 60 days' written notice of the effective date of the proposed change.

In certain circumstances, a Fund's reorganization with, or transfer of assets to, another mutual fund can be carried out without the prior approval of the unitholders of the Fund as long as the reorganization or transfer is approved by the Funds' Independent Review Committee (see "Fund Governance – Independent Review Committee", below), the reorganization or transfer complies with certain requirements of NI 81-102 and National Instrument 81-107 *Independent Review Committee for Investment Funds* ("NI 81-107"), as applicable, and unitholders of the Fund are sent written notice at least 60 days before the effective date of the change.

Although the approval of unitholders will not be obtained before changing the auditor of any of the Funds, we will not change the auditor unless:

- (a) the Funds' Independent Review Committee (see "Fund Governance – Independent Review Committee" below) has approved the change in compliance with NI 81-107; and
- (b) we have provided you with written notice at least 60 days prior to the change.

#### **4. VALUATION OF PORTFOLIO SECURITIES**

The Funds' financial statements must be prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The Funds adopted IFRS on January 1, 2014 as required by Canadian securities legislation and the Canadian Accounting Standards Board.

##### *Valuation of Portfolio Securities*

The portfolio securities of each Fund are valued by State Street Trust Company Canada, the Funds' custodian (the "Custodian"), at the close of trading on the Toronto Stock Exchange (the "TSX") (the "valuation time") on each trading day. A "trading day" is any day that the TSX is open for trading. The value of the portfolio securities and other assets of each Fund is determined by applying the following rules:

- Cash on hand or on deposit, bills and notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued and not yet received are generally valued at their full amount, unless we have determined that any of these assets are not worth the full amount, in which event the value shall be deemed to be the value that the Custodian reasonably deems to be the fair value.
- Securities listed on a public securities exchange are valued at their close price or last sale price reported before the valuation time on that trading day. If there is no close price and if no sale is reported to have taken place before the valuation time on that trading day, they are valued at the average of the last bid and ask prices reported before that time on that trading day.
- Unlisted securities of the Funds traded on an over-the-counter market are valued at the last sale price reported before the valuation time on that trading day. If no sale is reported to have taken place before the valuation time on that trading day, they are valued at the average of the last bid and ask prices reported before that time on that trading day.



- Notwithstanding the foregoing, if securities are inter-listed or traded on more than one exchange or market, we shall use the close price or last sale price or the average of the last bid and ask prices, as the case may be, reported before the valuation time on the exchange or market determined by the Custodian to be the principal exchange or market for those securities.
- Fixed income securities listed on a public securities exchange will be valued at their close price or last sale price before the valuation time on that trading day, based on prices supplied by established pricing vendors, or if there is no close price and if no sale is reported to have taken place before the valuation time on that trading day, at the average of the last bid and ask prices before that time on that trading day.
- Non-exchange traded fixed income securities of the Funds are valued at their fair value based on prices supplied by established pricing vendors, market participants or pricing models, as determined before the valuation time on that trading day, at the average of the last bid and ask prices before that time on that trading day.
- Mutual fund securities of underlying funds, including exchange traded funds, are valued at the price calculated by the manager of the underlying fund for the applicable series of securities of the underlying fund for that trading day in accordance with the constating documents of the underlying fund.
- Long positions in options, debt like securities and warrants are valued at the current market value of their positions.
- Where an option is written by a Fund, the premium received by the Fund for those options is reflected as a deferred credit. The deferred credit is valued at an amount equal to the current market value of the 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 calculating the net asset value of the Fund. The Fund's portfolio securities which are the subject of a written option shall continue to be valued at their current market value as determined by the Custodian.
- The value of a swap is the gain or loss on the contract that would be realized if, on that trading day, the position in the swap were to be closed out.
- The value of a standardized future is:
  - (i) if daily limits imposed by the futures exchange through which the standardized future was issued are not in effect, the gain or loss on the standardized future that would be realized if, on that trading date, the position in the standardized future was closed out; or
  - (ii) if the daily limits imposed by the futures exchange through which the standardized future was issued are in effect, based on the current market value of the underlying interest of the standardized future.
- Margin paid or deposited on standardized futures is reflected as an account receivable and margin consisting of assets other than cash is noted as held as margin.

- Securities, the resale of which are restricted or limited by means of a representation, undertaking or agreement by the Fund or its predecessor in title or by law, are valued at the lesser of:
  - (i) their value based upon reported quotations in common use on that trading day; and
  - (ii) that percentage of the market value of securities of the same class or series of a class, the resale of which is not restricted or limited by reason of any representation, undertaking or agreement or by law, equal to the percentage that the Fund's acquisition cost was of the market value of the securities at the time of acquisition, but taking into account, if appropriate, the amount of time remaining until the restricted securities will cease to be restricted securities.
- Securities quoted in foreign currencies are translated to Canadian dollars to reflect the rate of exchange existing on that trading day.
- Notwithstanding the foregoing, securities and other assets for which market quotations are, in the Custodian's opinion, inaccurate, unreliable, not reflective of all available material information or not readily available are valued at their fair value, as determined by the Custodian.

If an investment cannot be valued under the foregoing rules or under any other valuation rules adopted under applicable securities laws, or if any rules we have adopted are not set out under applicable securities laws but at any time are considered by us to be inappropriate under the circumstances, then we shall use a valuation which we consider to be fair and reasonable in the interests of investors in the Fund. In those circumstances, the Custodian would typically review current press releases concerning the investment security, discuss an appropriate valuation with other portfolio managers, analysts and consult other industry sources to set an appropriate fair valuation. If at any time the foregoing rules conflict with the valuation rules required under applicable securities laws, the Custodian will follow the valuation rules required under applicable securities laws.

The Declaration of Trust contains details of the liabilities to be included in calculating the unit price of each of the Funds. The liabilities of a Fund include, without limitation, all bills, notes and accounts payable, all administrative fees and operating expenses payable or accrued, all contractual obligations for the payment of money or property, all allowances authorized or approved by us for taxes (if any) or contingencies and all other liabilities of the Funds. In making the calculation of the unit price, we will use the latest reported information available on each trading day. The purchase or sale of portfolio securities by a Fund will be reflected in the first calculation of the unit price after the date on which the transaction becomes binding.

## 5. CALCULATION OF UNIT PRICE

After the close of business on each trading day, we will calculate a unit price for each Fund. The unit price of each Fund is calculated by:

**Adding** up the cash and the value of portfolio securities and other assets owned by the Fund;

**Subtracting** the liabilities applicable to the Fund; and

**Dividing** the net assets by the total number of units of the Fund owned by investors.

The unit price applied to purchase and redemption orders of units of each Fund will generally increase or decrease on each trading day as a result of changes in the value of the portfolio securities owned by the

Fund. When distributions are declared by a Fund, the unit price will decrease by the per unit amount of the distributions on the distribution payment date.

The unit price for purchases and redemptions of units of the Fund is the unit price first calculated after the receipt of the purchase or redemption order.

## **6. PURCHASES, SWITCHES AND REDEMPTIONS OF UNITS**

You may purchase units of the Funds through the Dealer, or with authorized dealers and brokers qualified in your province or territory. Your dealer is there to help you with your investment decisions to determine which Fund is most suitable for you to meet your own risk/return objectives and to place orders on your behalf.

To open an account with the Dealer, please call an investment fund associate at 1-877-700-1737, or go online at [tangerine.ca/investments](http://tangerine.ca/investments). Except as disclosed in the Simplified Prospectus under the heading “**Fees and Expenses**”, there is no cost to you for opening or maintaining an account with the Dealer.

### *Purchases*

If we receive your purchase order before 3:00 p.m. (EST) on a trading day, we will process your order at the unit price calculated later that day. Orders received between 3:00 p.m. and 4:00 p.m. are processed at the unit price calculated later that day on a best-efforts basis. Otherwise, we will process your order at the unit price calculated on the next trading day. We may process orders at an earlier time if the TSX closes for trading earlier on a particular day. Orders received after that earlier closing time would be processed on the next trading day.

We must receive the appropriate documentation and money within two trading days of receiving your purchase order. We are entitled to reject any purchase order, but we can only do so within one day of receiving it. If we reject an order, we will return immediately to your dealer any monies we have received from you in connection with that order.

### *Redemptions*

If we receive your redemption order before 3:00 p.m. (EST) on any trading day, we will process your order at the unit price calculated later that day. Orders received between 3:00 p.m. and 4:00 p.m. are processed at the unit price calculated later that day on a best-efforts basis. Otherwise, we will process your order at the unit price calculated on the next trading day. We may process orders at an earlier time if the TSX closes for trading earlier on a particular day. Orders received after that earlier closing time would be processed on the next trading day. The redemption proceeds will be delivered in accordance with your instructions within two business days of the valuation date on which the redemption order is processed. Your redemption request must be in writing and accompanied by your unit certificate if you requested a certificate when you purchased your units.

Under exceptional circumstances, we may be unable to process your redemption order. This would most likely occur if market trading has been suspended on stock exchanges, options exchanges or futures exchanges on which more than 50% by value of a Fund’s assets are listed and if the Fund’s portfolio securities cannot be traded on any other exchange that represents a reasonably practical alternative. During these periods, units of the Fund will also not be issued or switched.

There are no redemption fees for the Funds. You may have to pay your dealer a transfer-out fee for a transfer to another financial institution.

### *Switches*

A “switch order” is simply an order to redeem units of one of the Funds and use the proceeds to purchase units of another of the Funds.

If we receive your switch order before 3:00 p.m. (EST) on any trading day, we will process your redemption and purchase orders at the relevant unit prices calculated later that day. Orders received between 3:00 p.m. and 4:00 p.m. are processed at the unit price calculated later that day on a best-efforts basis. Otherwise, we will process your order at the unit prices calculated on the next trading day. We may process orders at an earlier time if the TSX closes for trading earlier on a particular day. Orders received after that earlier closing time would be processed on the next trading day.

A switch order involves a redemption of units of one Fund, which is considered to be a disposition and may result in a gain or loss for tax purposes in a non-registered account. You are responsible for tracking and reporting to the Canada Revenue Agency (“**CRA**”) any capital gain or loss that you realize.

### *Short-Term Trading*

We have adopted policies and procedures to detect and deter inappropriate short-term trading and excessive short-term trading. An inappropriate short-term trade is defined as a combination of a purchase and redemption (including switches between Funds) within 90 days that we believe is detrimental to Fund investors and which may take advantage of securities priced in other time zones or illiquid securities that trade infrequently. We may take steps to prevent inappropriate short-term trading. These steps may include the delivery of a warning to the investor, placing the investor/account on a watch list to monitor his or her trading activity and the subsequent refusal of further trades by the investor if the investor continues to attempt such trading activity, and/or closure of the investor’s account.

Excessive short-term trading is a combination of purchases and redemptions (including switches among the Funds) which occur within 30 days or so frequently that we believe the trading is detrimental to Fund investors. We will take steps to prevent such activity as we consider appropriate. These actions may include the delivery of a warning to the investor, placing the investor/account on a watch list to monitor his or her trading activity and the subsequent refusal of further trades by the investor if the investor continues to attempt such trading activity, and/or closure of the investor’s account.

In determining whether a short-term trade is inappropriate or excessive, we will consider relevant factors including the following:

- *bona fide* changes in investor circumstances or intentions;
- unanticipated financial emergencies;
- the nature of the Fund; and
- past trading patterns.

In making these judgments we seek to act in a manner that we believe is consistent with the best interests of Fund investors. The interests of Fund investors and the Funds’ ability to manage their investments may be

adversely affected by inappropriate or excessive short-term trading because, among other things, these types of trading activities can dilute the value of Fund securities, can interfere with the efficient management of the Funds' portfolio and can result in increased brokerage and administrative costs. While we will actively take steps to monitor, detect and deter inappropriate and excessive short-term trading, it cannot ensure that such trading activity will be completely eliminated.

## 7. RESPONSIBILITY FOR FUND OPERATIONS

### *Management Services*

TIMI is the trustee, manager and portfolio advisor of each of the Funds. You may contact us concerning the Funds or your accounts at:

Tangerine Investment Management Inc.  
3389 Steeles Avenue East  
Toronto, Ontario  
M2H 0A1  
Telephone: 1-877-700-1737  
Website: [tangerine.ca/investments](http://tangerine.ca/investments)  
E-mail: [investmentfunds@tangerine.ca](mailto:investmentfunds@tangerine.ca)

The documents comprising each Fund's permanent information record and the registers of unitholders of each of the Funds are maintained at our office in Toronto.

As manager of the Funds, we are responsible for the Funds' day-to-day operations under the terms of the Declaration of Trust described in Section 12, "**Material Contracts**".

The fees and expenses payable by the Funds are set out in the Simplified Prospectus under the heading "**Fees and Expenses**".

As manager, we retain third parties to provide certain services and we are required to bear certain expenses to third parties solely for the benefit of the Funds. We bear the cost of these services in exchange for a fixed annual administration fee that is paid by each Fund.

A proposal to change the basis of calculating the management fees or other expenses which could result in an increase in the charges payable by a Fund would require that the change first be approved by a majority of the votes cast at a meeting of unitholders of the Fund unless (i) the party receiving the fees and expenses operates at arm's length to the Fund and TIMI and any associate or affiliate of TIMI; and (ii) unitholders are given at least 60 days' notice before the effective date of the proposed change. Similarly, the introduction of certain new fees by us for the Fund which may be payable by investors of the Fund would also require the approval of a majority of the votes cast at a meeting of investors of the Fund.

### ***Directors and Executive Officers of TIMI***

The names, municipalities of residence and principal occupations during the preceding five years for each of the directors and executive officers of TIMI are set out in the tables below.

<b>Name and Municipality of Residence</b>	<b>Position and Office Held with TIMI</b>	<b>Current Principal Occupation</b>
Brenda Lee Rideout Stouffville, Ontario	Director, Interim President and Interim Chief Executive Officer, Senior Officer Responsible for Insurance Matters and Ultimate Designated Person	President and Chief Executive Officer, Tangerine Bank
Emmanuel Akrong Brampton, Ontario	Chief Financial Officer	Director of Accounting Policy and Reporting, Tangerine Bank
Kevin David Brown Milton, Ontario	Chief Compliance Officer	Director and Chief Compliance Officer, Scotia Securities Inc.
Ramy Dimitry Keddiss Unionville, Ontario	Director	Chief Financial Officer, Tangerine Bank
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 TIMI have held their present principal occupations (or similar or other executive positions with the current employer or its affiliates), except for Kevin David Brown, who has been the Chief Compliance Officer of Scotia Securities Inc. since September 2016 and was previously Director, Compliance at CIBC, and Ramy Dimitry Keddiss, who has been the Chief Financial Officer of Tangerine Bank since January 2017 and was previously Vice President, Strategy at Scotiabank from August 2014 to December 2016 and Engagement Manager at McKinsey & Co. from April 2009 to August 2014.

### ***Portfolio Advisor***

TIMI acts as portfolio advisor to each of the Funds. The portfolios of the Funds are managed by State Street Bank and Trust Company (“**SSBTC**”), which has been hired by TIMI to manage the Funds’ portfolio investments. SSBTC has primary responsibility for the investment advice given to the Funds.

As manager and portfolio advisor of the Funds, TIMI is responsible for overseeing and monitoring SSBTC’s compliance with the overall investment objectives and strategies of the Funds, but does not provide prior approval or review of specific portfolio security investment decisions taken by SSBTC. Individuals who are dually registered as advising representatives of TIMI and 1832 Asset Management L.P., an affiliate of TIMI, may be responsible for the oversight and monitoring of the Portfolio Sub-advisor.

Details of the Investment Sub-Advisor Agreement entered into between TIMI and SSBTC are set out later in this annual information form in Section 12, “**Material Contracts**”.

The table below describes the lead portfolio managers for each Fund, their years of service with SSBTC and their most recent five years business experience. The individual investment decisions made by these people are not subject to oversight, approval or ratification by a committee, however, the overall investment decisions are subject to oversight from the investment committee.

Name and Title	Length of Service with Portfolio Advisor	Business Experience in the Last Five Years
Emiliano Rabinovich, CFA Vice President, Senior Portfolio Manager	Since 2006	From 2006 to present: Vice President, Senior Portfolio Manager, Global Equity Beta Solutions, SSGA.
Louis Basque, CFA Vice President, Portfolio Strategist	Since 2000	From 2006 to present - Vice President, Portfolio Strategist, SSGA.
Christian Hoffmann, CFA Vice President, Portfolio Manager	Since 2004	From 2015 to present - Vice President, Senior Portfolio Manager, Fixed Income, SSGA. From 2007 to present - Principal, Portfolio Manager, Fixed Income, SSGA.

### ***Brokerage Arrangements***

Decisions as to the purchase and sale of portfolio securities and decisions as to the execution of all portfolio transactions, including selection of market, dealer or broker and the negotiation, where applicable, of commissions, are made by SSBTC and are the ultimate responsibility of TIMI.

In effecting portfolio transactions, SSBTC seeks to obtain the best combination of price and execution with respect to portfolio transactions for the Funds. The best net price, giving effect to brokerage commissions, spreads and other costs, is normally an important factor in this decision, but a number of other factors are considered as they are deemed relevant. These factors may include, but are not limited to: SSBTC's knowledge of negotiated commission rates and spreads currently available; the nature of the security being traded; the size and type of transaction; the nature and character of the markets for the security to be purchased or sold; the desired timing of the trade; the existing and expected activity in the market for the particular security; confidentiality, execution, clearance and settlement capabilities as well as the reputation and perceived soundness of the broker-dealer selected; SSBTC's knowledge of actual or apparent operational problems of any broker-dealer; the broker-dealer's execution services rendered on a continuing basis and in other transactions; and the reasonableness of spreads or commissions. SSBTC may also consider the quality of research provided by executing brokers or dealers and its usefulness in the management of accounts.

When appropriate under its discretionary authority and consistent with its duty to seek best execution, SSBTC may direct brokerage transactions for client accounts to broker-dealers who provide SSBTC with research and brokerage products and services.

Broker-dealers typically provide a bundle of services including research and execution of transactions. The research provided can be either proprietary (created and provided by the broker-dealer, including tangible research products as well as access to analysts and traders) or third-party (created by a third party, but provided by a broker-dealer).

SSBTC may use soft dollar commission arrangements to acquire either type of research, but does not currently have any such arrangements in place.

No person has provided any investment decision-making services to SSBTC, the remuneration for which was paid through commissions on brokerage transactions.

### ***Principal Distributor***

The Dealer has agreed to act as principal distributor for the Funds pursuant to a Principal Distributor Agreement between TIMI, on behalf of the Funds, and TIFL. The details of the Principal Distributor Agreement are set out in Section 12, “**Material Contracts**”. The Dealer’s address is 3389 Steeles Avenue East, Toronto, Ontario M2H 0A1.

### ***Custodian***

Pursuant to a Master Custodian Agreement between TIMI, on behalf of the Funds, and State Street Trust Company Canada, Toronto, Ontario, the Custodian has agreed to act as custodian for the Funds. The details of the Master Custodian Agreement are set out in Section 12, “**Material Contracts**”.

The Custodian receives and holds all cash, portfolio securities and other assets of each Fund for safekeeping and will act upon the instructions of TIMI or SSBTC with respect to the investment and reinvestment of each Fund’s assets from time to time. Under the terms of the custodian agreement and subject to the requirements of the Canadian Securities Administrators, the custodian may appoint one or more sub-custodians to facilitate effecting portfolio transactions outside of Canada. The fees for custodial services are paid by TIMI out of the administration fee it receives from each of the Funds, and are calculated on an individual Fund basis according to that Fund’s cash and securities on deposit with the custodian and the securities transactions undertaken for the Fund.

Other than cash or securities that may be deposited as margin, the Custodian will hold all of the Funds’ Canadian cash and securities in Toronto. Foreign securities and related cash accounts will be held either at an office of the Custodian or by its sub-custodians. The principal sub-custodian of the Funds is State Street Bank and Trust Company which maintains its principal place of business at 1 Lincoln Street, Boston, Massachusetts 02111, USA and operates as a bank and trust company offering a variety of services to institutional investors including global sub-custodial services. State Street retains State Street Bank and Trust Company to act as its global sub-custodian. State Street Bank and Trust Company appoints its own network of sub-custodians throughout the global marketplace.

### ***Auditor***

Ernst & Young LLP, Chartered Professional Accountants, Licensed Public Accountants, Toronto, Ontario, are the auditors of the Funds.

### ***Registrar***

International Financial Data Services (Canada) Limited, Toronto, Ontario, is the registrar of the Funds.



### *Securities Lending Agent*

In the event a Fund engages in a securities lending, repurchase or reverse repurchase transaction, State Street Bank and Trust Company (the “**Securities Lending Agent**”) of Boston, Massachusetts, the principal sub-custodian of the Funds, will be appointed as the Fund’s securities lending agent. The securities lending agreement entered into with the Securities Lending Agent is expected to provide that the collateral received by a Fund in a securities lending transaction must have a market value of at least 102% of the market value of the securities loaned. Under the securities lending agreement, the Securities Lending Agent is also expected to indemnify the Fund from certain losses incurred in connection with default by a borrower, and the Securities Lending Agreement may be terminated with respect to any Fund at any time with or without cause by either party upon delivery to the other party of written notice specifying the date of such termination, which shall not be less than five days after the receipt of such notice.

## **8. CONFLICTS OF INTEREST**

### *Principal Holders of Securities*

**Shares of TIMI:** As of October 10, 2018, Tangerine Bank owns all of the outstanding voting shares of TIMI. As of October 10, 2018, The Bank of Nova Scotia indirectly owns all of the issued and outstanding voting shares of Tangerine Bank.

**Units of the Funds:** As of October 10, 2018, to the knowledge of TIMI, no person or company owns, of record or beneficially, directly or indirectly, more than 10% of the issued and outstanding units of any Fund.

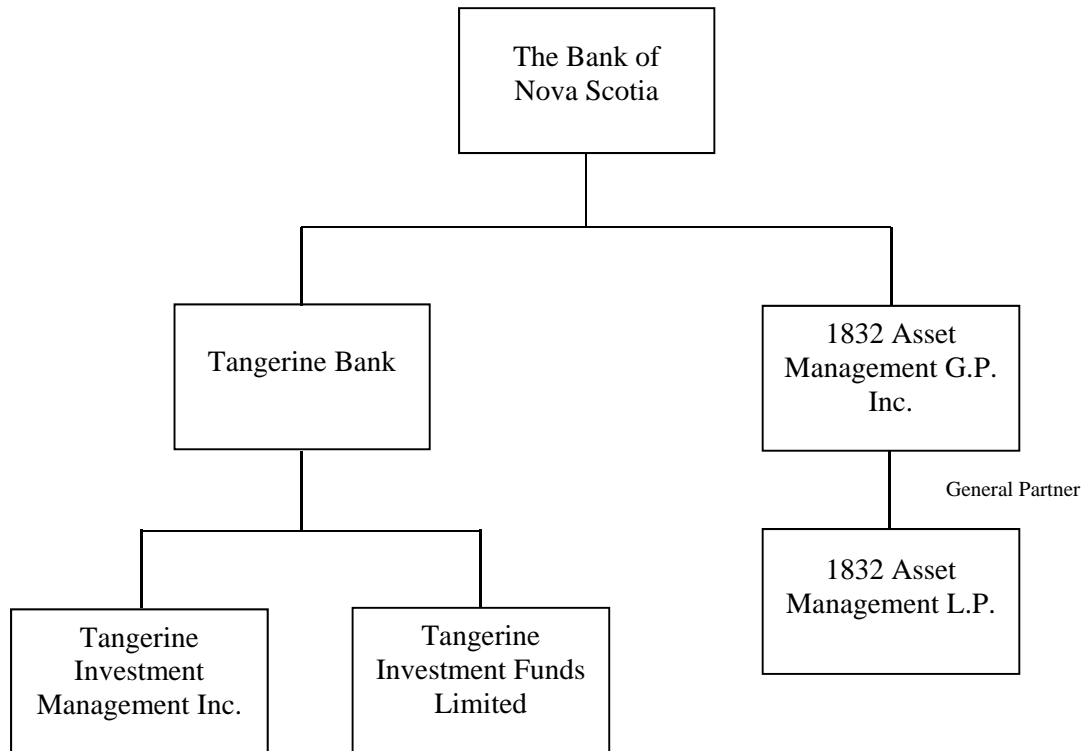
As of October 10, 2018, the directors and senior officers of the Manager, in aggregate, did not beneficially own more than 10%, directly or indirectly, of the securities of any Fund. As of October 10, 2018, the directors and senior officers of the Manager did not own any securities of the Manager or more than one percent of the outstanding common shares and preferred shares of Scotiabank or of any other service provider to the Funds or to the Manager.

As of October 10, 2018, the members of the IRC, in aggregate, did not beneficially own more than 10%, directly or indirectly, of the securities of any Fund. As of October 10, 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 Scotiabank or of any other service provider to the Funds or to the Manager.

### ***Affiliated Entities***

The only affiliated entities that provide services to the Funds and to the Manager in connection with the funds are TIFL, Scotiabank and 1832 Asset Management L.P. The amount of fees paid to these entities each year is contained in the Funds' audited annual financial statements.

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



The following Directors and/or Executive Officers of TIMI are also Directors and/or Executive Officers of TIFL: Brenda Rideout, Kevin Brown, Ramy Dimitry Keddis, Emmanuel Akrong and Simon Mielniczuk.

### ***Dealer Manager Disclosure***

The Funds are considered to be “dealer-managed funds” for the purposes of NI 81-102 and are subject to certain additional restrictions when dealing with, or investing in, the Manager or parties related to the Manager. In the case of certain self-dealing activities, NI 81-102 and NI 81-107 permit the Manager to seek approval of the Independent Review Committee of the Funds and in other cases, an exemption from the Canadian Securities Authorities (“CSA”) must be obtained.

Section 4.1 of NI 81-102 requires the Funds to not knowingly make an investment in a class of securities of an issuer during, or for 60 days after, the period in which the Manager of the Funds, or an associate or affiliate of the Manager of the Funds, acts as an underwriter in the distribution of securities of that class of securities, except as a member of the selling group distributing five percent or less of the securities underwritten. This section also requires the Funds to not knowingly make an investment in a class of securities of an issuer of which a partner, director, officer or employee of the Manager of the Funds, or a

partner, director, officer or employee of an affiliate or associate of the Manager, is a partner, director or officer, unless the partner, director, officer or employee (a) does not participate in the formulation of investment decisions made on behalf of the Funds; (b) does not have access before implementation to information concerning investment decisions made on behalf of the Funds; and (c) does not influence, other than through research, statistical and other reports generally available to clients, the investment decisions made on behalf of the Funds.

## 9. FUND GOVERNANCE

### *TIMI*

As the manager of the Funds, TIMI is required by the *Securities Act* (Ontario) to act honestly, in good faith and in the best interests of all of its managed funds, and to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the same circumstances.

TIMI’s Board of Directors is responsible for overseeing our compliance with that statutory duty owed to our managed funds. In addition, we have appointed an Independent Review Committee, which reviews conflicts of interest referred to it by management of TIMI.

### *Independent Review Committee*

Under NI 81-107, mutual funds are required to form an Independent Review Committee (the “**IRC**”) to review, among other things, conflict of interest matters to provide impartial judgment on these matters to TIMI, in its role as manager of the Funds. Certain steps must be followed in order for a mutual fund and its independent review committee to rely on all aspects of NI 81-107 including the completion of a review of all policies of the manager related to conflicts of interest.

TIMI has created the IRC in compliance with NI 81-107. The IRC reviews potential conflicts of interest referred to it by TIMI as manager of the Funds and makes recommendations on whether a course of action achieves a fair and reasonable result for the Funds and only upon making that determination does it recommend to TIMI that the transaction proceed.

In addition, NI 81-107 specifically permits mutual funds to trade in securities of companies related to the manager of the mutual fund, subject to the supervision of the IRC.

Among other things, the IRC will annually review and assess the adequacy and effectiveness of TIMI’s policies and procedures relating to conflict of interest matters in respect of the Funds, any standing instructions it has provided to TIMI pertaining to conflict of interest matters in respect of the Funds, TIMI’s and the Funds’ compliance with any conditions imposed by the IRC in a recommendation or approval and prepare a report of its activities for unitholders of the Funds. The IRC’s annual report will be available on our website at [tangerine.ca/investments](http://tangerine.ca/investments) or upon request by any unitholder, at no cost, by calling 1-877-700-1737 or emailing to [investmentfunds@tangerine.ca](mailto:investmentfunds@tangerine.ca).

The IRC comprises three members, each of whom is independent of TIMI and its affiliates. Set out below are the name, municipality of residence and principal occupation of each member of the IRC:

<b>Name</b>	<b>Municipality of Residence</b>	<b>Current Principal Occupation</b>
C. Ian Ross, Chair of the Independent Review Committee	Collingwood, Ontario	Corporate Director

Name	Municipality of Residence	Current Principal Occupation
Stephen J. Griggs	Mississauga, Ontario	Consultant
Robert Bell	Toronto, Ontario	Retired

Each member of the IRC receives from the Funds an annual fee and meeting fees for each meeting that he or she attends. The current annual compensation for each member of the IRC is \$17,500. In addition, the Chair of the IRC will receive \$2,000 and the other members of the IRC will each receive \$1,000 for each meeting of the IRC that they attend. There are generally two IRC meetings per year. Each member of the IRC will also be reimbursed for expenses in connection with performing his or her duties in this regard, including applicable legal fees, travel expenses in connection with meeting attendance, attendance fees for educational legal seminars and reasonable out-of-pocket expenses. Compensation and permitted expenses of the IRC are allocated among and paid for by the Funds on an equitable basis. Fees aggregating \$60,500 were paid by the Funds to members of the IRC for the fiscal year of the Funds ended December 31, 2017, as follows: C. Ian Ross - \$21,500; Stephen J. Griggs - \$19,500; and Robert Bell - \$19,500.

### *Supervision of Securities Lending*

Each Fund is permitted to enter into securities lending transactions consistent with its investment objectives and in compliance with the applicable provisions of NI 81-102. In the event a Fund engages in securities lending, the Fund's principal sub-custodian will be appointed as the Fund's agent to administer the Fund's securities lending.

TIMI will manage the risks associated with securities lending transactions (which are described under **"What Are the Risks of Investing in a Mutual Fund Generally?"** in the Simplified Prospectus) by requiring the agent to:

- maintain internal controls, procedures and records, including a list of approved counterparties based on generally accepted creditworthiness standards, transaction and credit limits for each counterparty and collateral diversification standards;
- establish daily the market value of both the securities loaned by a Fund under a securities lending transaction or sold by a Fund under a repurchase transaction and the cash or collateral held by a Fund. If on any day the market value of the cash or collateral is less than 102% of the market value of the borrowed or sold securities, the agent will request that the counterparty provide additional cash or collateral to the Fund to make up the shortfall; and
- ensure that a Fund does not loan or sell more than 50% of the net asset value of the Fund through securities lending or repurchase transactions.

The Funds' securities lending agent will apply its risk procedures to each of the Funds. While stress testing may not be specifically employed, the securities lending agent will manage the program on a continuous basis by applying its risk procedures through changes in market conditions and counterparty creditworthiness in accordance with NI 81-102. To facilitate monitoring, the securities lending agent will provide TIMI with regular and comprehensive reports summarizing the transactions involving securities lending, repurchase and reverse repurchases.

TIMI's Board of Directors will receive reports, if any, regarding compliance exceptions in connection with the Funds' use of securities lending, repurchase and reverse repurchase transactions.

### ***Supervision of Derivatives Trading***

Under the Investment Sub-Advisor Agreement, TIMI has delegated responsibility for derivatives trading on behalf of the Funds to SSBTC, including the day-to-day management of the risks associated with the Funds' use of derivatives. Although SSBTC has full authority to make day-to-day decisions concerning derivatives trading on a fully discretionary basis, TIMI retains oversight responsibility.

SSBTC's risk management process focuses on the three typical sources of risk: (i) investment (or market) risk; (ii) counterparty credit risk; and (iii) operational risk. The risks to a particular Fund are reviewed in aggregate, incorporating both cash and derivatives positions with derivatives being mapped to their underlying instruments in order to obtain the risk factor exposures required to complete the analysis.

SSBTC utilizes exchange listed equity index and bond futures, equity swaps, total return swaps, and credit default swaps, in many markets as allowed in the Funds' investment guidelines. Any change to the type of allowable securities or derivatives is effected through a formal change to investment guidelines. All futures are exchange-traded. These procedures are intended to prohibit overexposure, adverse risk, and, in the extreme case, mismanagement.

Since most of the derivatives used by SSBTC are exchange traded, they do not create counterparty credit exposure. Although SSBTC is also active in derivatives that do create credit exposures (e.g. foreign exchange swaps), these can only be entered into with approved counterparties that are reviewed by SSBTC's credit group. Counterparties are rated on the basis of their respective strength and approvals are product specific. Weaker counterparties can be approved, for example for short dated exposures, while only top rated institutions would qualify as approved counterparties for long dated swaps.

Since it is not possible to get objective measures of liquidity with respect to over-the-counter traded derivatives, SSBTC tends to mitigate liquidity risk by using multiple counterparties. SSBTC's policy is that any portfolio (including the Funds) whose market value is greater than \$100 million should not have greater than 33% of its derivatives exposure (market value, not notional) with a single counterparty.

The use of new derivative instruments requires approval by SSBTC's Investment Committee which has broad representation from areas around the firm. SSBTC's Investment Committee has approved a policy on the use of derivatives.

SSBTC's management staff is intricately involved in the audit and oversight of derivative use. Senior personnel from the Legal Department, Compliance Department, and Global Investment Operations, as well as the investment areas have collaborated on operational guidelines to monitor and control derivative administration. The mechanics of investing in derivatives are formally governed by the operational guidelines, and the ultimate responsibility for reviewing these guidelines belongs to SSBTC's Chief Investment Officer, General Counsel and Head of Global Investment Operations. The SSBTC Investment Committee revisits the entire process quarterly or as conditions in the marketplace require review.

### ***Proxy Voting Policies and Procedures***

Under the Investment Sub-Advisor Agreement, TIMI has delegated responsibility for voting the Funds' proxies to SSBTC. SSBTC has full authority to make all voting decisions concerning securities held by the Funds on a fully discretionary basis. The following is a summary of SSBTC's proxy voting policies and procedures.

### *Proxy Voting by SSBTC*

Oversight of the proxy voting process is the responsibility of an investment committee at SSBTC. In order to assist in the due diligence process, SSBTC has retained a firm with expertise in the proxy voting and corporate governance areas. On routine matters, SSBTC generally votes in support of management's recommendations. However, each proxy is reviewed individually and, in certain circumstances, SSBTC may vote against management's recommendation on routine matters if such recommendation is deemed not to be in a Fund's best interests. Non-routine matters are dealt with on a case-by-case basis and SSBTC will support management's recommendations if they maximize unitholder value. In instances where issues are not addressed by a policy, the Chairman of SSBTC's investment committee will be consulted for voting guidance. In addressing potential conflicts of interest, the investment committee is guided by its duty to ensure that proxies are voted in a Fund's, and not SSBTC's, best interests. In circumstances where a potential material conflict cannot be dealt with within an existing proxy voting policy or is of such a nature that SSBTC believes more active involvement is required, the Chairman presents the proxy to the investment committee who may recommend that an independent third party be retained to determine the appropriate vote.

### *Information Requests*

The policies and procedures that the Funds follow when voting proxies relating to portfolio securities are available upon request at any time, at no cost, by calling toll free 1-877-700-1737, by e-mail to [investmentfunds@tangerine.ca](mailto:investmentfunds@tangerine.ca), or by writing to Tangerine Investment Management Inc., 3389 Steeles Avenue East, Toronto, Ontario M2H 0A1.

Each Fund's proxy voting record for the period ending on June 30<sup>th</sup> of each year will be available free of charge at any time after August 31<sup>st</sup> of that year, to any investor of that Fund upon request by calling 1-877-700-1737 or by e-mail to [investmentfunds@tangerine.ca](mailto:investmentfunds@tangerine.ca), and will also be available on our website at [tangerine.ca/investments](http://tangerine.ca/investments).

## **10. INCOME TAX CONSIDERATIONS**

The following is a general summary, as of the date hereof, of certain of the principal Canadian federal income tax considerations generally applicable to the buying, holding and selling of units of a Fund by a unitholder who acquires units pursuant to the simplified prospectus. This summary is applicable to a unitholder who is an individual (other than a trust) and who, for purposes of the Tax Act and at all material times, is resident in Canada, deals at arm's length and is not affiliated with the particular Fund and holds units as capital property. Units will generally be considered capital property to a unitholder unless the unitholder holds the units in the course of carrying on a business or has acquired the units in a transaction or transactions considered to be an adventure or concern in the nature of trade.

This summary is based on the current provisions of the Tax Act and the regulations thereunder, an understanding of the current published administrative and assessing practices of the CRA, and all specific proposals to amend the Tax Act and regulations thereunder publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (such proposals referred to hereafter as the "**Tax Proposals**"). This summary does not otherwise take into account or anticipate any changes in law, whether by legislative, governmental or judicial action, nor does it take into account other federal or any provincial, territorial or foreign tax legislation or considerations. There can be no assurance that the Tax Proposals will be enacted in the form publicly announced or at all.

**This summary is not exhaustive of all possible Canadian federal income tax considerations applicable to an investment in units and does not describe the income tax considerations relating to the deductibility of interest on money borrowed to acquire units. Moreover, the income and other tax consequences of acquiring, holding or disposing of units will vary depending on an investor's particular circumstances, including the province or territory in which the investor resides or carries on business. Accordingly, this summary is of a general nature only and is not intended to be legal or tax advice to any investor. Investors should consult their own tax advisors for advice with respect to the income tax consequences of an investment in units, based on their own particular circumstances.**

### *Tax Status of the Funds*

This summary is based on the assumption that none of the issuers of securities held by a particular Fund will be a foreign affiliate of the Funds or any unitholder, or a non-resident trust that is not an "exempt foreign trust" as defined in section 94 of the Tax Act. This summary is based on the further assumptions that none of the Funds will be (i) a "SIFT trust" for the purposes of the Tax Act (a "SIFT"), (ii) a "financial institution" for purposes of the Tax Act, or (iii) required to include any amounts in income pursuant to sections 94.1 or 94.2 of the Tax Act.

This summary is also based on the assumption that the Funds qualify, and will continue to qualify, as "mutual fund trusts" within the meaning of the Tax Act at all relevant times, have elected under the Tax Act to be "mutual fund trusts" from the date they were established, and are not established or maintained primarily for the benefit of non-residents of Canada. In order to continue to qualify as a "mutual fund trust", a Fund must, among other things, comply on a continuous basis with certain minimum requirements respecting the ownership and dispersal of units. If a Fund were a SIFT at any time, or were not to qualify as a "mutual fund trust" at all times, the income tax considerations in respect of the Fund could differ materially from those described below.

### *Taxation of the Funds*

In each taxation year, each Fund will be subject to tax under Part I of the Tax Act on its net income, including the taxable portion of any net capital gains, if any, that is not paid or made payable to unitholders in that year. In computing its income, each Fund will take into account any loss carry-forwards, any capital gains refund and all deductible expenses, including management fees. Provided a Fund distributes all of its net taxable income and net capital gains to its unitholders on an annual basis prior to the end of the relevant taxation year, it will not be liable for any income tax under Part I of the Tax Act.

Income of a Fund which is derived from foreign sources may be subject to foreign taxes which may, within certain limits, be either deducted from taxable income in the Fund or allocated to unitholders to potentially offset taxes payable on foreign source income. Each Fund has elected to have a December 15<sup>th</sup> year-end for calculating taxable income.

Each Fund is required to include, in computing its income for each taxation year, (i) any interest that accrues to it to the end of such year, or which becomes receivable or is received by it before the end of the year, except to the extent that such interest was included in computing its income for a preceding taxation year, (ii) any dividends received by it in that taxation year, and (iii) the taxable portion of any capital gains realized by it in that taxation year, as discussed in more detail below.

Generally, gains and losses realized by a Fund from the trading of futures will be treated as income and losses of the Fund, rather than capital gains and capital losses, and will be included in computing the income of the Fund.

Each Fund has elected, in accordance with the Tax Act to have each of its securities that constitute a “Canadian security” treated as capital property, such that any gains and losses realized by such Fund on the disposition of Canadian securities should be taxed as capital gains or capital losses.

Upon the actual or deemed disposition of a security held by a Fund as capital property, the Fund will realize a capital gain (or capital loss) to the extent that the proceeds of disposition exceed (or are exceeded by) the adjusted cost base of such property and any reasonable costs of disposition.

A Fund may be subject to alternative minimum tax in any taxation year throughout which the Fund is not a “mutual fund trust” for purposes of the Tax Act.

The Funds may be subject to the “loss restriction event” rules contained in the Tax Act, unless the Funds qualify as “investment funds” as defined in the Tax Act, which requires, among other things, that certain investment diversification restrictions be met, and that unitholders hold only “fixed interests” (and not discretionary interests) in the Funds. If a Fund experiences a “loss restriction event” (i) the Fund will be deemed to have a year-end for tax purposes (which will result in an allocation of the Fund’s net income and net realized capital gains for the year at such time to unitholders so that the Fund is not liable for income tax on such amounts), and (ii) the Fund will be deemed to realize any unrealized capital losses, and its ability to carry forward losses will be restricted. Generally, a Fund will experience a “loss restriction event” when a person becomes a “majority-interest beneficiary” of the Fund, or a group of persons becomes a “majority-interest group of beneficiaries” of the Fund, as those terms are defined in the Tax Act. A unitholder will be a “majority-interest beneficiary” of a Fund at any time when units held by that unitholder and all persons with whom that unitholder is affiliated are beneficially entitled to greater than 50% of the assets or income of the Fund. A unitholder may become a “majority-interest beneficiary” of a Fund because the unitholder either alone or with its affiliates acquires units of the Fund or because another person redeems units. The amount of distributions paid by a Fund after a loss restriction event may be larger than they otherwise would have been as a result of certain losses of the trust being restricted from being carried forward.

The Funds may be subject to the “suspended loss” rules contained in the Tax Act, which would generally apply where a Fund disposes of property and subsequently reacquires the property or acquires an identical property within the time period that begins 30 days before the disposition and ends 30 days following the disposition, and the Fund continues to own the reacquired or newly-acquired property following that period. Where the “suspended loss” rules apply, any losses arising from the initial disposition of property would be denied, but may be realized at a future point in time in accordance with the rules in the Tax Act.

One-half of the amount of any capital gain realized by a Fund in a taxation year must be included in computing the Fund’s income for that year, and one-half of any capital loss realized by the Fund must be deducted against the taxable portion of its capital gains (if any) for that year. One-half of any unused capital loss can be deducted by the Fund against the taxable portion of any capital gains earned in its three immediately preceding taxation years or in any subsequent taxation year, in accordance with the detailed rules contained in the Tax Act.

The Funds are required to compute all relevant amounts, including interest, the cost of property and proceeds of disposition, in Canadian dollars for purposes of the Tax Act. As a consequence, the amount of income, expenses and capital gains or capital losses of the Funds may be affected by changes in the value of a foreign currency relative to the Canadian dollar.



## ***Taxation of Unitholders***

### *Units of a Fund Held in a Registered Plan*

If units of a particular Fund are held in a registered retirement savings plan (an “**RRSP**”), a registered retirement income fund (a “**RRIF**”), a tax-free savings account (a “**TFSA**”), a registered education savings plan (an “**RESP**”), a registered disability savings plan (an “**RDSP**”) or a deferred profit sharing plan (each, a “**Registered Plan**”, and, collectively, “**Registered Plans**”), provided the units of the Fund are “qualified investments” under the Tax Act for such Registered Plans, distributions from the Fund to such Registered Plans, and capital gains from a redemption (or other disposition) of units by such Registered Plans, are generally not subject to tax under the Tax Act until withdrawals are made from the Registered Plan (withdrawals from a TFSA are generally not subject to tax).

Notwithstanding the foregoing, if the units of a particular Fund are “prohibited investments” (as defined in the Tax Act) for a TFSA, RRSP or RRIF (or, pursuant to proposed amendments released by the Minister of Finance (Canada) on March 22, 2017, an RDSP or RESP), the holder of the TFSA or the RDSP, the annuitant under the RRSP or RRIF, or the subscriber of the RESP, as the case may be, may be subject to a penalty tax as set out in the Tax Act. The units of a particular Fund will be a “prohibited investment” for a TFSA, RRSP, RRIF, RDSP or RESP if the holder of the TFSA or the RDSP, the annuitant under the RRSP or RRIF, or the subscriber of the RESP, as applicable, (i) does not deal at arm’s length with the particular Fund for purposes of the Tax Act, or (ii) has a “significant interest”, as defined in the Tax Act, in the particular Fund. Generally, a holder, annuitant, or subscriber, as the case may be, will not have a significant interest in a Fund unless the holder, annuitant, or subscriber owns interests as a beneficiary of the Fund that have a fair market value of 10% or more of the fair market value of the interests of all beneficiaries under the Fund, either alone or together with persons and partnerships with which the holder, annuitant, or subscriber does not deal at arm’s length. In addition, the units will not be a “prohibited investment” if such units are “excluded property” as defined in the Tax Act for a TFSA, RRSP, RRIF, RDSP or RESP.

Holders of TFSAs and RDSPs, annuitants of RRSPs and RRIFs, and subscribers of RESPs should consult with their own tax advisers regarding the “prohibited investment” rules based on their own particular circumstances.

### *Units of a Fund Not Held in a Registered Plan*

If a unitholder holds units of a Fund outside a Registered Plan, the unitholder will generally be required to include in computing income for a taxation year such part of the net income of the Fund, including the taxable portion of capital gains, if any, paid or payable to the unitholder in the taxation year. This is the case even though such distributions may be automatically reinvested in additional units and there may therefore be insufficient cash received by a unitholder to pay the tax payable in respect of such distributions of income.

Any distributions in excess of the net income and net capital gains of a Fund in a year will not be taxable in the hands of a unitholder but will reduce the adjusted cost base of the units. To the extent that a unitholder’s adjusted cost base of his/her units would otherwise be a negative amount, the negative amount will be deemed to be a capital gain realized by the unitholder and the unitholder’s adjusted cost base will be nil immediately thereafter. The non-taxable portion of capital gains distributed to a unitholder will not be taxable in the hands of the unitholder and will not, provided the appropriate designations are made by the Fund, reduce the adjusted cost base of the units.

Provided appropriate designations are made by a Fund, such portion of (a) the net realized taxable capital gains of the Fund and (b) the taxable dividends received by the Fund on shares of taxable Canadian corporations as are paid or become payable to a unitholder will effectively retain their character and be treated as such in the hands of the unitholder. To the extent that amounts are designated as taxable dividends from taxable Canadian corporations, the normal gross-up and dividend tax credit rules will apply. A Fund may make designations in respect of its income from foreign sources, if any, so that unitholders may be able to claim a foreign tax credit in accordance with the provisions of, and subject to the general limitations under, the Tax Act for a portion of the foreign tax, if any, paid by the Fund.

The net asset value per unit may reflect income and gains of a Fund that have accrued at the time units are acquired. Accordingly, a unitholder who acquires units may become taxable on the unitholder's share of income and gains of a Fund that accrued before the units were acquired.

We will provide each unitholder with prescribed information to assist him or her in preparation of his or her tax return.

Upon the redemption or other actual or deemed disposition of a unit (including the redemption of a unit on a switch between one Fund and another Fund), a unitholder will realize a capital gain (or capital loss) to the extent that the proceeds of disposition exceed (or are exceeded by) the unitholder's adjusted cost base of the unit and any reasonable costs of disposition. For the purpose of determining the adjusted cost base of units to a unitholder, when units are acquired, including on the reinvestment of distributions, the cost of the newly acquired units will be averaged with the adjusted cost base of all units owned by the unitholder as capital property immediately before that time.

One-half of any capital gain realized on the disposition of units will be included in the unitholder's income and one-half of any capital loss realized must be deducted from taxable capital gains realized in a particular year. A unitholder may deduct one-half of any unused capital losses arising in a particular taxation year against the taxable portion of any net capital gains arising in the three immediately preceding taxation years or in any subsequent taxation year, subject to the rules in the Tax Act.

In general terms, net income of a Fund paid or payable to a unitholder that is designated as net realized taxable capital gains, taxable Canadian dividends or taxable capital gains realized on the disposition of units may increase the unitholder's liability for alternative minimum tax.

### ***International Tax Reporting***

On April 15, 2016, the Department of Finance (Canada) released for consultation proposals to amend the Tax Act to implement the Common Reporting Standard developed by the Organisation for Economic Co-operation and Development (the "**CRS Proposals**"). On December 15, 2016, Part XIX of the Tax Act was enacted, which came into force on July 1, 2017, and which implements the CRS Proposals. Pursuant to Part XIX of the Tax Act, "Canadian financial institutions" that are not "non-reporting financial institutions" (as both terms are defined in Part XIX of the Tax Act) are required to have procedures in place to identify accounts held by residents of foreign countries (other than the U.S.) or by certain entities the "controlling persons" of which are resident in a foreign country, and to report required information to the CRA. Such information is expected to be exchanged on a reciprocal, bilateral, basis with the tax authorities of the foreign country in which the account holders or such controlling persons are resident, pursuant to the Multilateral Convention on Mutual Administrative Assistance in Tax Matters or the relevant bilateral tax treaty. Pursuant to Part XIX of the Tax Act, unitholders are required to provide certain information regarding their investment in a Fund for the purpose of such information exchange (which information

exchange is expected to occur beginning in May 2018), unless the investment is held within certain Registered Plans.

### ***U.S. Foreign Account Tax Compliance Risk***

In March 2010, the U.S. enacted the Foreign Account Tax Compliance Act (“**FATCA**”), which imposes certain reporting requirements on non-U.S. financial institutions. The governments of Canada and the United States have entered into an Intergovernmental Agreement (“**IGA**”) which establishes a framework for cooperation and information sharing between the two countries and may provide relief from a 30% U.S. withholding tax under U.S. tax law (the “**FATCA Tax**”) for Canadian entities such as the Funds, provided that (i) the Funds comply with the terms of the IGA and the Canadian legislation implementing the IGA in Part XVIII of the Tax Act and (ii) the government of Canada complies with the terms of the IGA. Each Fund will endeavour to comply with the requirements imposed under the IGA and Part XVIII of the Tax Act. Under Part XVIII of the Tax Act, unitholders of a Fund are required to provide identity and residency and other information to the Fund (and may be subject to penalties for failing to do so), which, in the case of “Specified U.S. Persons” or certain non-U.S. entities controlled by “Specified U.S. Persons”, will be provided, along with certain financial information (for example, account balances), by the Fund to the CRA and from the CRA to the U.S. Internal Revenue Service. A Fund may be subject to FATCA Tax if it cannot satisfy the applicable requirements under the IGA or Part XVIII of the Tax Act, or if the Canadian government is not in compliance with the IGA and if the Fund is otherwise unable to comply with any relevant and applicable U.S. legislation. Any such FATCA Tax in respect of a Fund would reduce the Fund’s distributable cash flow and net asset value.

### ***Eligibility for Investment***

Provided that the Funds qualify as “mutual fund trusts” for purposes of the Tax Act at all times, units offered hereby will be “qualified investments” under the Tax Act for Registered Plans. Notwithstanding the foregoing, if units are a “prohibited investment” (for the purposes of the Tax Act) for a Registered Plan, the holder, annuitant, or subscriber of such Registered Plan, as the case may be, may be subject to a penalty tax as set out in the Tax Act. Holders of Registered Plans should consult with their own advisors as to whether units of a Fund would be a “prohibited investment” for such Registered Plans for the purposes of the Tax Act.

## **11. REMUNERATION OF DIRECTORS, OFFICERS AND TRUSTEES**

The Funds do not directly employ any directors or officers to carry out Fund operations. TIMI, as manager of the Funds, provides or retains all personnel necessary to conduct the Funds’ operations.

See “Fund Governance – Independent Review Committee” for information on the compensation paid by the Funds to members of the IRC.

TIMI has not received any remuneration in its capacity as trustee of the Funds.

## **12. MATERIAL CONTRACTS**

Set out below are particulars of the material contracts entered into by the Funds as of the date of this annual information form as well as a description of the investment sub-advisor agreement that TIMI entered into with SSBTC. Minor contracts entered into by the Funds in the ordinary course of business have been excluded.

### ***Declaration of Trust***

The Funds were established pursuant to the Declaration of Trust. Under the Declaration of Trust, TIMI declared itself to be the Trustee of the Funds. As Trustee, TIMI is entitled to exercise, in its discretion, all of the rights and powers that an owner of the assets of each Fund would be entitled to exercise, including the right and power to manage, operate and administer each Fund or to enter into any and all agreements which it deems necessary for the management, operation and administration of the Fund. As Trustee, TIMI is also entitled to employ such assistants, including agents, attorneys, bankers, chartered accountants, counsel, managers, investment advisers, investment managers, notaries, officers and servants, as it may reasonably require for the proper discharge of its duties and may delegate any of its authority to such persons or entities.

TIMI has not delegated any of its management or administrative functions under the Declaration of Trust, other than those contemplated by the Principal Distribution Agreement, Master Custodian Agreement and Investment Sub-Advisor Agreement, each of which is described below. Accordingly, TIMI is considered to be the manager of the Funds.

TIMI may resign as Trustee of a Fund by giving written notice to the unitholders and to the manager, if any, of the Fund 90 days prior to the date when such resignation shall take effect.

### ***Principal Distribution Agreement***

TIMI has entered into a Principal Distribution Agreement with TIFL dated as of December 20, 2007. TIFL is the Principal Distributor under the Principal Distribution Agreement.

The Principal Distribution Agreement may be terminated with effect on the date of occurrence of any of the following events: (i) the resignation of the Principal Distributor as the Funds' "principal distributor"; (ii) notice having been provided on behalf of the Funds of the termination of the Principal Distributor as the "principal distributor" of the Funds; or (iii) if the Principal Distributor becomes insolvent.

### ***Master Custodian Agreement***

TIMI has entered into a Master Custodian Agreement with State Street Trust Company Canada dated as of November 19, 2008, on behalf of the Funds to obtain custodial services for the Funds' assets.

The Master Custodian Agreement complies with the applicable provisions of NI 81-102 regarding custodial services and requires the custodian to separately identify each Fund's account assets. The Master Custodian Agreement contains a schedule of the funds in the family to which the Agreement applies and the schedule will be amended each time a new fund is added. The Master Custodian Agreement also contains a schedule of the sub-custodians which may be appointed to hold certain of the Funds' assets. The Master Custodian Agreement also contains a schedule of fees payable to the custodian for the range of services provided to the Funds. The Agreement can be terminated by the Funds or by the custodian on 90 days' prior written notice.

### ***Investment Sub-Advisor Agreement***

TIMI is the investment advisor for each of the Funds under the terms of the Declaration of Trust. TIMI has entered into an investment sub-advisor agreement with SSBTC effective as of November 4, 2013 to provide portfolio sub-advisory services to the Funds. This agreement was amended effective November 2, 2016, to include the Tangerine Dividend Portfolio, which was launched on November 2, 2016.

Under this agreement, SSBTC will designate a lead portfolio manager and research and support personnel to make all portfolio decisions concerning each Fund they advise, all necessary brokerage arrangements and all arrangements with the Fund's custodian to settle portfolio trades. SSBTC is required to adhere to the investment objectives and investment strategies adopted by the Funds. SSBTC has agreed to act honestly, in good faith and in the best interests of the Funds, and to use the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances. TIMI will pay SSBTC's fees out of the management fees it receives from each of the Funds.

The sub-advisor agreement may be terminated by either party on 90 days' prior written notice to the other party, or earlier in the event of: (i) a breach of the agreement which has not been corrected; or (ii) immediately in the event that SSBTC is subject to a material regulatory issue that would affect the ability to fulfill its obligations under the agreement; or (iii) immediately in the event of TIMI's or SSBTC's bankruptcy.

Copies of these agreements are available for inspection at the principal office of TIMI during regular business hours.

### **13. LEGAL AND ADMINISTRATIVE PROCEEDINGS**

As at the date of this annual information form, there are no material legal proceedings pending to which any of the Funds, the manager or principal distributor is a party or which are known to be contemplated.

TIMI, and the directors and officers of TIMI have not within the last 10 years been subject to any penalties or sanctions imposed by a court or securities regulator relating to trading in securities, promotion or management of a publicly traded mutual fund, or theft or fraud nor has TIMI or any of its directors or officers entered into a settlement agreement with a regulatory authority with respect to these matters.

**CERTIFICATE OF THE FUNDS  
AND THE MANAGER AND PROMOTER OF 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 of the provinces and territories of Canada and do not contain any misrepresentations.

DATED the 30<sup>th</sup> day of October, 2018.

*“Brenda Lee Rideout ”*

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Brenda Lee Rideout  
Interim President and Interim Chief Executive  
Officer, Tangerine Investment Management Inc.

*“Emmanuel Akrong ”*

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Emmanuel Akrong  
Chief Financial Officer, Tangerine Investment  
Management Inc.

**ON BEHALF OF THE BOARD OF DIRECTORS OF  
TANGERINE INVESTMENT MANAGEMENT INC.,  
AS TRUSTEE, MANAGER AND PROMOTER OF THE FUNDS**

*“Ramy Dimitry Keddiss”*

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Ramy Dimitry Keddiss  
Director

**CERTIFICATE OF TANGERINE INVESTMENT FUNDS LIMITED AS  
THE PRINCIPAL DISTRIBUTOR OF 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 of the provinces and territories of Canada and do not contain any misrepresentations.

DATED the 30<sup>th</sup> day of October, 2018.

*“Emmanuel Akrong”* \_\_\_\_\_

Emmanuel Akrong  
Chief Financial Officer, Tangerine Investment Funds Limited

## **Tangerine Investment Funds**

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

You can get a copy of these documents at no cost by calling toll-free 1-877-700-1737, or by e-mail at [investmentfunds@tangerine.ca](mailto:investmentfunds@tangerine.ca).

These documents and other information about each Fund, such as information circulars and material contracts, are also available at [tangerine.ca/investments](http://tangerine.ca/investments) or at [www.sedar.com](http://www.sedar.com).

### **MANAGER OF THE FUNDS:**

Tangerine Investment Management Inc.  
3389 Steeles Avenue East  
Toronto, Ontario  
M2H 0A1

1-877-700-1737