

Part 2A of Form ADV: Firm Brochure

Item 1 Cover Page

MACKENZIE INVESTMENTS CORPORATION

BROCHURE

March 30, 2020

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This brochure provides information about the qualifications and business practices of Mackenzie Investments Corporation. If you have any questions about the contents of this brochure, please contact us by telephone at (617) 439-9500 or by email at cdeveau@mackenzieinvestments.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Mackenzie Investments Corporation also is available on the SEC's website at www.adviserinfo.sec.gov.

Mackenzie Investments Corporation is a registered investment adviser. Registration does not imply a certain level of skill or training.

Item 2 Material Changes

The following are material changes made since Mackenzie Investments Corporation's most recent annual updating amendment to the brochure, dated March 29, 2019.

- Mackenzie changed its principal place of business to a location in the United States: Two International Place, Suite 2320, Boston, Massachusetts 02110.
- Assets under management changed from USD691,521,211 as stated in the March 29, 2019, filing, to USD \$1,023,614,964 as at December 31, 2019.
- Mackenzie sub-advises several Canadian mutual funds and has updated Items 5 (Fees and Compensation), 8 (Methods of Analysis, Investment Strategies and Risk of Loss), and 15 (Custody) of this brochure to reflect the strategies, methods of analysis, risks and fee schedules of those Canadian Sub-Advised Funds.
- Mackenzie was appointed as a sub-adviser to a U.S. open-end investment company registered under the Investment Company Act of 1940, as amended (the "**1940 Act**") and has updated the brochure to reflect these sub-advisory services.
- Mackenzie advises three additional private funds and has updated the brochure to reflect services provided to these three funds.

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About this Brochure and Mackenzie

This Brochure is not:

- an offer or agreement to provide advisory services to any person
- an offer to sell interests (or a solicitation of an offer to purchase interests) in any Private Fund
- a complete discussion of the features, risks or conflicts associated with any Private Fund or any other product or service offered by Mackenzie

As required by the Advisers Act, Mackenzie provides this Brochure to current and prospective Clients prior to the commencement of Mackenzie's advisory services and will offer this Brochure to such Clients on an annual basis thereafter. The Brochure may also be provided to current or prospective Investors in a Private Fund, in conjunction with the Private Fund's disclosure and investment documents and other relevant offering materials, such as the Private Fund's private placement memorandum, prior to or in connection with such persons' consideration or execution of an investment in a Private Fund, and may subsequently be provided, in the discretion of Mackenzie, annually or upon request. Additionally, this Brochure is available through the SEC's Investment Adviser Public Disclosure website.

Although this publicly available Brochure describes investment advisory services and products of Mackenzie, persons who receive this Brochure (whether or not from Mackenzie) should be aware that it is designed solely to provide information about Mackenzie as necessary to respond to certain disclosure obligations under the Advisers Act. As such, the information in this Brochure may differ from information provided in disclosure and investment documents and other relevant offering materials. More complete information about each Private Fund and any other product or service offered by Mackenzie is included in disclosure and investment documents and other relevant offering materials, certain of which may be provided to current and eligible prospective Clients and Investors only by Mackenzie. To the extent that there is any conflict between discussions herein and similar or related discussions in any of such materials, the relevant disclosure and investment documents and other relevant offering materials shall govern and control.

Moreover, Mackenzie's activities with respect to non-U.S. Clients may differ from those described generally herein and Mackenzie may provide additional or different services to non-U.S. Clients.

The Canadian Sub-Advised Funds are not available to residents of the United States and the availability of the Private Funds and certain other accounts, including other types of Investment Funds, may be limited. Investors and other recipients should be aware that while this Brochure may include information about Mackenzie's activities with respect to such investment vehicles or services provided outside of the United States, as necessary or appropriate, it should not be considered to represent a complete discussion of the features, risks or conflicts associated with any investment product offered or advised by Mackenzie. Rather, all discussion of the Canadian Sub-Advised Funds and such accounts contained herein is intended solely to provide recipients a complete understanding of Mackenzie's business, including potential conflicts of interest. It is not intended as an offer, or solicitation of an offer, with respect to any investment nor should it be relied upon in determining whether to invest. It is also not an offer of, or an agreement to provide advisory services directly to any recipient who is not already a Client.

Glossary:

“**1940 Act**” means the U.S. Investment Company Act of 1940, as amended.

“**Account**” means an account held by a Client.

“**Advisers Act**” means the U.S. Investment Advisers Act of 1940, as amended.

“**Brochure**” means the Firm’s Form ADV, Part 2A.

“**Canadian Sub-Advised Funds**” are mutual funds organized in Canada.

“**Client**” includes the Canadian Sub-Advised Funds, the U.S. Sub-Advised Fund, and the Private Funds.

“**Code**” means the IGM Financial Investments Code of Ethics.

“**Covered Person**” means persons covered by the Code.

“**Custody Rule**” refers to the Advisers Act Rule 206(4)-2.

“**Eligible Account**” means accounts that are eligible under FINRA Rule 5130 to participate in profits and losses attributable to new issues.

“**Firm**” means Mackenzie Investments Corporation.

“**Investor**” means an interest holder in a Canadian Sub-Advised Fund, the U.S. Sub-Advised Fund, or a Private Fund.

“**Mackenzie**” or “we” or “our” or “us” means Mackenzie Investments Corporation and “Mackenzie Investments” may also include, as appropriate, Mackenzie Financial Corporation, an affiliated registered investment adviser.

“**Investment Funds**” means the U.S. Sub-Advised Fund, Canadian Sub-Advised Funds and Private Funds, collectively. Individually, each is referred to as an “**Investment Fund**”.

“**Private Funds**” are certain privately placed pooled investment vehicles, which are organized as Cayman Islands limited partnerships and limited liability companies.

“**Registration Statement**” means the U.S. Sub-Advised Fund’s prospectus and SAI.

“**SAI**” means statement of additional information.

“**SEC**” means the U.S. Securities and Exchange Commission.

“**U.S. Sub-Advised Fund**” means a U.S. open-end investment company registered under the 1940 Act.

“**U.S. Custody Rule**” refers to the Advisers Act Rule 206(4)-2.

General and Ownership

The Firm was founded in 2012 and provides investment advisory and related services to Clients. The Firm collaborates with its affiliate, Mackenzie Financial Corporation, in providing such services. The Firm also provides marketing and client intake services to Mackenzie Financial Corporation and I.G. International Management Limited (“IGIM”) and other affiliates. The Firm could also provide other services in connection with the engagement of Mackenzie Financial Corporation. If the types of services provided by the Firm change, this Brochure will be amended accordingly to reflect these additional services.

The Firm is a member of the IGM Financial Inc. (TSX: IGM) group of companies. IGM Financial is one of Canada’s premier financial services companies. As of February 13, 2020, Power Financial Corporation, a wholly-owned subsidiary of Power Corporation of Canada, beneficially owned, directly and indirectly, 65.939% of IGM Financial Inc. (excluding 0.013% held by The Canada Life Assurance Company in its segregated funds or for similar purposes). The Desmarais Family Residuary Trust, a trust for the benefit of the members of the family of the late Mr. Paul G. Desmarais, has voting control, directly and indirectly of Power Corporation of Canada.

Types of Advisory Services Offered by Mackenzie

Mackenzie currently specializes in delivering quantitative equity strategies which are offered through discretionary investment advisory mandates to the following Clients:

- Private Funds;
- U.S. Sub-Advised Fund; and
- Canadian Sub-Advised Funds.

Tailoring Advisory Services to the Individual Need of Clients

Consistent with its fiduciary duty, Mackenzie considers the individual needs of all clients and tailors the advisory services it provides to Clients. However, Canadian Sub-Advised Funds and Private Funds as well as the U.S. Sub-Advised Fund are managed in accordance with the relevant fund’s investment objectives, strategies and restrictions. A fund can impose restrictions on investing in certain securities or types of securities. These funds are not managed in accordance with the individualized needs of any particular interest holder in the fund. Therefore, a fund’s Investors should consider whether the fund meets their investment objectives and risk tolerance prior to investing.

Information about the funds can be found in their relevant registration, governing and/or offering documents. For the Sub-Advised Fund, a Registration Statement can be found on the SEC’s EDGAR website. For Private Funds, relevant information is available in the private placement memorandum or other offering documents as well as the Private Fund’s governing documents, which will be available to current and prospective Investors only through Mackenzie or another authorized party.

Client Assets Managed by The Firm

As of December 31, 2019, we managed USD \$ \$1,023,614,964 in client assets on a discretionary basis. We did not manage any client assets on a non-discretionary basis as of that date.

How Mackenzie and its Affiliates are Compensated for Advisory Services

Mackenzie or an affiliate can be paid the following fees for investment advisory services:

- (1) management fees, expressed as a percentage of the Account's assets under management;
- (2) incentive allocations or performance fees, generally calculated as a percentage of the Account's net capital appreciation during the applicable period in compliance with applicable laws and to the extent agreed with the client; or
- (3) a combination of the foregoing.

In addition, with respect to the marketing and client intake services described above, the Firm is entitled to marketing fees from Mackenzie Financial Corporation and IGIM.

Mackenzie Fee Schedule

The chart below provides a general description of the fees charged to Clients. Advisory and other fees paid by Investors are described in the applicable Registration Statement, private placement memorandum, prospectus, subscription agreement, or other applicable disclosure, agreement and/or offering documents.

Fees charged by Mackenzie, where relevant, can change over time and, as discussed below, different fee schedules apply to different types of Clients or advisory arrangements. Generally, the advisory fees paid to Mackenzie are calculated as a percentage of the Investment Fund's assets. However, in our sole discretion, we or an affiliate can negotiate alternative fee arrangements, which are not necessarily based on the general fee schedules, when circumstances warrant. To the extent that special fee arrangements are negotiated, the maximum annual fee to be charged in respect of investment advisory services, exclusive of any incentive component, will be 1.5% of assets under management.

In appropriate circumstances, all or a portion of the fees charged to a particular Client or Investor can be waived or reduced in our sole and absolute discretion, or, as applicable, in our affiliate's discretion. Specifically, fees can be waived or reduced for Accounts held by or on behalf of employees, principals, shareholders or affiliates. There can also be differences in fees paid by certain Clients or Investors based on the inception dates of their advisory relationship with Mackenzie or its affiliates. Thus, in certain circumstances, some Clients and Investors pay more or less than others for the same or similar services depending, for example, on account inception dates, fee negotiations or waivers, number of accounts or value of related accounts, the nature of the mandate, total assets under management by Mackenzie and/or its affiliates or the manner in which Mackenzie's and/or its affiliates' services are provided.

Also, Mackenzie or an affiliate could in its sole discretion agree to bear certain operating expenses of a Private Fund that exceed a cap determined by Mackenzie

Account Type	Fee
U.S. Sub-Advised Fund	<p>Currently, fees paid to Mackenzie by the fund's primary investment adviser may be up to 0.29% of the relevant portion of the U.S. Sub-Advised Fund's assets under management, <i>per annum</i>, exclusive of any breakpoints or waivers which could be offered.</p> <p>Each U.S. Sub-Advised Fund's overall fee and expense structure is described in more detail in the U.S. Sub-Advised Fund's prospectus and statement of additional information.</p>
Private Funds	<p>Private Fund fees are based on the nature of the services provided and the investment strategies utilized and can include a management fee calculated as a percentage of the Private Fund's assets (up to 1.5%) and an incentive compensation component, equal to a percentage of the Private Fund's capital appreciation during the applicable period (up to 20%). Incentive compensation with respect to Private Funds could be subject to high-water mark and/or hurdle provisions as set forth in the Fund's governing documents.</p> <p>Certain Private Funds maintain multiple class structures with differing fees paid by each class. Investors in a Private Fund should review the private placement memorandum for further detail on the Private Fund's fees and expenses.</p>
Canadian Sub-Advised Funds	Each Canadian Sub-Advised Fund's prospectus will include information about the fees and expenses paid by the Canadian Sub-Advised Fund.
<p><u>Negotiable Fees for Certain Accounts</u></p> <p>Each Client's fees can be negotiated on an individual basis, taking into consideration, among other things, the investment mandate, total market value, regulatory requirements, reporting requirements, customization of the investment or reporting process or other special considerations relevant to a particular Account.</p>	

How Fees are Charged and Collected

Fees are generally charged and determined as follows:

- Management fees (if any) in respect of investments in certain Private Funds are paid directly by Private Fund investors. Such fees are calculated on a quarterly basis and billed quarterly in arrears.
- Fees for the U.S. Sub-Advised Fund are accrued daily and paid monthly, in arrears.
- Fees for the Canadian Sub-Advised Funds are accrued daily and paid monthly, in arrears.

Invoices for advisory fees, where applicable, are payable upon receipt or within thirty days of receipt, in accordance with the terms of the applicable agreement. In certain circumstances, where disclosed in the Private Fund's offering document or with a Private Fund Investor's consent, management fees and any incentive compensation can be deducted directly from a Private Fund. Mackenzie and its affiliates can, but are not required to, group multiple Accounts of a Client (or group of related Clients) together for fee billing purposes. Fees are ordinarily based on the level of total assets under management within the relevant Account(s), including allocations to cash, on the appropriate valuation day.

Additional Fees and Expenses

Except as otherwise agreed, each Account bears (and the fees described above do not include) the following costs and expenses:

- custodial charges,
- brokerage fees or commissions and related costs and expenses (please see Item 12: Brokerage Practices for more details),
- taxes, duties and similar amounts payable in any jurisdiction in connection with an Account's trading and operations,
- directors' fees,
- insurance premiums,
- costs associated with obtaining and maintaining regulatory licenses and registrations,
- external costs incurred in valuation and portfolio pricing,
- duties and other governmental charges,
- transfer fees,
- registration fees and other expenses associated with the purchase, holding or sale of assets,
- costs and charges associated with making deposits in connection with foreign exchange transactions,
- withholding taxes payable and required to be withheld by issuers, their agents and others,
- audit, administrative and other expenses associated with regulatory or tax compliance or investment operations,
- the costs of negotiating trade-related and account-specific counterparty documentation,
- legal fees, and
- such other expenses as set forth in the Account's relevant governing documents.

For the Canadian Sub-Advised Funds many of these fees are covered by a fixed administration fee that the Canadian Sub-Advised Fund pays to Mackenzie Financial Corporation and that is separate from the management fee. Such fees will reduce the assets held in (and the gross returns experienced by) an Account. The Firm has a conflict of interest in determining whether an expense is an expense of an Account or is instead part of the Firm's general overhead.

Our affiliates, and not their Clients, compensate us for certain marketing and client intake services we provide. The fees paid by a Client are not impacted by the accounts that have been brought to the affiliate by the Firm.

The Firm also provides Client introductions to other investment advisers. The investment advisor, and not the Client, compensates us for successful referrals.

Item 6 Performance-Based Fees and Side-By-Side Management

As mentioned in Item 5, the Firm and its affiliates manage various Accounts having different fee arrangements, including circumstances where some Accounts pay only management fees while other Accounts are subject to both management fees and incentive or performance-based fees.

For U.S. Clients, any incentive or performance-based compensation will be charged in compliance with Rule 205-3 under the Advisers Act, unless that rule is inapplicable by reason of Section 205(b) of the Advisers Act or related rules or interpretations of the SEC and its staff. Each incentive compensation arrangement is individually negotiated with the relevant Client and set forth in the governing documents. In certain instances, incentive compensation is charged only when gains in an Account exceed a particular rate or agreed upon benchmark (*i.e.*, a hurdle provision), and losses can be carried forward so that no incentive compensation is charged unless the losses have been recouped, subject to certain adjustments (*i.e.*, a high-water mark provision). As discussed below, incentive fees can be based on unrealized gains.

MEMLS Fund Management (Cayman) LP, a Cayman Islands exempted limited partnership that is affiliated with the Firm, acts as the general partner to certain Private Funds. Mackenzie EM Funds Management (Cayman) Ltd., a Cayman Islands exempted company that is affiliated with the Firm, acts as the general partner to certain other Private Funds. Incentive compensation for relevant Private Funds is generally paid through an annual allocation of profits from each Investor into the capital account of the investment manager, the related general partner, or another Mackenzie affiliate at each calendar year's end. The ability to earn incentive compensation creates conflicts of interest including that Mackenzie has an incentive to make riskier or more speculative investments for Accounts paying such fees. Such conflicts are mitigated by establishment of investment guidelines for each Account's fees and expenses.

Because the Firm and each relevant affiliate manage various Accounts that charge performance-based fees and other types of fees, there is an incentive to favor certain Accounts over others where fees differ among Accounts and:

- the Accounts have the same or similar investment styles or otherwise compete for investment opportunities,
- the Accounts have differing abilities to engage in short sales or similar investment strategies, and/or
- Mackenzie or its personnel or our affiliates or their personnel have differing personal or proprietary interests.

In particular, there is an incentive to favor Accounts that charge performance-based fees, such as Private Funds, over Accounts that charge other types of fees, such as the U.S. Sub-Advised Fund, or to favor those Accounts that charge a higher performance-based fee over those with a lower performance-based fee. With Private Funds there is also a conflict of interest between the Firm/affiliate's interest in earning a profit in the short term with the long term interests of the Private Fund. The Firm/affiliate has an incentive to invest Private Fund assets in investments that are riskier or more speculative than would be the case if the Firm/affiliate was only compensated based on a flat percentage of capital, because these investments can allow the general partner to collect larger performance-based compensation.

To mitigate this conflict, we and our affiliates maintain policies and procedures, including the Code (described in Item 11: Side-by-Side Management and Differential Interests, below) and Trade Allocation Policy, reasonably designed to assure that all Accounts are serviced: (1) in a manner consistent with the fiduciary duties an adviser owes its clients and applicable law and without considering such persons' ownership, compensatory or other pecuniary or financial interests and (2) fairly and equitably over time to mitigate these and other conflicts associated with "side-by-side" management. Please see the discussion in Item 11: Side-by-Side Management and Differential Interests for a further description of these conflicts of interest.

Other Conflicts of Interest

Mackenzie's management fees and general partner allocations are often based on the market value and/or performance of Accounts. As a result, to the extent that Mackenzie and/or a general partner values a security higher than its current market value (or where such market values are unreliable), Mackenzie and/or the general partner benefits by receiving a management fee or incentive allocation that is increased by the impact, if any, of such valuation discrepancy.

Additionally, where an Investor purchases or redeems interests in an Investment Fund at a net asset value that is impacted by a discrepancy in valuation, the Investor could receive a greater or lesser interest in (or increased or decreased redemption proceeds from) such Investment Fund than would have been the case absent the discrepancy.

Similarly, existing and continuing Investors can be subject to dilution or accretion. As a result, Mackenzie has valuation policies and procedures reasonably designed to mitigate the conflicts and potential for material pricing discrepancies in respect of Account assets and to assure that assets are valued in good faith and as accurately as is reasonably practicable.

Item 7 Types of Clients

Types of Clients

Mackenzie currently provides investment advice to the U.S. Sub-Advised Fund, Private Funds and Canadian Sub-Advised Funds.

Minimum Initial Investments

Private Funds establish minimum investment levels, which are described in each Private Fund's private placement memorandum and can be changed at the sole and absolute discretion of the general partner or board of directors. Currently, the minimum investment levels for Private Funds are \$1 million USD.

U.S. Sub-Advised Fund has a \$100,000 minimum investment amount for Class A shares. Notably, these requirements can change and are described in the U.S. Sub-Advised Fund's Registration Statement.

Canadian Sub-Advised Funds have eligibility requirements including minimum investment requirements, which are different for each series of the funds offered. Details of the requirements are described in the prospectus of the fund.

Mackenzie or its affiliates reserve the right to waive or reduce the investment minimums with respect to a specific Investor in a Private Fund in its sole discretion.

Other Eligibility Requirements

Investors in Private Funds can be subject to certain minimum income, net worth or other standards or additional qualification requirements imposed by the Private Fund or applicable law, as set forth in the relevant governing documents. Consistent with these requirements, Private Fund Investors typically consist of:

- high net worth individuals and a variety of institutional investors (e.g., trusts, employee benefit plans, endowments, foundations, corporations and other types of entities, including private funds of funds) that wish to invest in accordance with the Private Fund's investment objective; and
- Mackenzie and its affiliates, as well as personnel of Mackenzie and its affiliates (including but not limited to portfolio management personnel responsible for the management of Accounts) who are "knowledgeable employees" (as defined by 1940 Act Rule 3c-5) or otherwise meet the Private Fund's eligibility requirements.

In no event should this Brochure be considered to be an offer of interests in a Private Fund, a Canadian Sub-Advised Fund, or the U.S. Sub-Advised Fund or relied upon in determining to invest. It is also not an offer of, or agreement to provide, advisory services directly to any recipient.

Item 8 Methods of Analysis, Investment Strategies and Risk of Loss

Investment Strategies

Securities investments are subject to a variety of risks. These risks can cause you to lose money on your investments. You should be prepared to bear the risk of loss associated with your chosen investment strategy.

The following is a description of our investment strategies and the *material* risks involved in the strategies.

The investment strategy	Its principal material risks
<p>SEI Institutional Investments Trust – The SEI World Select Equity Fund</p> <p>Under normal circumstances, the Fund will invest at least 80% of its net assets (plus the amount of any borrowings for investment purposes) in equity securities of U.S. and foreign companies of all capitalization ranges. These securities will include one or more of the following types of instruments: common stocks, preferred stocks, depositary receipts, warrants, exchange-traded funds (ETFs) based on an equity index, and derivative instruments whose value is based on an equity index or an underlying equity security or basket of equity securities (principally futures and forward contracts). The Fund will invest in securities of foreign issuers located in developed or emerging market countries, including frontier markets. To a lesser extent and depending on market conditions, the Fund will also invest in swaps on securities both for risk management or investment purposes. The Fund may invest in securities denominated in U.S. dollars or foreign currency. The Fund expects, under normal market conditions, to invest at least 40% of its assets in the securities of companies that are tied economically to at least three countries outside the U.S.</p>	<p><i>Credit risk</i> <i>Currency risk</i> <i>Depositary Receipts risk</i> <i>Derivatives risk</i> <i>Equity Securities risk</i> <i>Exchange-Traded Fund risk</i> <i>Foreign Markets risk</i> <i>Investment Style risk</i> <i>Leveraged Investments risk</i> <i>Illiquidity risk</i> <i>Prepayment risk</i> <i>Warrants risk</i></p>

The investment strategy	Its principal material risks
<p>Mackenzie Emerging Markets Small Cap Master Fund (Cayman) LP and Mackenzie Emerging Markets Small Cap Fund (Cayman) Ltd.</p> <p>The strategy seeks to achieve long-term capital growth by investing primarily in the securities of small cap emerging markets issuers. The Funds seek to achieve their investment objective by employing the Firm's proprietary quantitative security selection model to generate transactions.</p>	<p><i>Cash and Related Investment risk</i> <i>Company risk</i> <i>Competition and Potential Strategy Saturation risk</i> <i>Counterparty risk</i> <i>Currency Exchange Exposure and Currency Hedging risk</i> <i>Currency risk</i> <i>Cyber Security risk</i> <i>Derivatives risk</i> <i>Dilution risk</i> <i>Emerging Markets risk</i> <i>Equity Securities risk</i> <i>Exchange-Traded Fund risk</i> <i>Foreign Markets risk</i> <i>Forward Contracts risk</i> <i>Frontier Emerging Markets Risk</i> <i>Government and Corporate Reporting risk</i> <i>Hedging risk</i> <i>Illiquidity risk</i> <i>Interest Rate risk</i> <i>Market risk</i> <i>Model risk</i> <i>Portfolio Turnover risk</i> <i>Quantitative risk</i> <i>Regulatory and Tax risk</i> <i>Small Company risk</i></p>
<p>Mackenzie International Quantitative Large Cap Master Fund (Cayman) LP</p> <p>The Fund's investment objective is to provide long-term capital growth by investing primarily in, or gaining exposure to, the securities of large market capitalization ("large cap") and medium market capitalization ("mid cap") issuers in developed international markets other than the United States, in each case as determined by the Firm. The Fund seeks to achieve its investment objective by employing proprietary quantitative security selection model to generate portfolio transactions.</p>	<p><i>Brexit risk</i> <i>Cash and Related Investment risk</i> <i>Currency Exchange Exposure and Currency Hedging risk</i> <i>Currency risk</i> <i>Cyber Security risk</i> <i>Derivatives risk</i> <i>Emerging Markets risk</i> <i>Equity-Linked Instruments and Related Options risk</i> <i>Equity Securities risk</i> <i>Exchange-Traded Fund risk</i> <i>Forward Contracts risk</i> <i>Futures risk</i> <i>Government and Corporate Reporting risk</i> <i>Hedging risk</i> <i>Illiquidity risk</i> <i>Interest-Rate risk</i> <i>Leveraged Investments risk</i> <i>Low Latency Trading risk</i> <i>Market risk</i> <i>Mid-Sized Company risk</i> <i>Model risk</i> <i>Portfolio Turnover risk</i> <i>Quantitative risk</i> <i>Small Company risk</i></p>

The investment strategy	Its principal material risks
<p>Mackenzie International Quantitative Small Cap Master Fund (Cayman) LP</p> <p>The Fund's investment objective is to provide long-term capital growth by investing primarily in, or gaining exposure to, the securities of small market capitalization and medium market capitalization issuers in developed international markets other than the United States, in each case as determined by the Investment Adviser. The Fund seeks to achieve its investment objective by employing the Firm's proprietary quantitative security selection model to generate portfolio transactions.</p>	<p><i>Brexit risk</i></p> <p><i>Cash and Related Investment risk</i></p> <p><i>Currency Exchange Exposure and Currency Hedging risk</i></p> <p><i>Currency risk</i></p> <p><i>Cyber Security risk</i></p> <p><i>Derivatives risk</i></p> <p><i>Emerging Markets risk</i></p> <p><i>Equity-Linked Instruments and Related Options risk</i></p> <p><i>Equity Securities risk</i></p> <p><i>Exchange-Traded Fund risk</i></p> <p><i>Forward Contracts risk</i></p> <p><i>Futures risk</i></p> <p><i>Government and Corporate Reporting risk</i></p> <p><i>Hedging risk</i></p> <p><i>Illiquidity risk</i></p> <p><i>Interest-rate risk</i></p> <p><i>Leveraged Investments risk</i></p> <p><i>Low Latency Trading risk</i></p> <p><i>Mid-Sized Company risk</i></p> <p><i>Model risk</i></p> <p><i>Portfolio Turnover risk</i></p> <p><i>Quantitative risk</i></p> <p><i>Small Company risk</i></p>

The investment strategy	Its principal material risks
<p><i>Mackenzie Emerging Markets Long/Short Opportunities Master Fund (Cayman) LP</i></p> <p>The Fund's investment objective is to achieve consistent absolute returns with low correlation to the returns of the equity markets in general primarily through leveraged long and short exposure to the equity securities of emerging markets issuers. The Fund seeks to achieve its investment objective by employing the Firm's proprietary quantitative security selection model to generate portfolio transactions. On the basis of the model's output, Mackenzie generally expects to implement aggregate:</p> <ul style="list-style-type: none"> • long positions of approximately 100% of the Fund's net asset value in securities and instruments Mackenzie believes will increase in value; and • short positions of approximately 80% of the Fund's net asset value in securities and instruments Mackenzie believes will decrease in value. 	<p><i>Brexit risk</i> <i>Cash and Related Investment risk</i> <i>Competition and Potential Strategy Saturation risk</i> <i>Counterparty risk</i> <i>Currency Exchange Exposure and Currency Hedging risk</i> <i>Currency risk</i> <i>Cyber Security risk</i> <i>Derivatives risk</i> <i>Emerging Markets risk</i> <i>Equity-Linked Instruments and Related Options risk</i> <i>Equity Securities Risk</i> <i>Exchange-Traded Fund risk</i> <i>Forward Contracts risk</i> <i>Frontier Emerging Markets risk</i> <i>Futures risk</i> <i>Government and Corporate Reporting risk</i> <i>Hedging risk</i> <i>Illiquidity risk</i> <i>Inflation/Deflation risk</i> <i>Interest-Rate risk</i> <i>Leveraged Investments risk</i> <i>Low Latency Trading risk</i> <i>Market risk</i> <i>Model risk</i> <i>Portfolio Turnover risk</i> <i>Quantitative risk</i> <i>Regulatory and Tax risk</i> <i>Short-Selling risk</i> <i>Small Company risk</i></p>
<p><i>Canadian Sub-Advised Funds - Emerging Markets Strategies</i></p> <p>Each fund seeks to achieve long-term capital growth by investing primarily in equity securities of emerging markets companies. Each fund seeks to achieve its investment objective by looking for undervalued companies with growth prospects and using a quantitative approach to stock selection, portfolio construction, and transaction cost measurement.</p>	<p><i>Capital Depletion risk</i> <i>Company risk</i> <i>Concentration risk</i> <i>Credit risk</i> <i>Cyber Security risk</i> <i>Derivatives risk</i> <i>Emerging Markets risk</i> <i>Exchange Traded Fund risk</i> <i>Foreign Currency risk</i> <i>Foreign Markets risk</i> <i>Illiquidity risk</i> <i>Interest Rate risk</i> <i>Large Transaction risk</i> <i>Market risk</i> <i>Portfolio Manager risk</i> <i>Regulatory and Tax risk</i> <i>Securities Lending, Repurchase and Reverse Repurchase</i> <i>Transaction risk</i> <i>Series risk</i> <i>Small Company risk</i></p>

The investment strategy	Its principal material risks
<p>Canadian Sub-Advised Funds – International Quantitative Strategies</p> <p>Each strategy seeks to achieve long-term capital growth by investing primarily in equity securities of international markets companies. We seek to achieve this investment objective by looking for undervalued companies with growth prospects and using a quantitative approach to stock selection, portfolio construction, and transaction cost measurement.</p>	<p><i>Capital Depletion risk</i> <i>Company risk</i> <i>Concentration risk</i> <i>Credit risk</i> <i>Cyber Security risk</i> <i>Derivatives risk</i> <i>Exchange Traded Fund risk</i> <i>Foreign Currency risk</i> <i>Foreign Markets risk</i> <i>Illiquidity risk</i> <i>Interest Rate risk</i> <i>Large Transaction risk</i> <i>Market risk</i> <i>Portfolio Manager risk</i> <i>Regulatory and Tax risk</i> <i>Securities Lending, Repurchase and Reverse Repurchase</i> <i>Transaction risk</i> <i>Series risk</i> <i>Small Company risk</i></p>
<p>Canadian Sub-Advised Funds – US Quantitative Strategies</p> <p>Each strategy seeks to achieve long-term capital growth by investing primarily in equity securities of US companies. We seek to achieve this investment objective by looking for undervalued companies with growth prospects and using a quantitative approach to stock selection, portfolio construction, and transaction cost measurement.</p>	<p><i>Capital Depletion risk</i> <i>Company risk</i> <i>Concentration risk</i> <i>Credit risk</i> <i>Cyber Security risk</i> <i>Derivatives risk</i> <i>Exchange Traded Fund risk</i> <i>Illiquidity risk</i> <i>Interest Rate risk</i> <i>Large Transaction risk</i> <i>Market risk</i> <i>Portfolio Manager risk</i> <i>Regulatory and Tax risk</i> <i>Securities Lending, Repurchase and Reverse Repurchase</i> <i>Transaction risk</i> <i>Series risk</i> <i>Small Company risk</i></p>

In addition to the investment strategies set forth in the table above, certain affiliates of Mackenzie can also pursue similar or other strategies.

The principal material risks (as set forth in the table above) as well as other material risks are described in more detail below.

Brexit risk: Global markets and economic conditions have recently been negatively impacted by the ability of certain EU member states to service their sovereign debt obligations. The continued uncertainty over the outcome of the EU governments' financial support programs and the possibility that other EU member states might experience similar financial troubles might further disrupt global markets. In particular, it has and could in the future disrupt equity markets and result in volatile bond yields on the sovereign debt of EU members. These factors could have an adverse effect on the Account. It could be possible for a member state that has adopted Euro as its currency to opt out of it as a currency. The exit of one or more countries from the EU/euro zone or the dissolution of the EU could lead to redenomination and revaluation of obligations of obligors in exiting countries. Any such exit and redenomination and revaluation would cause significant uncertainty with respect to outstanding obligations of counterparties and debtors in any exiting country, whether sovereign or otherwise, and lead to complex, lengthy litigation. The resulting uncertainty and market stress could also cause, among other things, severe disruption to equity markets, significant increases in bond yields generally, potential failure or default of financial institutions, including those of systemic importance, a significant decrease in global liquidity, a freeze-up of global credit markets and worldwide recession.

Capital Depletion risk: Certain Accounts might invest in mutual funds that aim to make monthly distributions (which generally are comprised of a return of capital) at a target rate. Return of capital reduces the amount of the original investment and could result in a return of the entire amount of the original investment. Return of capital that is not reinvested will reduce the net asset value of the mutual fund, which could reduce the mutual fund's ability to generate future income.

Cash and Related Investments risk: Certain Accounts can invest in cash or cash items pending other investments. These cash items will typically be deemed to be high quality at the time of investment and could include a number of money market instruments such as negotiable or non-negotiable securities issued by, or short-term deposits with, U.S. and non-U.S. governments and agencies or instrumentalities thereof, bankers' acceptances, high quality commercial paper, bank certificates of deposit, and short- to medium-term debt securities of U.S. or non-U.S. issuers, or such other instruments as the Firm in its sole discretion deems to be appropriate. The Account could also hold interests in investment vehicles that hold cash or cash items. While investments in cash items generally involve relatively low risk levels, they have lower potential expected returns than other types of investments, and could result in losses on an absolute basis or returns that are insufficient to cover fees and expenses. Investments in cash items and money market funds could also provide less liquidity than anticipated by the Account at the time of investment.

Company risk: Equity investments such as stocks and investments in trusts, and fixed income investments, such as bonds, carry several risks that are specific to the company that issues the investments. A number of factors could cause the price of these investments to fall. These factors include specific developments relating to the company, conditions in the market where these investments are traded, and general economic, financial and political conditions in the countries where the company operates. While these factors impact all securities issued by a company, the values of equity securities generally tend to change more frequently and vary more widely than fixed income securities. An Account's value is based on the value of its portfolio securities, an overall decline in the value of portfolio securities that it holds will reduce the value of the Account.

Competition and Potential Strategy Saturation risk: Certain Accounts are expected to compete with numerous other private investment funds, financial institutions and other investors pursuing similar strategies, many of which will have substantially greater resources than the Account and the Firm. The profit potential of the Account can be materially reduced as a result of the "saturation" of the alternative investment field and competition for the same or similar types of trades and transactions. Emerging market investing is often more susceptible to becoming "saturated" because of the less liquid, transparent and "deep" nature of many emerging markets, as compared to more developed markets.

Concentration risk: Certain Accounts can invest a large portion of their net assets in a small number of issuers, in a particular industry or geographic region, or may use a specific investment style, such as growth or value. A relatively high concentration of assets in or exposure to a single issuer, or a small number of issuers, will reduce the

diversification of an Account and could result in increased volatility in the Account's value. Issuer concentration will also increase the illiquidity of the Account's portfolio if there is a shortage of buyers willing to purchase those securities.

An Account concentrates on a style or sectors either to provide investors with more certainty about how the Account will be invested or the style of the Account or because a portfolio manager believes that specialization increases the potential for good returns. If the industry or region faces difficult economic times or if the investment approach used by the Account is out of favor, the Account will likely lose more than it would if it diversified its investments or style. If an Account's investment objectives or strategies require concentration, it could continue to suffer poor returns over a prolonged period of time.

Counterparty risk: Certain Accounts are subject to the risk of the insolvency of its counterparties (such as broker-dealers, futures commission merchants, banks or other financial institutions, exchanges or clearinghouses). The Account's assets could be lost or impounded during a counterparty's bankruptcy or insolvency proceedings and a substantial portion or all of the Account's assets could become unavailable permanently or for a matter of years. There are increased risks in dealing with non-U.S. brokers and unregulated trading counterparties, including the risk that assets will not benefit from the protection afforded to "customer funds" deposited with regulated brokers and dealers. While applicable SEC rules require, in most instances, that Client assets be deposited only with "qualified custodians," outside of the United States and the EU, it is often difficult to protect customer assets — even those on deposit with "qualified custodians." In the case of a counterparty's bankruptcy or inability to satisfy substantial deficiencies in other customer accounts, the Account could recover, even in respect of property specifically traceable to it, only a *pro rata* share of all property available for distribution to all of such counterparty's customers.

Credit risk: Certain Accounts are subject to the risk that the issuer of a security or the counterparty to a contract will default or otherwise become unable to honor a financial obligation.

Currency risk: Certain Accounts with investments in securities denominated in, and/or receiving revenues in, foreign currencies, will be subject to currency risk. Currency risk is the risk that foreign currencies will decline in value relative to the U.S. dollar or, in the case of hedging positions, that the U.S. dollar will decline in value relative to the currency hedged. In either event, the dollar value of an investment would be adversely affected. Currency exchange rates can fluctuate in response to, among other things, changes in interest rates, intervention (or failure to intervene) by U.S. or foreign governments, central banks or supranational entities, or by the imposition of currency controls or other political developments in the United States or abroad.

Currency Exchange Exposure and Currency Hedging risk: The performance of Accounts that invest in securities that are denominated or quoted in non-U.S. currencies could be significantly affected, either positively or negatively, by fluctuations in the relative currency exchange rates and by exchange control regulations. The Firm can seek to offset, in part, the risks associated with such exposure for an Account through foreign exchange transactions. To the extent the Account seeks to hedge its currency exposure, it might not always be practicable to do so. Moreover, hedging will not always alleviate all currency risks. Furthermore, costs are incurred in connection with conversions between various currencies. There can be no guarantee that instruments suitable for hedging currency exchange-rate risks will be available at the time the Firm wishes to use them or will be able to be liquidated when the Firm wishes to do so. In addition, the Firm could choose not to enter into hedging transactions with respect to some or all of an Account's positions that are exposed to currency exchange risk.

Cyber Security risk: With the increased use of technologies such as the internet to conduct business, a portfolio is susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events and are not limited to, gaining unauthorized access to digital systems, and misappropriating assets or sensitive information, corrupting data, or causing operational disruption, including the denial-of-service attacks on websites. Cyber security failures or breaches by a third party service provider and the issuers of securities in which the portfolio invests, have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, the inability to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, and/or additional compliance costs, including the cost to prevent cyber incidents.

Depository Receipts risk: Certain Accounts invest in depository receipts, such as ADRs, which are certificates evidencing ownership of shares of a foreign issuer that are issued by depository banks and generally trade on an

established market. Depositary receipts are subject to many of the risks associated with investing directly in foreign securities, including, among other things, political, social and economic developments abroad, currency movements and different legal, regulatory and tax environments.

Derivatives risk: Certain Accounts use derivatives to pursue their investment objectives. Generally, a derivative is a contract between two parties, whose value is determined with reference to the market price of an asset, such as a currency, commodity or stock, or the value of an index or an economic indicator, such as a stock market index or a specified interest rate (the “**underlying interest**”).

Most derivatives are options, forwards, futures or swaps. An option gives the holder the right, but not the obligation, to buy or sell the underlying interest at an agreed price within a certain time period. A call option gives the holder the right to buy; a put option gives the holder the right to sell. A *forward* is a commitment to buy or sell the underlying interest for an agreed price on a future date. A *future* is similar to a forward except that futures are traded on exchanges. A *swap* is a commitment to exchange one set of payments for another set of payments.

Some derivatives are settled by one party’s delivery of the underlying interest to the other party; others are settled by a cash payment representing the value of the contract.

The use of derivatives carries several risks:

- There is no guarantee that a market will exist for some derivatives, which could prevent the Account from selling or exiting the derivative prior to the maturity of the contract. This risk could restrict the Account’s ability to realize its profits or limit its losses.
- It is possible that the other party to the derivative contract (“**counterparty**”) will fail to perform its obligations under the contract resulting in a loss to an Account.
- When entering into a derivative contract, the Account could be required to provide margin or collateral to the counterparty. If the counterparty becomes insolvent, the Account could lose its margin or its collateral or incur expenses to recover it.
- Securities and commodities exchanges could set daily trading limits on options and futures. Such rule changes could prevent the Account from completing a futures or options transaction, causing the Account to realize a loss because it cannot hedge properly or limit a loss.
- Where an Account holds a long or short position in a future whose underlying interest is a commodity, the Account will always seek to close out its position by entering into an offsetting future prior to the first date on which the Account might be required to make or take delivery of the commodity under the future. There is no guarantee the Account will be able to do so. This could result in the Account having to make or take delivery of the commodity.
- Some Accounts could use derivatives to reduce certain risks associated with investments in foreign markets, currencies or specific securities. Using derivatives for these purposes is called hedging. Hedging will not always be effective in preventing losses. Hedging can also reduce the opportunity for gain if the value of the hedged investment rises, because the derivative could incur an offsetting loss. Hedging can also be costly or difficult to implement.

Dilution risk: When a strategy is new or is relatively small in size, or has significant cash flows relative to its size, it can be difficult for the portfolio manager to fully invest its assets pursuant to the investment strategy. This could result in the strategy holding a larger than expected proportion of its assets in cash, which could decrease relative performance of any strategy in a rising market.

Effect of General Economic Conditions: General economic conditions often affect investments. Changing economic, political, regulatory or market conditions, interest rates, general levels of economic activity, the price of securities and debt instruments and participation by other investors in the financial markets can affect the value and number of investments made by the firm or considered for prospective investment. The value of investments often fluctuate in accordance with changes in the financial condition of portfolio companies and other factors that affect the markets in which the firm invests. Economic, political, regulatory or market developments can affect a single obligor, obligors

within an industry, economic sector or geographic region, or the market as a whole. Different parts of the market and different types of investments can react differently to these developments. Every investment has some level of market volatility risk. Economic slowdowns or downturns could lead to financial losses in the firm's investments. In addition, many portfolio companies could be similarly subject to the same economic conditions, which could adversely impact investment returns.

Emerging Markets risk: Emerging markets have the risks described under foreign currency risk and foreign markets risk. In addition, they are more likely to experience political, economic and social instability and can be subject to corruption or have lower business standards. Instability can result in the expropriation of assets or restrictions on payment of dividends, income or proceeds from the sale of an Account's securities. In addition, accounting and auditing standards and practices are often less stringent than those of developed countries resulting in limited availability of information relating to an Account's investments. Further, emerging market securities are often less liquid and custody and settlement mechanisms in emerging market countries are often less developed resulting in delays and the incurring of additional costs to execute trades of securities. The costs of executing transactions in emerging markets can be substantially higher than in more developed markets, and the settlement process more protracted and uncertain. Trade execution risk tends to be materially increased in emerging markets.

Equity-Linked Instruments and Related Options risk: Certain Accounts invest in certain financial instruments that are referenced to underlying equities but also incorporate other components — duration, strike price, premiums, etc. — which can result in the Account's positions being unprofitable even if the Firm correctly assessed the market value of the underlying equity instrument. The Firm can trade in put and call options, which involve qualitatively different risks than owning the underlying common stock. Options trading involves risks substantially similar to those involved in trading futures and forward contracts in that options are speculative and highly leveraged.

Equity Securities risk: Certain Accounts invest in equity securities and equity derivatives. The value of these instruments generally will vary with the performance of the issuer and movements in the equity markets. As a result, the Account could suffer losses if it invests in equity instruments of issuers whose performance diverges from the Firm's expectations or if equity markets generally move in a single direction and the Account has not effectively hedged against such a general move. The Account also could be exposed to risks that issuers will not fulfill contractual obligations, such as, in the case of convertible securities or private placements, delivering marketable common stock upon conversions of convertible securities and registering restricted securities for public resale.

ETF risk: Certain Accounts could invest in ETFs in accordance with their mandates. ETFs represent shares of ownership in either funds or unit investment trusts that hold portfolios of common stocks or bonds, which are designed to generally correspond to the price and yield performance of their underlying indices, either broad stock market, stock industry sector, international stock, or bond. ETF shareholders are subject to risks similar to those of holders of other diversified portfolios. A primary consideration is that the general level of stock or bond prices could decline, thus affecting the value of an equity or fixed income ETF, respectively. Moreover, the overall depth and liquidity of the secondary market could fluctuate. An exchange traded sector fund can also be adversely affected by the performance of that specific sector or group of industries on which it is based. Although ETFs are designed to provide investment results that generally correspond to the price and yield performance of their respective underlying indices, ETFs might not be able to exactly replicate the performance of the indices because of their expenses and other factors.

Foreign Currency risk: Most foreign investments are purchased in currencies other than the U.S. dollar. As a result, the value of those investments will be affected by the value of the U.S. dollar relative to the value of the foreign currency. If the U.S. dollar rises in value relative to the other currency but the value of the investment otherwise remains constant, the value of the investment in U.S. dollars will have fallen. Similarly, if the value of the U.S. dollar has fallen relative to the foreign currency, the value of the Account's investment will have increased. Some Accounts could use derivatives such as options, futures, forward contracts, swaps and customized types of derivatives to hedge against losses caused by changes in exchange rates.

Foreign Markets risk: The value of an investment in a foreign issuer depends on general global economic factors and specific economic and political factors relating to the country or countries in which the foreign issuer operates. The regulatory environment in some foreign countries is less stringent than in the U.S., including legal and financial reporting requirements. There could be more or less information available with respect to foreign companies. The legal systems of some foreign countries might not adequately protect investor rights. Stock markets in foreign countries often have lower

trading volumes and sharper price corrections. Some or all of these factors could make a foreign investment more or less volatile than a Canadian or U.S. investment.

Forward Contracts risk: Certain Accounts could trade forward contracts, primarily for purposes of exchange-rate hedging. The imposition of credit controls by governmental authorities could limit such forward trading to less than that which the Firm would otherwise recommend, to the possible detriment of an Account. Accounts trading forward contracts are subject to the risk of the failure of, or the inability or refusal to perform with respect to its forward contracts by, the principals with which the Account trades.

Frontier Emerging Markets risk: Certain Accounts will have exposure to the securities of frontier emerging markets issuers. All of the risks associated with investing in emerging markets are even more extreme in frontier emerging markets which are characterized by, among other things, smaller and less diverse economies, less developed capital markets, greater market volatility, lower trading volume, less liquidity, trade barriers, political and economic instability, greater risk of a market shutdown and more governmental limitations on foreign investments, and new or unsettled securities laws even as compared to emerging markets (let alone the more developed markets).

Futures risk: Certain Accounts could trade futures for hedging and speculative purposes. Futures are often inherently highly leveraged and can become illiquid due to exchange-imposed price fluctuation limits. Accordingly, a relatively small price movement could result in immediate and substantial losses to the Account to the extent it utilizes futures in its trading strategy. Like other leveraged investments, any trade could result in losses in excess of the amount invested.

Government and Corporate Reporting risk: The Firm relies on the information made available by the individual issuers of the financial instruments in which it invests. The Firm has no ability independently to verify the information disseminated by these issuers, and is dependent upon the integrity of both the management of the issuers and the financial reporting process in general. Past and recurring events have demonstrated that material losses in the Account can incur as a result of inaccurate — and sometimes purposefully misleading or fraudulent — information provided by portfolio companies (as well as government agencies).

Hedging risk: The Firm can choose, but is not required, to attempt to hedge certain market or other risks inherent in an Account's positions, and, in cases where it does hedge, could choose to do so only partially. Specifically, the Firm can choose not, or determine that it is economically unattractive, to hedge certain risks — either in respect of particular positions or in respect of an Account's overall portfolio. An Account's portfolio composition commonly results in various components of directional market risks remaining unhedged. Even if the Firm is successful in establishing hedging positions, the hedging could reduce an Account's returns or possibly increase losses and/or cause material losses. Furthermore, it is possible that the Firm's hedging strategies will not be effective in controlling risk, due to unexpected changes in correlation between the hedging instrument and the position being hedged, increasing rather than reducing both risk and losses.

Illiquidity risk: A security is illiquid if it cannot be sold at an amount that at least approximates the amount at which the security is valued. Illiquidity can occur for a number of reasons, including the following: (a) if the securities have sale restrictions; (b) if the securities do not trade through normal market facilities; or (c) if there is a shortage of buyers. In highly volatile markets, such as in periods of sudden interest rate changes or severe market disruptions, securities that were previously liquid could suddenly and unexpectedly become illiquid. Illiquid securities are more difficult to sell and an Account could be forced to accept a discounted price.

Some high yield debt securities, which include but are not limited to security types commonly known as high yield bonds, floating rate debt instruments and floating rate loans, as well as some fixed income securities issued by corporations and governments in emerging market economies, can be more illiquid in times of market stress or sharp declines. In addition, the liquidity of individual securities often vary widely over time. Illiquidity in these instruments could take the form of wider bid/ask spreads (*i.e.*, significant differences in the prices at which sellers are willing to sell and buyers are willing to buy that same security). Illiquidity can also take the form of extended periods for trade settlement and delivery of securities. In some circumstances of illiquidity, it could be more difficult to establish a fair market value for particular securities, which could result in losses to an Account that has invested in these securities.

Inflation/Deflation risk: The emerging markets in which certain Accounts invest are susceptible to periods of extreme inflation and deflation. Not only can such periods erode the value of an Account's investments in terms of such

investments' U.S. Dollar value, but such periods can also cause businesses in which an Account is invested to fail despite otherwise sound business models.

Interest Rate risk: Interest rates impact the cost of borrowing for governments, companies and individuals, which in turn impacts overall economic activity. Interest rates could rise during the term of a fixed income investment. If interest rates rise, then the value of that fixed income investment generally will fall. Conversely, if interest rates fall, the value of the investment generally will increase.

Longer-term bonds and strip bonds are generally more sensitive to changes in interest rates than other kinds of securities. The cash flow from debt instruments with variable rates can change as interest rates fluctuate.

Changing interest rates can also indirectly impact the share prices of equity securities. When interest rates are high, it could cost a company more to fund its operations or pay down existing debt. This can impair a company's profitability and earnings growth potential, which can negatively impact its share price. Conversely, lower interest rates can make financing for a company cheaper, which can potentially increase its earnings growth potential. Interest rates can also impact the demand for goods and services that a company provides by impacting overall economic activity as described above in Effect of General Economic Conditions.

Investment Style risk: An Account's investment strategy could underperform other segments of the equity markets or the markets as a whole.

Large Transaction risk: For Accounts that are funds, large transactions in the fund's interests can create risks for investors. A large addition to an Account will create a relatively large cash position in that Account's portfolio. The presence of this cash position could adversely impact the performance of the Account, and the investment of this cash position could result in significant incremental trading costs, which are borne by all of the investors in the Account. Conversely, a large redemption in an Account will often require the Account to sell portfolio investments so that it can pay the redemption proceeds. This sale could impact the market value of those portfolio investments and result in significant incremental trading costs, which are borne by all of the investors in the Account and it could accelerate or increase the payment of capital gains distributions or capital gains dividends to these investors.

Legislation risk: Securities, tax, or other regulators make changes to legislation, rules and administrative practice. Those changes will sometimes have an adverse impact on the value of an Account.

Leveraged Investments risk: Losses incurred on an Account's leveraged investments increase in direct proportion to the degree of leverage employed. An Account also incurs interest and other expenses on the borrowings used to leverage its positions. To the extent that the assets of an Account have been leveraged through the borrowing of money, the purchase of securities on margin, or otherwise, the interest expense and other costs and premiums incurred in relation thereto might not be recovered. If gains earned by an Account's portfolio fail to cover such costs, the net asset value of the Account is likely to decrease faster than if the Account had not engaged in such borrowing transactions.

Low Latency Trading risk: It is estimated that over 50% of the equity trades executed by securities exchanges are implemented by "low latency" computerized strategies trading in massive volume and high turnover on the basis of technical market factors. Such trading has little, if anything, to do with the qualitative analysis of the prospects for an issuer's success. Low latency trading typically seeks to identify mispricings, an opportunity an Account might otherwise have sought, but also could be a dominant factor in determining market prices making it difficult for the investment approach to succeed.

Market risk: Markets can be volatile, and an Account's holdings can decline in response to adverse issuer, political, regulatory, market or economic developments or conditions that cause a broad market decline. Different parts of the market, including different sectors and different types of securities, can react differently to these developments. The U.S. and many foreign economies continue to experience the after-effects of the 2008 financial crisis, which have resulted, and could continue to result, in volatility in the financial markets, both U.S. and foreign. Global economies and financial markets are becoming increasingly interconnected, which increases the likelihood that conditions in one country or region will adversely affect issuers in another country or region, which in turn could adversely affect securities held by the Account. These circumstances also have decreased liquidity in some markets and could continue to do so. In addition, certain events, such as natural disasters, terrorist attacks, war, potential epidemics and pandemics and other geopolitical events, have led, and could in the future lead, to increased short-term market volatility and could

have adverse long-term effects on world economies and markets generally. Finally, there are risks associated with being invested in the equity and fixed income markets generally. The market value of an Account will rise and fall based on specific company developments and broader equity or fixed income market conditions. Market value will also vary with changes in the general economic and financial conditions in the countries where the investments are based.

Mid-Sized Company risk: Certain Accounts can be expected to invest a material portion of capital in issuers that are considered to be “mid cap” by conventional market standards. Small-cap and mid-cap issuers often lack the management experience, financial resources and product diversification of larger companies, making them more susceptible to market pressures and business failure. The small-cap and mid-cap equities markets are, in general, subject to a number of materially greater risks than the larger capitalization equity market. In particular, the securities of small-cap and mid-cap issuers are often more volatile and less liquid than investments in larger issuers, and more likely to be adversely affected by poor economic or market conditions. Among the reasons for such increased risk are: the generally smaller amount of information that is available concerning small-cap and mid-cap issuers or stocks rather than large-cap issuers or stocks; the tendency of all small-cap and mid-cap stocks to trade down during periods of market crisis; the greater chance for management misconduct or incompetence to materially adversely affect the prospects for the issuer as a whole; and the comparative illiquidity of the small-cap and mid-cap market, creating the possibility of unusually wide bid-ask spreads and increasing the expected delay before the market value is brought into equilibrium with actual or realizable value. Small- and mid-capitalization issuers are particularly vulnerable to changes in economic conditions, including, for example, interest rates, inflation rates, industry conditions, competition, regulatory environment, technological developments, political and diplomatic events and trends, tax laws and innumerable other factors outside the control of the Firm, that can substantially and adversely affect the business and prospects of the Account.

Model risk: Trading models are based on quantitatively-based pricing theories as well as valuation models developed from research and inferences drawn from studies of historical patterns and data. Models employ assumptions that abstract a number of variables from complex financial markets or instruments they attempt to replicate. Any one or all of these assumptions, whether or not supported by past experience, could prove over time to be incorrect. Even if such assumptions are not incorrect, there can be no assurance that the algorithms and software code used by an investment adviser will successfully or optimally translate an investment adviser’s pricing theories and valuation models into successful trading results. Because trading models must be updated regularly as market dynamics shift, a previously highly successful model could become outdated or inaccurate. Trading models can also become less effective if and as other managers begin to employ similar models over time. There can be no assurance that an investment adviser will be successful in developing and maintaining effective quantitative models. The use of any computer program contains an inherent risk that the software and hardware used or relied upon could malfunction, or contain or develop defects. Such defects could include, but are not limited to, design errors, inaccurate data, computer viruses and vulnerability to hacking and unauthorized access.

Political Uncertainty risk: Markets in which Clients are invested or to which Clients are exposed could experience political uncertainty (e.g., Brexit), which subjects investments to heightened risks, even when made in established markets. These risks include: greater fluctuations in currency exchange rates; increased risk of defaults (by both government and private issuers); greater social, economic, and political instability (including the risk of war or natural disaster); increased risk of nationalization, greater governmental involvement in the economy; less governmental supervision and regulation of the securities markets and participants in those markets; controls on foreign investment, capital controls and limitations on repatriation of invested capital and on the clients’ ability to exchange currencies; inability to purchase and sell investments or otherwise settle security or derivative transactions (*i.e.*, a market freeze); unavailability of currency hedging techniques; slower clearance; and difficulties in obtaining and/or enforcing legal judgments. During times of political uncertainty, the securities, derivatives and currency markets can become volatile. There also could be a lower level of monitoring and regulation of markets while a country is experiencing political uncertainty, and the activities of investors in such markets and enforcement of existing regulations can be extremely limited. Markets experiencing political uncertainty could have substantial, and in some periods extremely high, rates of inflation for many years. Inflation and rapid fluctuations in inflation rates could have negative effects on such countries’ economies and securities markets. There can be no assurance that adverse political changes will not cause an Account to suffer a loss of any or all of its investments or, in the case of fixed income securities, interest thereon.

Portfolio Manager risk: Certain Accounts are dependent on their portfolio manager or sub-adviser to select its investments. Accounts are subject to the risk that poor security selection decisions will cause the Account to underperform relative to its benchmark or other Accounts with similar mandates.

Portfolio Turnover risk: Certain Accounts engage in strategies that involve a high degree of portfolio turnover, which could result in significant transaction costs. Although the Firm is mindful of overall transaction costs, the Firm's trading decisions are based on the output of the Firm's quantitative trading models and portfolio turnover rate will not be considered a limiting factor when implementing the Firm's strategies.

Prepayment risk: Certain Accounts are subject to the risk that, in a declining interest rate environment, fixed income securities with stated interest rates will have the principal paid earlier than expected, requiring the Account to invest the proceeds at generally lower interest rates.

Quantitative risk: Quantitative models that generate trading signals ("quantitative trading system") that rely on historical pricing and market data. The profitability of any trading system involving quantitative analysis depends upon major price moves or trends in at least some of the markets traded. There can be no assurance that the valuation models developed by an investment adviser will accurately identify price dislocations or capture the existence of major price moves. Periods without discernible trends have occurred in the past and, most likely, these periods will continue to occur in the future. A quantitative trading system could underperform other trading methods when macroeconomic factors dominate price moves within a given market. Because quantitative analysis generally does not take into account macroeconomic factors such as supply, demand and political and economic events (except to the extent they influence the data used as input information for the trading program), a quantitative trading method might be unable to respond to macroeconomic causation events until after their impact has ceased to influence the market. Positions dictated by the resulting price movements could be incorrect due to the macroeconomic factors then affecting the market. When macroeconomic factors dominate the markets, strict application of the trading signals generated by the an investment adviser's trading models can result in substantial losses due to their inability to respond to macroeconomic factors until they have a sufficient effect on the market to create a trend of enough magnitude to generate a reversal of trading signals. By then, a precipitous price change could already be in progress, preventing liquidation at anything but substantial losses. The success of an Account relying on such quantitative trading systems can be substantially dependent on general market conditions over which the Firm has no control. Furthermore, the profit potential of trend-following systems could be diminished by the changing character of the markets, which could make the data on which the Firm's trading models are based only marginally relevant to future market patterns.

Regulatory and Tax risk: From time to time, certain of the Firm's and/or an Account's activities will be subject to regulatory inquiries, investigations and/or enforcement proceedings from U.S. and non-U.S. governmental agencies, regulatory bodies and securities commissions, which can be costly and occupy significant staff time and resources of the Firm. Tax reform and other financial markets regulatory reform both in the U.S. and abroad could impact the Account and securities in which the Account invests.

Securities Lending Repurchase and Reverse Repurchase Transaction risk: Certain Accounts are eligible to enter into securities lending, repurchase and reverse repurchase transactions. In a securities lending transaction, the Account lends its securities through an authorized agent to another party (often called a "counterparty") in exchange for a fee and a form of acceptable collateral. In a repurchase transaction, the Account sells its securities for cash through an authorized agent while at the same time it assumes an obligation to repurchase the same securities for cash (usually at a lower price) at a later date. In a reverse repurchase transaction, the Account buys securities for cash while at the same time it agrees to resell the same securities for cash (usually at a higher price) at a later date. We have set out below some of the general risks associated with securities lending, repurchase and reverse repurchase transactions:

- When entering into securities lending, repurchase and reverse repurchase transactions, the Account is subject to the credit risk that the counterparty could go bankrupt or default under the agreement and the Account would be forced to make a claim in order to recover its investment.
- When recovering its investment on a default, an Account could incur a loss if the value of the securities loaned (in a securities lending transaction) or sold (in a repurchase transaction) has increased in value relative to the value of the collateral held by the Account.

- Similarly, an Account would incur a loss if the value of the portfolio securities it has purchased (in a reverse repurchase transaction) decreases below the amount of cash paid by such Account to the counterparty, plus interest.

Series risk: Canadian Mutual Funds or other Accounts that offer more than one series, including series that are sold under different prospectuses create cross-series risk. If one series is unable to pay its expenses or satisfy its liabilities, then the assets of the other series could be used to pay the expenses or satisfy the liability, lowering the investment returns of the other series.

Short-Selling risk: Certain Accounts are permitted to engage in a limited amount of short-selling. A short-sale is a transaction in which an Account sells, on the open markets, securities that it has borrowed from a lender for this purpose. At a later date, the Account purchases identical securities on the open market and returns them to the lender. In the interim, the Account must pay compensation to the lender for the loan of the securities and provide collateral to the lender for the loan.

Short-selling involves certain risks:

- There is no assurance that the borrowed securities will decline in value during the period of the short-sale by more than the compensation paid to the lender, and securities sold-short could instead increase in value.
- An Account could experience difficulties in purchasing and returning borrowed securities if a liquid market for the securities does not exist at that time.
- A lender can require an Account to return borrowed securities at any time. This could require an Account to purchase such securities on the open market at an inopportune time.
- If a lender from whom an Account has borrowed securities, or the prime broker who is used to facilitate the short-selling, becomes insolvent, the Account could lose the collateral it has deposited with the lender and/or the prime broker.

Small Company risk: Certain Accounts make investments in equities and sometimes fixed income securities issued by smaller-capitalization companies. These investments are generally riskier than investments in larger companies for several reasons. Smaller companies are often relatively new and often do not have an extensive track record. This lack of history makes it difficult for the market to place a proper value on these companies. Some of these companies do not have extensive financial resources and, as a result, they could be unable to react to events in an optimal manner. In addition, securities issued by smaller companies are sometimes less liquid, meaning there is less demand for the securities in the marketplace at a price deemed fair by sellers.

Structural risk: As a passive investor, the Accounts will be dependent on the quality of the management of its underlying investments. In the case of many of the portfolio companies in which the Account invests, the Firm would not itself have the expertise or the resources to manage the companies. There have been a number of well-publicized instances in which management has materially, if not fraudulently, mismanaged companies which otherwise appeared to have superior business models.

Structured Products risk: Certain Accounts could acquire or otherwise participate in a variety of different structured investment products; for example, swaps, participating notes and options. In certain cases, structured investment products are the most efficient means of obtaining exposure to issuers, including emerging market issuers. These structured products involve not only the risks of the underlying “reference asset,” but also the risks (including acceleration of the financing embedded in the structure and/or restrictions imposed on the management and nature of the permissible reference assets) and costs of creating the structured products. Structured products are also subject to the credit risk of the counterparties.

Warrants risk: Certain Accounts can invest in warrants, which are instruments that entitle the holder to buy an equity security at a specific price for a specific period of time. Warrants are typically more speculative than other types of investments. The price of a warrant can be more volatile than the price of its underlying security, and a warrant can offer greater potential for capital appreciation as well as capital loss. A warrant ceases to have value if it is not exercised prior to its expiration date.

Methods of Analysis

Mackenzie primarily advises Accounts by implementing quantitative analysis in which a proprietary model (the “**Model**”) is used to manage portfolios. The Model currently operates using a number of different investment factors, the composition of which the Firm can alter from time to time. The Model currently comprises four super-factors: Value, Revisions, Quality and Informed Investor. The “Value” factor attempts to assist with the valuation of a security, relative to its peers, from different perspectives including company cash-flow, dividends, and company earnings. The “Revisions” factor attempts to take account of trends in analyst forecasts for a security. The “Quality” factor focuses on a company’s capital allocation, operating efficiency and the use of accounting by management. The “Informed Investor” factor attempts to take account of investor activity, including the short interest in a security.

Other techniques Mackenzie can use in advising Accounts include:

- **Temporary investment in short-term market instruments:** In certain Accounts, although the composition of the managed portfolios will not be governed by consideration of income, there can be times when, in Mackenzie’s or its affiliate’s judgment (as applicable), security price levels or adverse business prospects indicate that preservation of capital can be best achieved by temporary investments in short-term market instruments.
- **Short sale transactions:** Certain Accounts can engage in “short sale” transactions and use margin in connection with such transactions.

Short sales, which anticipate the decline in the value of a security, would normally be made when it is believed that intrinsic values of the specific security are significantly exceeded by current market prices or as a hedge against an investment position.

A short sale is effected by selling a security which the Account does not own, or, if it does own the security, is not to be delivered upon consummation of the sale. Short sales can be made “against the box” (*i.e.*, selling short a stock owned by the Account for hedging purposes) or can be “naked,” that is, sales of securities which the Account does not own.

Selling securities short runs the risk of having to repurchase the security at a higher price than the sale price and thus losing an amount greater than the initial investment in a relatively short period of time.

- **Borrowed money:** Certain Accounts also borrow in order to enhance investment leverage, and there could be few if any restrictions on borrowing capacity other than limitations imposed by lenders and any applicable credit regulations. Loans generally can be obtained from securities brokers and dealers or from other financial institutions; and such loans would be secured by securities or other assets of the Account pledged to such institutions.

While the use of borrowed funds to purchase securities can substantially improve the return on invested capital if the securities purchased increase in value, their use can also substantially increase losses if the securities purchased decrease in value.

- **Investing in mutual funds and/or ETFs:** In certain cases, an Account will purchase the securities of mutual funds and/or ETFs as a means of following the techniques, strategies and instruments used in its portfolio.

Item 9 Disciplinary Information

Not applicable.

Item 10 Other Financial Industry Activities and Affiliations

Other Financial Industry Activities and Affiliations

The Firm is an indirect, majority-owned subsidiary of Power Corporation of Canada, a diversified international management and holding company with interests in companies that are active in the financial services, communications and other business sectors. As such, we are affiliated with a number of entities that are engaged in financial industry-related activities. In addition, certain personnel of the Firm are registered representatives of unaffiliated broker-dealers registered with the SEC. Following are those related entities with which we maintain arrangements that are material to the Firm's business.

Other Investment Advisers

The Firm currently manages Accounts and also recommends advisers to clients. As a result, certain Accounts are also managed by Mackenzie Financial Corporation or IGIM, each of which is an affiliated adviser that is registered with the SEC. Mackenzie is currently employed by affiliates to provide investment advisory and sub-advisory services to certain Private Funds and Canadian Sub-Advised Funds.

The Firm currently provides certain marketing and client intake services to Mackenzie Financial Corporation and IGIM, an affiliate of the Firm and Mackenzie Financial Corporation. The Firm, and not any Client, is compensated by Mackenzie Financial Corporation for its services. The Firm also provides Client introductions to other investment advisers. The Firm is compensated for any referrals.

Material Conflicts of Interest Involving Related Parties

To avoid a conflict of interest with respect to investment in securities issued by a related party named above, the Firm and its affiliates have adopted policies and procedures relating to investment in securities of related companies. These policies seek to manage and, to the extent possible, avoid a conflict of interest with respect to investment in securities issued by a related company by requiring that a purchase, sale, or holding of such securities, among other requirements, must: (i) be made free from any influence by a related company; (ii) represent the business judgment of the portfolio

manager uninfluenced by considerations other than the best interest of the Account; (iii) achieve a fair and reasonable result for the Account; and (iv) comply with the policy and the procedures supporting these policies.

Interest in Client Transactions

Mackenzie and its affiliates advise numerous Accounts. Our affiliates, including Mackenzie Financial Corporation, IGIM, and others who advise Accounts that we have introduced, can give advice and take action with respect to any Accounts they manage, or for their own account or the account of a supervised or access person (as those terms are defined by the Advisers Act and rules thereunder), that can differ from actions taken on behalf of other Accounts.

Mackenzie, an affiliate or a related person can:

- recommend to clients securities in which Mackenzie, an affiliate, or a related person has a material financial interest;
- recommend securities to clients at the same time that Mackenzie, an affiliate, or a related person buys or sells the same securities for their own account; and/or
- invest in the same securities that Mackenzie, an affiliate, or a related person recommends to clients.

Mackenzie and its affiliates or related persons are not obligated to recommend, buy or sell, or to refrain from recommending, buying or selling any security that Mackenzie, its affiliates or their respective supervised and access persons can buy or sell for its or their own account or for any other managed Account. Such persons are also not obligated to refrain from investing in securities held in the managed Accounts, except to the extent that such investments violate policies and procedures applicable to or adopted by Mackenzie (including the Code, described below) or by such affiliates. Additionally, Mackenzie (or its affiliates) personnel can invest in the U.S. Sub-Advised Fund, Canadian Sub-Advised Funds, Private Funds and certain other pooled investment vehicles managed by Mackenzie which, in turn, can invest in securities held in other discretionary Accounts managed by Mackenzie. From time to time, officers and employees of Mackenzie or its affiliates can have interests in securities held by or recommended to Clients.

Mackenzie has and its affiliates have implemented policies and procedures reasonably designed to address conflicts of interest relating to personal securities transactions and insider trading that are designed to identify and prevent or mitigate conflicts of interest. These policies and procedures, including the Code, are intended to avoid conflicts of interest with Clients and to resolve such conflicts appropriately, if they do occur. Any Covered Person who fails to observe the Code and other relevant compliance policies risks serious sanctions, including dismissal and personal liability.

Code of Ethics (“Code”)

A basic tenet of the Code is that Covered Persons must adhere to the highest principles of conduct in the discharge of their duties with respect to managed Accounts. Mackenzie values its adherence to the highest standards of integrity and ethical business conduct in ensuring the fair treatment of Clients. As such, the Code requires Covered Persons to comply with stated standards of business conduct, including compliance with Mackenzie’s policies and procedures, relevant fiduciary duties owed by an investment adviser to its Clients and applicable legal standards. Employees are expected to avoid situations in which their personal interests conflict with their professional duties and to disclose any such conflicts to Mackenzie Investment’s legal department. Covered Persons are also expected to report to the compliance department any violations of the Code which come to their attention.

The Code sets forth Covered Persons’ obligations when dealing in covered securities for their own accounts, as well as various requirements designed to ensure that personal trading activity is reported to relevant personnel within Mackenzie Investments.

Mackenzie has adopted policies and procedures relating to personal securities transactions, insider trading (discussed below) and other ethical considerations to address conflicts of interest associated with personal trading. These policies and procedures are intended to identify and manage actual conflicts of interest with Clients. The Access Persons' Personal Trading Policy, which is included in the Code, contains provisions regarding Covered Persons' personal trading and reporting requirements that are designed to address conflicts of interest. The Personal Trading Policy requires Covered Persons to submit initial and periodic reports regarding transactions in holdings in certain securities and obtain pre-clearance authorization from the compliance department for trades involving certain types of securities. The Personal Trading Policy also addresses conflicts of interest by, for example, prohibiting, for a period of time, Covered Persons from engaging in trades involving a security of the same issuer where a Client account also seeks to transact or has transacted in the same security.

Mackenzie's policies and the Code also include ethical restraints relating to Clients and their Accounts, including restrictions on gifts and provisions intended to prevent violations of laws prohibiting insider trading.

Clients and prospective clients may obtain a copy of the Code by contacting the Firm, in writing, at Two International Place, Suite 2320, Boston, Massachusetts 02110.

Each of our relevant affiliates is subject to the Code, or maintains a similar Codes of Ethics which is available to clients and prospects as set forth in the relevant affiliate's Form ADV, Part 2A.

Insider Trading Policies

Mackenzie, its affiliates and its related persons could, from time to time, come into possession of material nonpublic and other confidential information which, if disclosed, might affect an investor's decision to buy or sell a security ("**Inside Information**"). Inside Information could relate to, among other things, Mackenzie, its affiliates, Accounts which offer publicly traded securities, or other issuers. Under applicable law, Mackenzie, its affiliates and their related persons are generally prohibited from improperly disclosing or using Inside Information for their personal benefit or for the benefit of any other person, regardless of whether that person is a Client. Accordingly, should such persons come into possession of Inside Information with respect to any issuer, they will typically be prohibited from communicating such information to, or using such information for the benefit of, their clients when following policies and procedures designed to comply with applicable law.

Mackenzie (and its affiliates) has also adopted policies and procedures to prevent the misuse of Inside Information by officers, directors and employees, which are designed to comply with applicable law including, but not limited to, Section 204A of the Advisers Act. These policies and procedures include, among other things, blackout periods and restricted lists that prohibit the trading of a company until the company is removed from the restricted list. As a result of a company being placed on the restricted list, an Account (or the personal accounts of a Covered Person) is precluded or restricted with respect to purchases or sales of that security.

Other Conflicts of Interest

Inconsistent Investment Positions and Timing of Competing Transactions

From time to time, Mackenzie (or, where applicable, an affiliate) could take an investment position or action for one or more Accounts that is different from, or inconsistent with, an action or position taken for one or more other Accounts having similar or differing investment objectives and such actions could be taken at differing, and potentially inopportune, times.

When a position is established or disposed of for one Account ahead of, or contemporaneously with, similar portfolio decisions or strategies for another Account, market impact, liquidity constraints, or other factors could result in one or more Accounts receiving less favorable trading results, the costs of implementing such portfolio decisions or strategies could be increased, such Accounts could be diluted, the values, prices or investment strategies of another Account could be impaired or such Accounts could otherwise be disadvantaged. Conflicts can also arise in cases where Accounts invest in different parts of an issuer's capital structure, including circumstances in which one or more Accounts will own private securities or obligations of an issuer and other Accounts own public securities of the same issuer.

This can result in circumstances where Mackenzie will pursue or enforce rights of certain Accounts with respect to an issuer in which other Accounts have invested, even though this could have an adverse effect on the price, availability, liquidity, and terms of the second Account's investment and vice versa, and transactions for such Accounts could as a result be effected at less favorable prices or terms or otherwise impaired. To mitigate such conflicts, Mackenzie or its affiliate can determine to refrain from participating or could exercise the rights of all such Accounts to the fullest extent, even though doing so might disadvantage some Accounts as Mackenzie determines appropriate.

Side-by-Side Management and Differential Interests

As discussed above, the nature and amount of compensation paid to Mackenzie or its affiliates by certain Accounts (including, particularly, Private Funds), some of which can be managed to investment strategies that involve investing in similar, competing or conflicting investments, can differ from the compensation paid by such Accounts (including, particularly, the U.S. Sub-Advised Fund and the Canadian Sub-Advised Funds). Additionally, Mackenzie, its affiliates, and its personnel can have differing investment or pecuniary interests in different Accounts and personnel could similarly have differing compensatory interests with respect to different Accounts.

A conflict of interest exists when: (1) the actions taken on behalf of one Account could impact other similar or different Accounts (*e.g.*, because such Accounts have the same or similar investment strategies or otherwise compete for investment opportunities, have potentially conflicting investment strategies or investments, or have differing ability to engage in short sales and economically similar transactions) and (2) Mackenzie, its affiliates and its personnel have differential interests in such Accounts (*i.e.*, expose Mackenzie or its related persons to differing potential for gain or loss through differential ownership interests or compensation structures), to the extent that Mackenzie or its affiliates could have an incentive to favor certain Accounts over others that could be less lucrative.

Such conflicts can present particular concern when, for example, Mackenzie or an affiliate places, or allocates the results of, securities transactions that Mackenzie or such affiliate believes would more likely result in favorable performance, engages in cross trades or executes potentially conflicting or competing investments.

To mitigate these conflicts, our policies and procedures have been reasonably designed to require that investment decisions are made in accordance with the fiduciary duties owed to such Accounts and without consideration of pecuniary, investment or other financial interests.

Selecting Broker-Dealers for Client Transactions

Investment and brokerage decisions for Accounts, to the extent such discretion has been granted to Mackenzie or an affiliate, are made by portfolio managers and traders. In placing brokerage transactions for Accounts with respect to which Mackenzie or an affiliate has been granted trading discretion, the portfolio managers and traders seek to:

- (1) determine each Client's trading requirements,
- (2) select appropriate trading methods, venues and agents to execute the trades under the circumstances,
- (3) evaluate market liquidity of each security and take appropriate steps to mitigate excessive market impact,
- (4) maintain confidentiality of client and proprietary information related to trading decisions, and
- (5) review the results of executions on a periodic basis.

On a periodic basis, Mackenzie or an affiliate reviews its trading practices and results including the quality of executions received, and commissions paid, by discretionary accounts. Among the items considered in this review are: a broker-dealer's trading history, administrative quality and responsiveness; examinations of failed trades and a broker-dealer's response thereto; conflicts of interest; commission rates and execution costs. The goal, when evaluating its efforts to seek best execution is to exercise reasonable, good faith judgment to select broker-dealers that will consistently provide quality execution.

The following summarizes the policies with respect to its exercise of investment and brokerage discretion on behalf of its Accounts.

Selection Criteria for Trade Execution

Mackenzie or an affiliate places all orders for the purchase or sale of securities with the primary objective of maximizing the overall value to the Account at the time and under the circumstances. In doing so, the portfolio managers and traders seek to obtain best execution from responsible broker-dealers at competitive commission rates (or equivalents). Mackenzie or its affiliate insist on a high standard of quality regarding execution services and deals only with broker-dealers that we believe meet this standard. Commissions paid by Mackenzie or its affiliate are reviewed on a regular basis. Mackenzie and its affiliate also place value on broker-dealers who are able to provide useful research and brokerage assistance and Mackenzie and its affiliate can consider whether each maintains a soft dollar arrangement with the broker-dealer.

The objective in effecting portfolio transactions is to seek to obtain the best combination of price and execution. The best net price, giving effect to brokerage commissions, spreads and other costs, is normally an important factor in execution decisions, but a number of other, judgmental factors are also considered as they are deemed relevant. In applying these factors, Mackenzie and its affiliate recognize that different broker-dealers have differing execution capabilities with respect to different types of securities and transactions. The factors that can be considered include, but are not limited to:

- knowledge of negotiated commission rates and spreads currently available and the competitiveness and reasonableness of rates offered;
- 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 and the broker-dealer's ability to meet the required or requested speed of execution;
- the activity existing and expected in the market for the particular security;

- the broker-dealer's access to primary markets and quotation sources;
- the broker-dealer's ability to execute orders with minimal market impact;
- the ability of the broker-dealer to locate sources of liquidity and to effect transactions when a large block of securities is involved or where liquidity is limited;
- confidentiality;
- the execution, clearance and settlement capabilities and history as well as the reputation and perceived soundness of considered broker-dealers;
- 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;
- the broker-dealer's reliability in executing trades, keeping records and accounting for and correcting trade errors and failed trades or settlements to Mackenzie' or an affiliate's satisfaction;
- the broker-dealer's ability to accommodate the Firm's or its affiliate's needs with respect to one or more trades – including its ability and willingness to maintain quality execution in unusual or volatile market conditions;
- the broker-dealer's block trading and arbitrage capabilities; and
- the broker-dealer's access to other markets.

When buying or selling securities in dealer markets, Mackenzie or an affiliate can, subject to its duty to seek best execution, deal directly with market makers either on a commission basis or on a “net” basis, without paying the market maker any commission, commission equivalent or mark-up/mark-down, other than the spread. Net trades mean that the market maker profits from the spread (*i.e.*, the difference between the price paid or received by Mackenzie or an affiliate and the price received or paid by the market maker in trades with other broker-dealers or customers).

In appropriate circumstances, Mackenzie or an affiliate can also use an electronic communication network (“ECN”) or alternative trading system (“ATS”) to effect over-the-counter trades when, in its judgment, the use of an ECN or ATS could result in equally or more favorable overall execution quality for the transaction. Mackenzie or an affiliate can trade in this manner when it believes that any commissions paid to the ECN or ATS, when added to the price and considering all relevant circumstances, still results in equal or better qualitative execution than might have otherwise been obtained trading “net” with a market maker.

In circumstances where one or more Accounts seek to dispose of securities which would be appropriate or desirable for one or more other Accounts, Mackenzie or an affiliate can utilize “cross-trading,” if consistent with applicable law. When cross-trading, Mackenzie or such affiliate can, in some cases, as a result of applicable legal or contractual requirements or market conventions, be required to execute through a brokerage firm and/or exchange or registered dealer, consistent with applicable law. When executing a cross-trade, the traded securities will be valued at a market price that is fair to each participating Account. This generally involves obtaining market information from at least one market source prior to execution. Cross-trades involving certain Accounts, including Accounts subject to the Employee Retirement Income Security Act of 1974, the U.S. Sub-Advised Fund, and Canadian Sub-Advised Funds, are subject to additional restrictions.

In some cases, Mackenzie or an affiliate will engage in a transaction not involving a public market or for which only a single avenue for execution is available (*e.g.*, where securities can be purchased or redeemed only through the issuer or the issuer's specified agent). Similarly, certain of the markets in which Mackenzie or its affiliate trades on behalf of Accounts are “emerging markets” where there is limited or no choice of brokers, where commission rates (or commission equivalents) are “fixed” or heavily regulated or where there is not the same level of transparency as to execution costs and quality as is the case in more developed markets such as the U.S., Canada or European Union countries. In those cases, Mackenzie or its affiliate could be limited in its ability to negotiate costs or terms but will seek, as practicable and consistent with relevant market regulations and conventions, to obtain the most favorable terms reasonably available under the circumstances and to minimize costs, consistent with achieving the desired investment objective and seeking an acceptable quality of execution. Where there is a lack of choice or transparency as to execution related costs and expenses, Mackenzie or an affiliate will typically focus primarily on securities prices and certainty of execution in determining how to execute a trade and in examining its efforts to seek best execution in the relevant market.

Commission Rates or Equivalents Policy

Mackenzie or an affiliate endeavors to remain aware of current charges of eligible broker-dealers and to minimize the expense incurred for effecting portfolio transactions to the extent consistent with the interests and policies of its Clients. As noted above, Mackenzie or its affiliate periodically review the quality of executions received from its brokers and considers, where appropriate, the services of other brokers (or other execution venues) that are available to execute Client transactions, when evaluating its efforts to seek best execution. Any broker (or execution venue) that has provided (or could be expected to provide) acceptable performance and whose financial condition and commission rates are acceptable can be selected to execute Account transactions. Where Mackenzie or an affiliate believes that, over time, a particular broker-dealer has consistently and materially engaged in activity that is not in the best interest of Clients, the Firm or its affiliate can determine to restrict or prohibit future execution of transactions through that broker-dealer.

Mackenzie or an affiliate will set ranges for commission rates and negotiate with broker-dealers, when appropriate. However, broker-dealers will not be selected solely on the basis of “posted” commission schedules nor will Mackenzie always seek in advance competitive bidding for the most favorable rate applicable to a particular transaction. Although Mackenzie and its affiliates generally seek competitive commission rates, Clients will not necessarily pay the lowest commission or commission equivalent. Mackenzie and its affiliates believe that paying fair and reasonable commissions to broker-dealers in return for quality execution services and useful research benefits Clients. Moreover, transactions that involve specialized services on the part of the broker-dealer will usually result in higher commissions or other compensation to the broker-dealer than would be the case absent such services for more routine transactions.

Mackenzie and its affiliates utilize several different broker-dealers and favor those whose research services, execution abilities or other legitimate and appropriate services are particularly helpful in seeking favorable investment results for Clients. As part of this determination, Mackenzie and its affiliates recognize that some brokerage firms are better at executing some types of orders than others. Thus, it can be in the best interest of Clients to utilize a broker whose commission rates are not the lowest but whose abilities result in lower overall transaction costs or more favorable results. The overriding consideration in routing orders for execution is to seek to maximize Client profits (or minimize losses) through a combination of controlling transaction and securities costs and seeking the most effective uses of brokers’ research and execution capabilities.

Thus, in our view, the reasonableness of commissions is based on market conditions and the opinion of the broker's ability to provide professional services, competitive commission rates, useful research and other permissible services which will help in providing investment advisory services to Clients. Recognizing the value of these factors, Mackenzie or an affiliate can pay to a broker who provides such services a commission in excess of that which another broker, which offers no research services and minimal transaction assistance (*i.e.*, "execution-only" service), might have charged for effecting the same transaction. Mackenzie or an affiliate regularly evaluate the placement of brokerage and the reasonableness of commissions paid. In the same vein, Mackenzie or an affiliate make a good faith determination that the amount of commission paid is reasonable in relation to the value of the research and brokerage services rendered, and relative to market norms when viewed in terms of either a specific transaction or the overall responsibilities to its Clients. However, the extent to which commission rates or net prices charged by brokers reflects the value of these services often cannot be readily determined.

"Soft Dollar" Benefits

In allocating brokerage, and consistent with Mackenzie's policies and procedures, Mackenzie takes into account the value of eligible brokerage and research products and services (each a "**soft dollar item**") provided by broker-dealers, as long as such consideration does not jeopardize the objective of seeking best execution.

Broker-dealers typically provide a bundle of services, including research and execution of transactions. When appropriate under its discretionary authority and consistent with its duty to seek best execution, Mackenzie or an affiliate can direct brokerage transactions for Client Accounts to broker-dealers who provide Mackenzie or such affiliate with useful soft dollar items. The brokerage commissions used to acquire soft dollar items in these arrangements are commonly referred to as "soft dollars".

Soft dollar items are 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 the broker-dealer) and include:

- advice relating to the value of a security or the advisability of effecting a transaction in a security;
- an analysis, or report, concerning a security, portfolio strategy, issuer, industry or an economic or political factor or trend; or
- a database, or software, to the extent that it supports research goods or services.

Consistent with applicable law, Mackenzie or an affiliate can use soft dollars to acquire proprietary or third-party research, and execution products or services; however, Mackenzie or such affiliate will not enter into any agreement or understanding with a broker-dealer that would obligate it to direct a specific amount of brokerage business to that broker-dealer in return for a soft dollar item. Nonetheless, certain broker-dealers could state in advance the amount of brokerage commissions they require for certain soft dollar items and the applicable cash equivalent. Mackenzie or an affiliate can use soft dollars to acquire soft dollar items that are also available for cash, where appropriate and permissible by law.

When Mackenzie or an affiliate uses client brokerage commissions (or, where consistent with applicable law and regulatory interpretations, markups or markdowns) to obtain soft dollar benefits, Mackenzie or such affiliate receives a benefit because, except as noted otherwise, Mackenzie or an affiliate generally does not have to produce or pay for the benefits. This creates an incentive for Mackenzie to select or recommend a broker-dealer based on the interest in receiving the soft dollar benefits, rather than on the Client's interest in receiving the most favorable execution.

Section 28(e) of the U.S. Securities Exchange Act of 1934, as amended, provides a “safe harbor” which allows an investment adviser to pay for eligible soft dollar items with commission dollars generated by client securities transactions. When an adviser pays more than the lowest available commission in recognition of the receipt of soft dollar items, the adviser is said to be “paying up.” Under SEC interpretations, soft dollars are permitted to be used for, among other things, eligible soft dollar items that assist Mackenzie or an affiliate in meeting its Clients’ investment objectives and Mackenzie’ or such affiliate’s relevant responsibilities to its Client Accounts. The receipt of soft dollar items in exchange for soft dollars benefits an adviser by, among other things, allowing the adviser, at no cost to it, to supplement its own research, analysis and execution facilities. It also allows the adviser to receive the views and information of individuals and research staffs at other securities firms and those of issuer personnel and to gain access to persons having special expertise on certain companies, industries, economic areas and market factors, relieving Mackenzie or its affiliate of expenses that it might otherwise bear in obtaining the same or comparable products or services on its own.

Procedures Mackenzie or an Affiliate uses to Direct Client Transactions to a Broker-Dealer in Return for Soft Dollars

Consistent with U.S. regulatory requirements and interpretations, Mackenzie or an affiliate generally use soft dollars generated with respect to trades consistently with the safe harbor described above. As such, in determining whether to pay up for a relevant execution, Mackenzie or its affiliate evaluate whether the soft dollar item(s) provided by the broker-dealer:

- (i) consist of advice, analyses or reports containing substantive content with respect to appropriate subject matters, as set forth in section 28(e) and related SEC interpretations thereof, or
- (ii) are sufficiently related to the effectuation, clearance or settlement of a transaction and are provided and/or used during the time period commencing when Mackenzie or its affiliate communicates with the relevant broker-dealer for the purpose of transmitting an order for execution and concluding when the funds or securities are delivered or credited to the Account or the accountholder’s agent;
- provide lawful and appropriate assistance in carrying out its relevant responsibilities to Client Accounts; and
- are acquired for an amount of soft dollars that is reasonable in relation to the value of the soft dollar item(s) provided.

These determinations are based primarily on the professional opinions of the persons responsible for the placement and review of such transactions. These opinions are formed on the basis of, among other things, the experience of these individuals in the securities industry and information available to them concerning the level of commissions paid by other investors of comparable size and type. In selecting broker-dealers, Mackenzie and its affiliates consider the broker-dealer’s ability to provide quality execution and its belief that the research, information and other soft dollar items provided by such broker-dealers will benefit Clients. It is often not possible to place, with precision, a dollar value on the quality executions or on the soft dollar items received from broker-dealers effecting transactions in portfolio securities.

Mackenzie or an affiliate can also use soft dollars to pay for a portion of certain “mixed use” items (*i.e.*, items which provide both eligible and non-eligible benefits or encompass multiple functionalities some of which are not eligible for the safe harbor). Although the allocation between soft dollars and cash is not always capable of precise calculation, a good faith effort is made to allocate payment for such items appropriately by paying cash for that portion of the cost of the soft dollar item which is attributable to a use or functionality which is not, itself, eligible under the safe harbor. Records of such allocations and payments are maintained.

With respect to certain non-U.S. Clients where discretionary authority is exercised by an affiliate, the affiliates can, under certain circumstances, use “soft dollars” in conformity with standards established under relevant local law, which can differ from the U.S. standards described above.

The Receipt of Soft Dollar Benefits can result in Higher Transaction Costs

Accordingly, as discussed above, broker-dealers selected by Mackenzie or an affiliate can be paid commissions (or, as applicable, markups or markdowns) for effecting portfolio transactions for Accounts in excess of amounts other broker-dealers might have charged for effecting similar transactions when a determination is made, in good faith, that such amounts are reasonable in relation to the value of the soft dollar items, or superior qualitative executions, provided by those broker-dealers, viewed either in terms of a particular transaction or Mackenzie's overall duty to its discretionary Clients.

How Soft Dollar Benefits Are Distributed Among Client Accounts

Soft dollar items, including research, are not always utilized by Mackenzie or an affiliate, in whole or in part, for the specific Account that generated the soft dollars, and Mackenzie or such affiliate does not usually attempt to allocate the relative costs or benefits of research or other soft dollar items among Accounts because it believes that, in the aggregate, the soft dollar items it receives benefit Clients by assisting it in fulfilling its overall duty to its Clients. In the same vein, it should be noted that the value of many soft dollar items including, particularly, proprietary research cannot be measured precisely and commissions paid for such items certainly cannot always be allocated to Clients in direct proportion to the value of the item to each Client. Moreover, because Mackenzie or an affiliate routinely bunches Client transactions, it is often the case that brokerage commissions attributable to one or more Client Accounts will sometimes be allocated to brokers who provide soft dollar items (such as statistical data or research) used in managing the Accounts of other Clients, and vice versa. For this reason, it is inevitable (at least in the short term) that commissions paid in one Account will, in effect, subsidize soft dollar items that benefited another Account. Additionally, consistent with the section 28(e) safe harbor, Mackenzie or an affiliate are permitted to use soft dollars generated in respect of trades for one type of Account (e.g., equity) to acquire soft dollar items which benefit other types of Accounts (e.g., fixed income). Soft dollars involving certain Accounts, including Accounts subject to the Employee Retirement Income Security Act of 1974 are subject to additional restrictions.

Mackenzie (or an affiliate) does not enter into arrangements with, or make commitments to, any broker-dealer that would bind it to compensate that broker-dealer, directly or indirectly, for Client referrals through the placement of brokerage transactions with that broker-dealer. Of course, Clients can, as discussed below, limit Mackenzie' or its affiliate's discretion by directing that trades be executed through a particular broker-dealer, including one which referred that Client to Mackenzie or the affiliate.

Additionally, Mackenzie or an affiliate can exercise its discretion to execute transactions with broker-dealers that also refer Clients, when the use of such broker-dealer is consistent with a duty to seek best execution and following procedures reasonably designed to ensure that such referrals are *not* a factor in the decision to execute a trade, or a particular amount of trades, through such broker-dealer.

Client Directed Brokerage Transactions

While Mackenzie or an affiliate generally select broker-dealers to execute transactions for Client Accounts, it will accept, in limited instances, direction from Clients as to which broker-dealer is to be used. If a Client wishes to direct the use of a particular broker-dealer, Mackenzie or its affiliate asks that the Client also specify, in writing (i) general types of securities for which a designated firm should be used and (ii) whether the designated firm should be used for all transactions, even though it might be able to obtain a more favorable net price and execution from another broker-dealer in particular transactions.

In certain circumstances, Mackenzie or an affiliate receives directives from certain Clients to make a "best effort" attempt to transact, all or a portion of that Client's brokerage through a Client-designated broker-dealer in consideration for services received solely by that Client from the broker. Unless contrary instructions are provided, in writing, by the Client, consideration is still given to seeking best execution of such client-designated transactions.

Clients who, in whole or in part, direct Mackenzie or an affiliate to use a particular broker-dealer to execute transactions for their Account should be aware that, in doing so, they are limiting Mackenzie's or such

affiliate's ability to, among other things, obtain volume discounts on bunched orders or to obtain best execution by, for example, executing over-the-counter transactions through a market maker.

Directing brokerage could cost Clients more money and reduce performance. Transactions for a Client that directs brokerage are generally unable to be combined or "bunched" for execution purposes with orders for the same securities for other Accounts managed by Mackenzie or an affiliate. In these instances, a Client that has directed Mackenzie or such affiliate to use a particular broker-dealer to execute its trades will generally have its trades placed at the end of bunched trading activity for a particular security. Accordingly, directed transactions are often subject to price movements, particularly in volatile markets, that can result in the Client receiving a price that is less favorable than the price obtained by the bunched order. Clients who choose to direct a brokerage to a particular broker or dealer to execute transactions should be aware that, in doing so, they could be subject to higher commissions, greater spreads or less favorable net prices or lower quality execution than might be the case if Mackenzie or such affiliate could negotiate commission rates or spreads freely, or select brokers or dealers based on quality of execution. Consequently, best price and execution might not be achieved.

Trade Allocation or "Bunching" Policies

Because the size and mandate of Client Accounts often differ, the securities held in such Accounts are unlikely to be identical. Mackenzie's or an affiliate's portfolio managers make investment decisions for managed Accounts based on suitability factors and other circumstances which can differ from Account to Account, resulting in a particular security being acquired, held, or sold for some Accounts and not others. In accordance with the Trade Allocation Policy (the "**Policy**"), portfolio managers seek to allocate suitable transactions among eligible accounts in a manner believed to be fair and equitable over time.

In appropriate circumstances, any Account managed by Mackenzie or an affiliate could purchase or sell a security prior to other Accounts. This could occur, for example, as a result of the specific investment objectives of an Account, different cash resources arising from contributions or withdrawals or specific, client imposed, restrictions. However, Accounts that are managed in similar styles by the same portfolio manager often have similar or identical portfolio composition and weightings. In other circumstances multiple Accounts could seek to acquire or dispose of the same security for other reasons. For these reasons, Mackenzie or an affiliate could seek to acquire or dispose of the same securities for multiple Accounts contemporaneously and can aggregate into a single trade order several contemporaneous Client orders for a single security through Mackenzie's or an affiliate's trading desk and in accordance with the Policy.

The Policy is intended to promote fairness, to mitigate conflicts of interest, and to conform to applicable regulatory and fiduciary principles. The Policy strictly forbids any allocation request or allocation decision that favors one account over another based on the self-interest of the Account's portfolio manager, Mackenzie or an affiliate.

Under the Policy, and to the extent consistent with each participating Client's investment advisory agreement, Mackenzie or an affiliate can bunch orders for more than one Account to facilitate best execution, including negotiating more favorable prices, obtaining more timely or equitable execution or reducing overall commission charges. Mackenzie or an affiliate seeks to aggregate trade orders in a manner that is consistent with its duty to (1) seek best execution of Client orders; (2) treat all Clients fairly and equitably over time; and (3) not systematically advantage or disadvantage any single Client or group of Clients over time. When a decision is made to aggregate transactions on behalf of more than one Account, such transactions will be allocated to all participating Client Accounts in a fair and equitable manner over time. When such an order is filled in its entirety, each participating Client Account generally participates at the average share price for the aggregated order, and transaction costs are shared *pro rata* based on each Client's participation in the aggregated order. When a bunched order is partially filled, Mackenzie or an affiliate will allocate the order in accordance with the Policy, as described below.

Mackenzie or an affiliate can allocate *pro rata* when a bunched order cannot be fully executed in a single day, with the portion of the order filled on that particular day generally being allocated among participating Accounts based on the size of each Account's original order, subject to rounding to achieve "round lots" and Mackenzie's or its affiliate's ability to cancel an order for particular Account(s) if, due to the Account potentially receiving a *de minimis* amount of securities or otherwise, it believes that, as a result of the incomplete fill, the order is no longer appropriate for the relevant Account(s). Mackenzie or an affiliate can also apply a minimum order allocation amount, which could vary depending upon the market convention associated with the particular security. Where remaining positions are too small to satisfy the minimum allocation amount, Mackenzie or an affiliate can decide to allocate the remaining shares to those Accounts seeking large positions which remain unfilled or to allocate remaining shares to those Accounts whose order would be completed as a result of the allocation.

Mackenzie or an affiliate can also allocate on a basis other than *pro rata* if, under the circumstances, such other method is reasonable, equitable, does not result in improper or undisclosed advantage or disadvantage to a particular Account or group of Accounts and results in fair access, over time, to trading opportunities for all eligible managed Accounts. Methods other than *pro rata* can be appropriate where Mackenzie or an affiliate identify investment opportunities that are more appropriate for certain Accounts than others. In these cases, Mackenzie or an affiliate could determine to allocate a partial fill to such Accounts. Factors that are considered in making allocation decisions could include, among others: investment objectives and restrictions; whether the security is currently held; relative size and rate of growth; and cash flow changes (including available cash, redemptions, exchanges, capital additions and capital withdrawals). Other allocation methods that are sometimes used by Mackenzie or an affiliate include random and rotational allocation, such as when the transaction size is too limited to be effectively allocated *pro rata* among all eligible Accounts.

Mackenzie or an affiliate generally will not aggregate trades for Clients who have limited Mackenzie's or such affiliate's brokerage discretion with trades for other Accounts. Notwithstanding the foregoing, Mackenzie or its affiliate can seek, when circumstances permit, to include transactions of Clients who have directed the use of a particular broker-dealer in a bunched order, if the executing broker-dealer agrees to give up or step out that portion of the bunched order relating to Clients who have directed the use of a particular broker-dealer to the specified broker-dealer. If the executing broker-dealer does not agree to give up or step out, the order for the same security on behalf of the directing Clients, the order will be effected through the specified broker-dealer and the cost of the transaction may be greater.

When consistent with Mackenzie's obligation to seek best execution, Mackenzie generally bunches orders for trades in Client Accounts advised by Mackenzie with orders for trades advised by Mackenzie's affiliates.

Allocation of "New Issues"

Mackenzie generally allocates new issues among Accounts that can invest in "new issues," as defined under relevant rules established by the Financial Industry Regulatory Authority ("FINRA") and the Account's investment objectives and restrictions consistently with its general trade allocation policies, described above. FINRA Rule 5130 restricts the ability of certain "**Restricted Persons**," as defined by that Rule and including, among others: broker-dealers and their personnel, owners and affiliates; finders and fiduciaries; portfolio managers; and certain family members thereof, are often ineligible to, or are restricted in their ability to, participate in new issues. Mackenzie also considers, where believed relevant in allocating a new issue, relevant tax implications for the Client Account and the extent that the Account's custodian is capable of executing same day trades in new issues.

The Private Funds generally will be unable to participate in new issues if more than a certain percentage of the beneficial interests are held by Investors that are Restricted Persons, unless the Account is subject to processes which prohibit Restricted Person Investors from participating in profits or losses attributable to new issues. In order to allow such Accounts to remain eligible to receive new issues, Mackenzie can take certain actions to maintain the Investment Fund's compliance with FINRA Rule 5130. For example, Mackenzie could prohibit or limit investment in certain Investment Funds by Restricted Person Investors or, with respect to the Private Funds, exclude Restricted Persons from participating in any new issue investment.

Investments in IPOs or similar issuances in non-U.S. markets are not subject to FINRA Rule 5130 but could be subject to similar or additional limitations. Subject to local regulatory requirements or market considerations, such investments will be allocated consistently with the Policy (as described above). In some jurisdictions, significant restrictions apply to investments in IPOs and to a holder's exit from an investment through an IPO. These restrictions could include lock-in of pre-issuance share capital of unlisted companies and securities issued on a firm allotment basis, as well as pricing restrictions on private placements by listed companies, each of which is likely to limit Mackenzie's freedom of action with respect to such investments. Where, under local rules or conventions, IPOs are allocated *pro rata* among all accounts of any person expressing an interest, Mackenzie can enter indications of interest on either an Account-by-Account or an aggregate basis and allocate the resulting fill among participating Accounts in accordance with the Policy, which will not necessarily result in each Account receiving a *pro rata* share when, in Mackenzie's discretion (subject to the Policy) an alternate means of allocation is determined to be fair and equitable over time.

As noted above, the Code prohibits Covered Persons from investing in initial public offerings, including new issues.

Review of Accounts

Mackenzie Investments' compliance department performs daily pre-trade and post-trade reviews of Accounts, aided primarily by the use of automated Rules built into the order management system. These Rules screen trades and holdings against each Account's applicable investment objective, strategies, and restrictions, as well as applicable regulatory requirements. Also, all Accounts are reviewed on a quarterly basis by the Chief Investment Officer ("CIO") of Mackenzie Investments and other members of the management team.

Additionally, the portfolio manager for an Account, is responsible for ensuring that each managed Account conforms to the Account's investment objectives, strategies, and restrictions and for reviewing all trading activity. These reviews include consideration and analysis of: current market activity and conditions; individual issuers; portfolio composition and performance of each Account, as well as comparisons across similar Accounts.

Client Reports

Institutional Clients receive such reports as are agreed upon between the Client and Mackenzie or an affiliate. The nature and frequency of these reports is typically set forth in the relevant investment advisory contract and can vary from Account to Account. Mackenzie or an affiliate also make representatives available to discuss investments in a Client's Account with that Client on a periodic basis as agreed with the Client.

Investors in Private Funds receive reports as described in the applicable private placement memorandum. Such reports typically include quarterly investment commentary and analysis. Where required by law, Investors in Private Funds are also provided Form K-1 for tax purposes. To comply with the Custody Rule, Investors in relevant Private Funds receive audited financial statements, within 120 days following the Private Fund's fiscal year end.

With regard to the U.S. Sub-Advised Fund, Mackenzie engages in monthly, quarterly, and annual reporting as detailed in the applicable sub-advisory agreement. Quarterly and annual reporting includes conversations with the adviser to the U.S. Sub-Advised Fund and Mackenzie reports to the board of the U.S. Sub-Advised Fund at least once every two years.

Clients often also receive custodial statements from their Account's custodian and transaction reports from executing brokers. For Accounts with respect to which Mackenzie or its affiliate is subject to the Custody Rule, as a result of fee billing arrangements or otherwise (other than the Private Fund), Clients will receive account statements directly from the Custodian, no less frequently than quarterly, in addition to any statements provided by Mackenzie or an affiliate. If the Client receives an account statement from the Custodian, the Client should carefully review such account statement, and Clients are encouraged to contact Mackenzie if they see any discrepancies. Please see Item 15: Custody for more information on our compliance with the Custody Rule.

In addition to written reports, Mackenzie or an affiliate often have formal or informal discussions with Clients regarding their Account.

Item 14 Client Referrals and Other Compensation

Referral Arrangements

From time to time, Mackenzie or an affiliate enter into arrangements whereby Mackenzie or such affiliate will engage a solicitor, including an affiliated solicitor, to refer Clients or Investors to Mackenzie or such affiliate. To the extent that Mackenzie or an affiliate pays cash referral fees to a solicitor, the referral agreement and related activities will be in compliance with the terms and conditions of Advisers Act Rule 206(4)-3, to the extent applicable, which specifies certain requirements related to solicitations and referrals.

Persons introduced to Mackenzie or an affiliate by an unaffiliated solicitor are provided with this Brochure and the solicitor's disclosure statement at the time of solicitation and must provide, either directly or through the solicitor, a signed and dated acknowledgement of their receipt of this Brochure and the solicitor's relevant disclosure document prior to, or at the time of, entering into an advisory relationship with Mackenzie or the affiliate. The solicitor's disclosure statement should be reviewed carefully; it contains important information with respect to, among other things, the material terms of the solicitor's compensation from Mackenzie or an affiliate, the nature of any relationship or affiliation between Mackenzie or an affiliate and the solicitor and whether the Client or Investor bears any costs with respect to the solicitation or whether the fees paid by such a Client or Investor would differ from fees paid by similarly situated persons who are not so introduced, as a result of the solicitation. Currently, fees charged to those who were introduced by a solicitor are not, as a consequence of the solicitation, higher than those charged to persons who were not introduced by a solicitor. However, as discussed above, fees are negotiable, so some Clients not introduced by a solicitor could, as a result of negotiation, pay fees that are lower than similar Clients who were introduced by a solicitor.

As discussed above, the Firm currently provides certain marketing and client intake services to Mackenzie Financial Corporation and IGIM, and could in the future provide such services to other affiliates. Certain personnel of the Firm are compensated for successful referrals.

Custody of Accounts

Mackenzie or an affiliate are deemed to have “custody” of Accounts within the meaning of the Custody Rule if Mackenzie or an affiliate has access to or authority over Client funds and securities for purposes other than issuing trading instructions, although the rule does not apply to Mackenzie’s non-U.S. clients. If Mackenzie or an affiliate is deemed to have custody over a U.S. Client’s Account that is a separately managed account, the custodian will send periodic account statements (generally on a quarterly basis) indicating the amounts of any securities or cash in the Account as of the end of the statement period and any transactions in the Account during the statement period. Clients should review these statements carefully and should contact us immediately if a Client does not receive account statements from the custodian on at least a quarterly basis. If Mackenzie or an affiliate separately provides reports or account statements, Clients should compare these carefully to the custodian’s account statements. Clients should contact Mackenzie immediately if there appears to be any discrepancy between the custodian’s statements and Mackenzie’s.

Where an affiliate of the Firm serves as trustee of one or more Canadian Sub-Advised Funds, the Firm is deemed to have “custody” in respect of each such Canadian Sub-Advised Fund within the meaning of the Custody Rule. To comply with the Custody Rule, each Investor in such a Canadian Sub-Advised Fund receives audited financial statements in accordance with Canadian law. If you have invested in such a Canadian Sub-Advised Fund and have not received audited financial statements timely, please contact us immediately.

In addition, because an affiliate of the Firm serves as general partner of one or more Private Funds advised by the Firm, the Firm is deemed to have “custody” in respect of each such Private Fund’s assets under the Custody Rule. Each Investor in such a Private Fund receives audited financial statements within 120 days following the Private Fund’s fiscal year end and (when applicable) upon liquidation of such Private Fund. If you have invested in such a

Private Fund and have not received audited financial statements timely, or have any questions about the Private Fund's Financial Statements, please contact us immediately.

Item 16 Investment Discretion

Mackenzie is retained with respect to its Accounts on a discretionary basis and is authorized to make the following determinations in accordance with the Account's specified investment objectives and restrictions without Client consultation or consent before a transaction is effected:

- which securities to buy or sell;
- the total amount of securities to buy or sell;
- the broker or dealer through which securities are bought or sold;
- the commission rates (or equivalents) at which transactions are effected; and
- the prices at which securities are to be bought or sold, including spreads, mark-ups and other transaction costs.

As noted above in Item 4, Clients are permitted, and some choose, to impose restrictions on Account investments, including reasonable limits on the types of securities held as well as prohibitions or limitations on particular securities or issuers.

Proxy Voting Policies and Procedures

Except to the extent that a Client, by contract or otherwise, explicitly reserves the power to vote proxies to itself or another party (or prohibits Mackenzie from voting), Mackenzie will vote proxies with respect to each Account for which it has discretionary authority.

Mackenzie has written proxy voting policies and procedures as required by relevant local law, including Advisers Act Rule 206(4)-6. Under these policies and procedures, Mackenzie votes proxies relating to portfolio securities in accordance with proxy voting policies and procedures and in the best interests of its Clients, unless the Client has requested, in writing, that alternate procedures (including, but not limited to, a Client's own proxy voting policies and procedures) be applied. Mackenzie considers the "best interests of its Clients" to be the best economic interests over the long term – that is, the common interest that all Clients, as owners of interest in an issuer, share in seeing the value of their investment increase over time.

Mackenzie has engaged an independent proxy voting firm as Mackenzie's proxy voting advisor and voting decisions for Clients are generally made in accordance with the proxy voting advisor's recommendations. However, Mackenzie reserves the right, on a case-by-case basis, to vote proxies differently at the portfolio manager's discretion. Mackenzie's proxy voting guidelines can inform each portfolio manager's decision making.

In some circumstances, Mackenzie or the proxy voting advisor could determine that it is in the Client's best interest to refrain from voting proxies, including, for example, where such securities are subject to legal or contractual restrictions on voting, where requirements with respect to voting render the expense of voting excessive in relation to the value of casting a vote or where voting would subject Accounts to "share blocking" which would prevent Mackenzie from disposing of the security for a specified amount of time surrounding the shareholder meeting.

Conflicts of Interest

Circumstances could occur where there is a conflict of interest between an Account and Mackenzie with respect to voting the Client's securities. Where a Mackenzie portfolio manager believes he or she has a conflict or potential conflict, he or she will notify the Mackenzie Investments CIO, and either the Senior Vice-President, Legal ("**SVP, Legal**") or the Chief Compliance Officer ("**CCO**"). Should the CIO and either the VP, Legal or the CCO conclude that a material conflict exists, the CCO will document the conflict and inform the Mackenzie Investments Fund Services Department.

The Fund Services Department will maintain a Proxy Voting Watch List ("**Watch List**") that includes the names of issuers that could subject Mackenzie or a portfolio manager to a conflict and will notify the CIO, and either the VP, Legal or CCO of any meeting circulars and proxies received from an issuer on the Watch List. The CIO and either the VP, Legal or CCO will discuss the voting matter(s) with the internal portfolio manager and ensure that the proxy voting decision is based on the proxy voting policies and the best interests of the Account. These conflicts could also be mitigated by use of the proxy voting advisor.

All voting decisions made in these circumstances are documented and filed by the Fund Services Department.

How to Learn More About the Voting of Proxies

Clients can obtain a copy of Mackenzie's proxy voting policies and procedures and/or information on how their securities were voted by contacting Mackenzie Investments, in writing, at Two International Place, Suite 2320, Boston, Massachusetts 02110. Mackenzie will not disclose proxy votes for a Client to other Clients or third-parties, unless specifically requested, in writing, by the Client or required by law (e.g., U.S. Mutual Funds). Where

Mackenzie serves as a sub-adviser to an Account, Mackenzie will be deemed to be authorized to provide proxy voting records to the Account's adviser.

Item 18 Financial Information

Not applicable.