

FUND MANDATE

- Asset allocation structure 60% equities/40% fixed income
- Own companies with growing dividends
- Own government bonds for security, corporate bonds for yield
- Portfolio risk targeted to be less than market risk

WHY INVEST?

- Income Portfolio of:
 - growing dividends;
 - government bonds for safety;
 - corporate bonds for income; and/or
 - high-yield bonds for income & return.
- Investor investment time horizon is a business cycle - approximately five years

KEY EQUITY INVESTMENT THEMES FOR THE FUND

TECHNOLOGY

- 2% of the portfolio
- Mobile connectivity and corporate productivity are catalysts to long-term growth in the Technology sector. When prices hit our targets we are a buyer.

LOGISTICS & INFRASTRUCTURE

- 4% of the portfolio
- Companies that act as a conduit for essential services benefit from maintaining pricing power.
- The political uncertainty surrounding the future development of pipeline infrastructure gives a temporal advantage to the railways for the transport of energy inputs.

KEY FIXED INCOME INVESTMENT THEMES FOR THE FUND

PROVINCIAL BONDS

- 9% of the portfolio
- Modestly overweight allocation toward provincial bonds relative to benchmark.
- Trimmed allocation slightly in provincial bonds given the rally in long-term provincial paper.

CORPORATE BONDS

- 24% of the portfolio
- Overweight in corporate bonds that are close to the investment-grade threshold.
- Compensation for corporate credit risk is acceptable but not exceptional; must be cautious and selective about where risks are taken.

KEY PURCHASES

THEME

Enbridge Inc. – ENB.T	Logistics & Infrastructure
Fidelity National Information – FIS.US	Technology

KEY SALES

THEME

Aimia Inc. – AIM.T	
Qualcomm Inc. – QCOM.US	Technology

PERFORMANCE HIGHLIGHTS

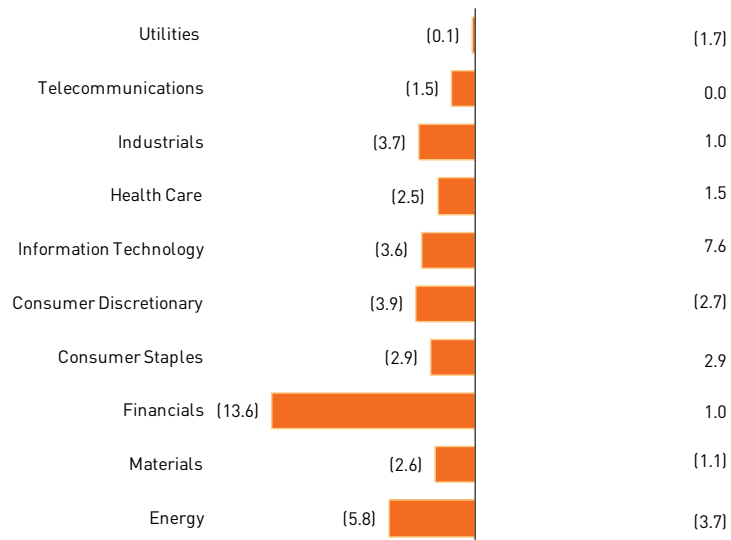
Total Returns (%) as of 11/30/15	1 Month	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception 12/31/1996**
Stone & Co. Flagship Growth & Income Fund Canada (Series A/T8A Composite)	0.4	7.5	7.5	10.1	7.9	5.5	5.5
Blended Benchmark*	0.4	2.3	2.6	9.3	7.5	6.3	6.9

*40% S&P/TSX Composite, 20% S&P 500 Index, 40% FTSE TMX Universe Bond***

**Stone & Co. Flagship Growth & Income Fund Canada Series A units were re-designated as Series T8A units on December 4, 2009. Series A units were launched December 31, 1996. The performance data shown for the 10 year period reflect the historical performance of Series A units up to September 1, 2007, and the performance of Series T8A units thereafter.

***Formerly known as DEX Universe Bond Index.

OVER OR (UNDER) WEIGHT VS. BENCHMARK (%) S&P/TSX SECTOR RETURN (%)



Stone Asset Management Limited, November 30, 2015

All mutual funds carry the risk that the mutual fund may decrease in value. The degree of risk varies depending on the investment objective and strategies of the mutual fund. The principal risks associated with an investment in Stone & Co. Flagship Growth & Income Fund Canada include market risk relating to fluctuations in the stock market, equity risk relating to fluctuations in individual securities, credit risk associated with investments in bonds and interest rate risk associated with fluctuations in interest rates. Before investing in any mutual fund discuss with your financial advisor how it works with your other investments and your tolerance for risk. Please refer to the prospectus for more information regarding the risks associated with this fund.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns including changes in security value and reinvestment of all distributions/dividends and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

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