



## Annual Management Report of Fund Performance

for the financial year ended August 31, 2015

All figures are reported in Canadian dollars unless otherwise noted.

This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements of the investment fund. If you have not received a copy of the annual financial statements with this annual management report of fund performance, you can get a copy of the annual financial statements at your request, and at no cost, by calling us toll-free at 1-888-888-3863, by writing to us at Renaissance Investments, 1500 Robert-Bourassa Boulevard, Suite 800, Montreal, QC, H3A 3S6, by visiting the SEDAR website at [sedar.com](http://sedar.com), or by visiting [renaissanceinvestments.ca](http://renaissanceinvestments.ca).

Unitholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

### Management Discussion of Fund Performance

#### Investment Objective and Strategies

**Investment Objective:** Frontiers Canadian Fixed Income Pool (the *Pool*) seeks to generate a high level of total investment return by investing primarily in bonds of Canadian governments and companies, that do not mature for at least one year, with a rating of not lower than 'B' by DBRS Limited (*DBRS*), or equivalent.

**Investment Strategies:** The Pool invests primarily in securities issued by Canadian governments and companies, and may also invest in bonds or other debt instruments that are issued or guaranteed by international or supranational agencies, such as the World Bank, or by foreign governments or companies.

#### Risk

The Pool is a Canadian fixed income fund that is suitable for medium-term investors who can tolerate low investment risk.

For the period ended August 31, 2015, the Pool's overall level of risk remains as discussed in the simplified prospectus.

#### Results of Operations

Baker Gilmore & Associates Inc. (*Baker Gilmore*), AllianceBernstein Canada, Inc. (*AllianceBernstein*), Canso Investment Counsel Ltd. (*Canso*), PIMCO Canada Corp. (*PIMCO*), and Brandywine Global Investment Management, LLC (*Brandywine*) have provided investment advice and investment management services to the Pool. These portfolio sub-advisors use different investment styles and the percentage of the Pool allocated to each portfolio sub-advisor will change from time to time.

- Until March 31, 2015, PIMCO: Fixed Income Core Plus, approximately 30%
- Effective April 1, 2015, AllianceBernstein: Fixed Income Core Plus, approximately 35%
- Until March 31, 2015, Brandywine: High Yield, approximately 5%
- Baker Gilmore: Fixed Income Core, approximately 50%

- Canso: Corporate Credit, approximately 15%

The commentary that follows provides a summary of the results of operations for the period ended August 31, 2015. All dollar figures are expressed in thousands, unless otherwise indicated.

The Pool's net asset value decreased by 5% during the period, from \$448,204 as at August 31, 2014 to \$424,362 as at August 31, 2015. Net redemptions of \$37,554 in the period, which included purchases of \$2,626 due to rebalancing of a portfolio product that holds units of the Pool, were partially offset by positive investment performance, resulting in an overall decrease in net asset value.

Class A units of the Pool posted a return of 1.5% for the period. The Pool's benchmark, the FTSE TMX Canada Universe Bond Index (the *benchmark*), returned 4.9% for the same period. The Pool's return is after the deduction of fees and expenses, unlike the benchmark. See *Past Performance* for the returns of other classes of units offered by the Pool.

Bond market volatility rose over the past year as events in many peripheral economies drove global market activity. Developed market government bond yields declined as falling commodity prices reignited concerns about global deflation. Activity in Canadian financial markets was largely driven by the decline in oil prices and the Bank of Canada (*BoC*) lowering its overnight rate from 1.00% to 0.50%. The BoC's actions caused bond yields to fall across the curve.

Currency markets were very volatile, with the U.S. dollar strengthening against most major currencies, especially those of commodity exporters. The Canadian dollar weakened by 18% versus the U.S. dollar. Provincial and corporate credit spreads widened over the period. Long-duration government bonds were the strongest performers, outperforming their corporate bond counterparts.

In the Fixed Income Core Plus component, while sub-advised by PIMCO, moderate underweight exposure to domestic duration holdings detracted from performance as bond yields continued to decline. PIMCO's tactical interest rate positioning in the U.S., U.K.,

eurozone, and Mexico detracted from performance, as did select Russian holdings. Exposure to foreign financial holdings, high-yield securities, and a moderate overweight allocation to domestic government-guaranteed debt contributed to performance.

After AllianceBernstein was appointed as sub-advisor to the Fixed Income Core Plus component, geographic allocation to local Brazil governments significantly detracted from performance, as did a modest underweight allocation to Canada as government securities outperformed. Yield curve positioning also detracted from performance as a result of modest overweight exposure at the long-term end of the Canadian yield curve. Security selection in corporate investment-grade and high-yield bonds was a significant contributor to performance. A modest overweight allocation to the U.S. dollar versus the Canadian dollar also contributed to performance, as did a modest underweight allocation to Canadian provincial bonds.

AllianceBernstein increased exposure to CMBS, to take advantage of improvements in U.S. commercial real estate, and government sponsored enterprise (GSE) debt securities for their attractive valuations. AllianceBernstein also established non-Canadian government holdings in Australia, Brazil, and Spain. South African and Mexican government bonds were both bought and sold, and provincial bond holdings were trimmed in favour of increasing corporate bond exposure.

In the High Yield component, which was eliminated during the period, exposure to the energy and financials sectors detracted from performance, as the energy sector was affected by oil price volatility. Currency positioning was a modest detractor from performance amid weakness in the Brazilian real. Allocations to commercial mortgage-backed securities (CMBS), Portuguese and Spanish sovereign bonds, and the media sub-sector contributed to the component's performance.

In the Fixed Income Core component, a shorter-than-benchmark duration and a flatter yield curve detracted from performance as bond yields moved lower. A moderate overweight exposure to the financials and utilities sectors also detracted from performance, as did security selection within the sovereign and provincial bond sectors.

Moderate individual detractors from performance included Government of Canada Real Return Bond (1.50%, 2044/12/01), which underperformed nominal bonds as yield spreads tightened, and a slight overweight exposure to AAA-rated Canadian National Housing Association MBS. Another slight detractor from performance was an overweight allocation to provincial retractable issue, Province of Manitoba (3.65%, 2031/03/05), which underperformed its peer group.

Individual contributors to performance included a slight overweight exposure to General Electric Capital Corporation floating-rate note (1.09%, 2022/02/15), Trillium Windpower L.P. (5.80%, 2033/02/15), and Great-West Lifeco Inc. (4.65%, 2020/08/13), all of which outperformed their peer groups.

Early in the period, Baker Gilmore purchased new holdings in Royal Bank of Canada and Toronto-Dominion Bank to increase exposure to high-quality financials bonds. Utilities sector exposure was decreased through the sale of holdings in Epcor Utilities Inc., Enbridge Inc., and

TransCanada Pipelines Ltd. in favour of Northland Power Solar Finance One L.P. At the end of the period, however, utilities sector allocation was increased with the purchase of new holdings in Pembina Pipeline Corp., Inter Pipeline Ltd., Enbridge Income Fund, Teranet Holdings L.P., and 407 International Inc. Existing financials and utilities sector holdings in Sun Life Financial Inc., IGM Financial Inc., Hydro One Inc., Greater Toronto Airport Authority, and AltaGas Ltd. were increased.

Baker Gilmore reduced the Pool's duration at the end of September following the release of stronger-than-expected U.S. economic data, but increased duration in early January with the BoC's surprise decision to lower its overnight rate. In April, duration was again shortened relative to the benchmark following strong global and Canadian economic data.

Baker Gilmore also sold the holding in Master Credit Card Trust, and eliminated exposure to asset-backed securities. Additionally, the sub-advisor reduced exposures to Alberta (from slight overweight to neutral), British Columbia (from moderate overweight to slight), and Ontario (from slight overweight to slight underweight), investing the proceeds in other provincial issuers. Real return bond exposure was increased at the beginning of the period and subsequently reduced to realize gains.

In the Corporate Credit component, a moderately shorter duration relative to the benchmark detracted from performance as longer-duration bonds outperformed in a period of falling bond yields. A moderate overweight allocation to corporate bonds was a moderate detractor from performance. Individual detractors included Tuckamore Capital Management Inc. (8.00%, 2016/03/23) and bonds issued by Bombardier Inc.

Security selection contributed to the Corporate Credit component's performance, as did a higher yield-to-maturity than the benchmark. Individual contributors included BlackBerry Ltd. (6.00%, 2020/11/13), Ornge Issuer Trust (5.73%, 2034/06/11), and Xplornet Communications Inc. senior unsecured debt (13.00%, 2020/10/25), up 4.2%, 5.7%, and 9.9% respectively.

Canso purchased Kraft Canada Inc. floating-rate notes, as the sub-advisor believes they have an attractive yield for the risk in a floating-rate structure. Existing holdings in Bombardier Inc. bonds were increased on price weakness. Holdings in Heathrow Funding Limited bonds were eliminated and holdings in bonds issued by Metropolitan Life Global Funding were reduced in favour of other opportunities.

The Pool's higher portfolio turnover rate for the period was due to portfolio sub-advisor changes.

### Recent Developments

Effective April 1, 2015, AllianceBernstein Canada, Inc. replaced PIMCO Canada Corp. and Brandywine Global Investment Management, LLC as portfolio sub-advisors. Baker Gilmore & Associates Inc. and Canso Investment Counsel Ltd. will continue to provide portfolio management services to the Pool.

### *International Financial Reporting Standards (IFRS)*

Investment companies that are publicly accountable enterprises or investment funds to which National Instrument 81-106 - *Investment Fund Continuous Disclosure* is applicable, are required to adopt IFRS for the first time for interim financial reports and annual financial statements relating to annual periods beginning on or after January 1, 2014. As a result, the Pool adopted IFRS as of September 1, 2014 and is publishing its first annual financial statements, prepared in accordance with IFRS for the year ended August 31, 2015. The 2015 interim financial reports and annual financial statements include 2014 comparative financial information and opening Statements of Financial Position as at September 1, 2013. As at August 31, 2015, the impact of the Pool's transition to IFRS is summarized as follows:

- Under IFRS, the Pool measures the fair value of its investments using the guidance in IFRS 13 *Fair Value Measurement*, which requires that if an asset or a liability has a bid price or an ask price, then its fair value is to be based on a price within the bid-ask spread that is most representative of fair value. It also allows the use of mid-market pricing or other pricing conventions that are used by market participants as a practical expedient for fair value measurements within a bid-ask spread. The Pool has adopted accounting policies for the valuation of investments to utilize mid-market prices that align more closely with the calculation of net asset value (NAV) used to price unitholder transactions (*Transaction NAV*).
- IFRS 10 *Consolidated Financial Statements* provides an exception to the consolidation requirements and requires an investment entity to account for its subsidiaries at fair value through profit or loss. The Manager has concluded that the Pool meets the definition of an investment entity as at August 31, 2015, August 31, 2014, September 1, 2013, and throughout the periods ended August 31, 2015 and August 31, 2014.
- Under Canadian generally accepted accounting principles (GAAP), the Pool accounted for its redeemable units as equity. Under IFRS, International Accounting Standard 32 *Financial Instruments Presentation (IAS 32)* requires that units or shares of equity which include a contractual obligation for the issuer to repurchase or redeem them for cash or another financial asset be classified as a financial liability. As at August 31, 2015, August 31, 2014 and September 1, 2013 the Pool's units did not meet the criteria in IAS 32 for classification as equity and therefore have been reclassified as financial liabilities on the Statements of Financial Position.
- IFRS requires the presentation of a Statement of Cash Flows, including comparatives for 2014. The Pool has not previously presented this statement as was permitted under Canadian GAAP.
- Other reclassifications, presentation differences, and additional disclosures are required in the financial statements to comply with IFRS.

### **Related Party Transactions**

CIBC and its affiliates have the following roles and responsibilities with respect to the Pool, and receive the fees described below in connection with their roles and responsibilities.

#### *Manager, Trustee, and Portfolio Advisor of the Pool*

CAMI, a wholly-owned subsidiary of CIBC, is the Manager, Trustee, and Portfolio Advisor of the Pool. CAMI receives management fees with respect to the day-to-day business and operations of the Pool, calculated based on the net asset value of each respective class of units of the Pool as described in *Management Fees*. As Trustee, CAMI holds title to the property (cash and securities) of the Pool on behalf of its unitholders. As Portfolio Advisor, CAMI provides, or arranges to provide, investment advice and portfolio management services to the Pool. CAMI also compensates dealers in connection with their marketing activities regarding the Pool. From time to time, CAMI may provide seed capital to the Pool.

#### *Distributor*

The CIBC Wood Gundy division of CIBC World Markets Inc. (*CIBC WM*) is a dealer through which units of the Pool are sold to investors. CIBC WM is a wholly-owned subsidiary of CIBC. CAMI may pay sales commissions and trailing commissions to the dealer in connection with the sale of units of the Pool. CIBC WM may pay a portion of these sales commissions and trailing commissions to their advisors who sell units of the Pool to investors.

#### *Brokerage Arrangements and Soft Dollars*

Portfolio Advisor and any portfolio sub-advisors make decisions, including the selection of markets and dealers and the negotiation of commissions, with respect to the purchase and sale of portfolio securities, certain derivative products (including futures) and the execution of portfolio transactions. Brokerage business may be allocated by the Portfolio Advisor and any portfolio sub-advisors, to CIBC WM and CIBC World Markets Corp., each a subsidiary of CIBC. CIBC WM and CIBC World Markets Corp. may also earn spreads on the sale of fixed income securities, other securities and certain derivative products (including forwards) to the Pool. A spread is the difference between the bid and ask prices for a security in the applicable marketplace, with respect to the execution of portfolio transactions. The spread will differ based upon various factors such as the nature and liquidity of the security.

CIBC WM and CIBC World Markets Corp. may furnish goods and services, other than order execution, to portfolio sub-advisors when they process trades through them (referred to in the industry as "soft dollar" arrangements). These goods and services assist portfolio sub-advisors with their investment decision-making services for the Pool or relate directly to the execution of portfolio transactions on behalf of the Pool. In accordance with the terms of the sub-advisory agreements, such soft-dollar arrangements are in compliance with applicable laws.

In addition, CAMI may enter into commission recapture arrangements with certain dealers with respect to the Pool. Any commission recaptured will be paid to the Pool.

During the period, the Pool did not pay any brokerage commissions or other fees to CIBC WM or CIBC World Markets Corp. Spreads associated with fixed income and other securities are not ascertainable and, for that reason, cannot be included when determining these amounts.

#### *Pool Transactions*

The Pool may enter into one or more of the following transactions (the *Related Party Transactions*) in reliance on the standing instructions issued by the Independent Review Committee (*IRC*):

- invest in or hold equity securities of CIBC or issuers related to a portfolio sub-advisor;
- invest in or hold non-exchange-traded debt securities of CIBC or an issuer related to CIBC in a primary offering and in the secondary market;
- make an investment in the securities of an issuer for which CIBC WM, CIBC World Markets Corp., or any affiliate of CIBC (a *Related Dealer*) acts as an underwriter during the offering of the securities at any time during the 60-day period following the completion of the offering of such securities (in the case of a “private placement” offering, in accordance with the exemptive relief order granted by the Canadian securities regulatory authorities and in accordance with the policies and procedures relating to such investment);
- purchase equity or debt securities from or sell them to a Related Dealer, where it is acting as principal;
- undertake currency and currency derivative transactions where a Related Dealer is the counterparty; and
- purchase securities from or sell securities to another investment fund or a managed account managed by the Manager or an affiliate of the Manager.

The IRC reviews the Related Party Transactions for which they have issued standing instructions at least annually. The IRC is required to advise the Canadian securities regulatory authorities if it determines that an investment decision was not made in accordance with conditions of its approval.

#### *Custodian*

CIBC Mellon Trust Company is the custodian of the Pool (the *Custodian*). The Custodian holds all cash and securities for the Pool and ensures that those assets are kept separate from any other cash or securities that the custodian might be holding. The Custodian also provides other services to the Pool including record-keeping and processing foreign exchange transactions. The fees and spreads for the services of the Custodian directly related to the execution of portfolio transactions by the Pool are paid by CAMI and/or dealer(s) directed by CAMI, up to the amount of the credits generated under soft dollar arrangements from trading on behalf of the Pool during that month. All other fees and spreads for the services of the

Custodian are paid by the Manager and charged to the Pool on a recoverable basis. CIBC owns a 50% interest in the Custodian.

#### *Service Provider*

CIBC Mellon Global Securities Services Company (*CIBC GSS*) provides certain services to the Pool, including securities lending, fund accounting and reporting, and portfolio valuation. Such servicing fees are paid by the Manager and charged to the Pool on a recoverable basis. CIBC indirectly owns a 50% interest in CIBC GSS.

## Frontiers Canadian Fixed Income Pool

### Financial Highlights

The following tables show selected key financial information about the Pool and are intended to help you understand the Pool's financial performance for the period ended August 31.

#### The Pool's Net Assets per Unit<sup>1</sup> - Class A Units

	2015	2014	2013	2012	2011
<b>Net Assets, beginning of period</b>	\$ 11.82	\$ 11.23	\$ 11.94	\$ 11.83	\$ 11.68
<b>Increase (decrease) from operations:</b>					
Total revenue	\$ 0.21	\$ 0.37	\$ 0.40	\$ 0.42	\$ 0.42
Total expenses	(0.24)	(0.23)	(0.23)	(0.23)	(0.23)
Realized gains (losses) for the period	0.32	0.13	0.07	0.46	0.21
Unrealized gains (losses) for the period	(0.12)	0.50	(0.33)	(0.22)	–
<b>Total increase (decrease) from operations<sup>2</sup></b>	\$ 0.17	\$ 0.77	\$ (0.09)	\$ 0.43	\$ 0.40
<b>Distributions:</b>					
From income (excluding dividends)	\$ 0.17	\$ 0.19	\$ 0.23	\$ 0.21	\$ 0.20
From dividends	–	–	–	–	–
From capital gains	0.03	–	0.38	0.11	0.06
Return of capital	–	0.01	–	–	–
<b>Total Distributions<sup>3</sup></b>	\$ 0.20	\$ 0.20	\$ 0.61	\$ 0.32	\$ 0.26
<b>Net Assets, end of period</b>	\$ 11.81	\$ 11.82	\$ 11.22	\$ 11.94	\$ 11.83

<sup>1</sup> This information is derived from the Pool's audited annual financial statements. The Pool adopted IFRS on September 1, 2014. Previously, the Pool prepared its financial statements in accordance with Canadian Generally Accepted Accounting Principles (GAAP) as defined in Part V of the CPA Canada Handbook. Under Canadian GAAP, the Pool measured fair values of its investments in accordance with CICA Handbook Section 3855 which required the use of bid prices for long positions and ask prices for short positions. As such, the net assets per unit figure presented in the financial statements may differ from the net asset value calculated for fund pricing purposes. An explanation of these differences can be found in the notes to the financial statements issued prior to September 1, 2014. Upon adoption of IFRS, the Pool measures the fair value of its investments by using the close market prices, where the close market price falls within the bid-ask spread. As such, the Pool's accounting policies for measuring the fair value of investments in the financial statements are consistent with those used in measuring the net asset value for transactions with unitholders. Accordingly, the opening net asset figure as at September 1, 2013 reflects the adjusted amount in accordance with IFRS. All figures presented for periods prior to September 1, 2013 were prepared in accordance with Canadian GAAP.

<sup>2</sup> Net assets and distributions are based on the actual number of units outstanding at the relevant time. The total increase (decrease) from operations is based on the weighted average number of units outstanding during the period.

<sup>3</sup> Distributions were paid in cash, reinvested in additional units of the Pool, or both.

#### Ratios and Supplemental Data - Class A Units

	2015	2014	2013	2012	2011
<b>Total Net Asset Value (000s)<sup>4</sup></b>	\$ 64,356	\$ 67,215	\$ 69,248	\$ 78,739	\$ 88,577
<b>Number of Units Outstanding<sup>4</sup></b>	5,450,917	5,685,772	6,166,112	6,587,451	7,481,516
<b>Management Expense Ratio<sup>5</sup></b>	1.97%	1.97%	1.97%	1.96%	1.97%
<b>Management Expense Ratio before waivers or absorptions<sup>6</sup></b>	2.40%	2.42%	2.20%	2.18%	2.24%
<b>Trading Expense Ratio<sup>7</sup></b>	0.02%	0.00%	0.00%	0.00%	0.00%
<b>Portfolio Turnover Rate<sup>8</sup></b>	99.47%	70.21%	84.53%	130.34%	118.01%
<b>Net Asset Value per Unit</b>	\$ 11.81	\$ 11.82	\$ 11.23	\$ 11.95	\$ 11.84

<sup>4</sup> This information is presented as at August 31 of the period(s) shown.

<sup>5</sup> Management expense ratio is based on the total expenses of the fund (excluding commissions and other portfolio transaction costs), incurred by or allocated to a class of units for the period shown, expressed as an annualized percentage of the daily average net asset value of that class during the period.

<sup>6</sup> The decision to waive and/or absorb management fees and operating expenses is at the discretion of the Manager. The practice of waiving and/or absorbing management fees and operating expenses may continue indefinitely or may be terminated at any time without notice to unitholders.

<sup>7</sup> The trading expense ratio represents total commissions and other portfolio transaction costs before income taxes expressed as an annualized percentage of the daily average net asset value during the period. Spreads associated with fixed income securities trading are not ascertainable and, for that reason, are not included in the trading expense ratio calculation.

<sup>8</sup> The portfolio turnover rate indicates how actively the portfolio advisor and/or portfolio sub-advisor manages the portfolio investments. A portfolio turnover rate of 100% is equivalent to a fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a portfolio turnover rate in a period, the greater the trading costs payable by a fund in the period, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

## Frontiers Canadian Fixed Income Pool

### The Pool's Net Assets per Unit<sup>1</sup> - Class C Units

	2015	2014	2013	2012	2011
<b>Net Assets, beginning of period</b>	\$ 10.57	\$ 10.03	\$ 10.69	\$ 10.61	\$ 10.49
<b>Increase (decrease) from operations:</b>					
Total revenue	\$ 0.19	\$ 0.33	\$ 0.36	\$ 0.38	\$ 0.38
Total expenses	(0.10)	(0.10)	(0.10)	(0.10)	(0.10)
Realized gains (losses) for the period	0.29	0.10	0.06	0.42	0.20
Unrealized gains (losses) for the period	(0.13)	0.45	(0.31)	(0.20)	0.01
<b>Total increase (decrease) from operations<sup>2</sup></b>	\$ 0.25	\$ 0.78	\$ 0.01	\$ 0.50	\$ 0.49
<b>Distributions:</b>					
From income (excluding dividends)	\$ 0.25	\$ 0.27	\$ 0.31	\$ 0.28	\$ 0.28
From dividends	—	—	—	—	—
From capital gains	—	—	0.37	0.13	0.07
Return of capital	—	—	—	—	—
<b>Total Distributions<sup>3</sup></b>	\$ 0.25	\$ 0.27	\$ 0.68	\$ 0.41	\$ 0.35
<b>Net Assets, end of period</b>	\$ 10.59	\$ 10.57	\$ 10.02	\$ 10.69	\$ 10.61

<sup>1</sup> This information is derived from the Pool's audited annual financial statements. The Pool adopted IFRS on September 1, 2014. Previously, the Pool prepared its financial statements in accordance with Canadian Generally Accepted Accounting Principles (GAAP) as defined in Part V of the CPA Canada Handbook. Under Canadian GAAP, the Pool measured fair values of its investments in accordance with CICA Handbook Section 3855 which required the use of bid prices for long positions and ask prices for short positions. As such, the net assets per unit figure presented in the financial statements may differ from the net asset value calculated for fund pricing purposes. An explanation of these differences can be found in the notes to the financial statements issued prior to September 1, 2014. Upon adoption of IFRS, the Pool measures the fair value of its investments by using the close market prices, where the close market price falls within the bid-ask spread. As such, the Pool's accounting policies for measuring the fair value of investments in the financial statements are consistent with those used in measuring the net asset value for transactions with unitholders. Accordingly, the opening net asset figure as at September 1, 2013 reflects the adjusted amount in accordance with IFRS. All figures presented for periods prior to September 1, 2013 were prepared in accordance with Canadian GAAP.

<sup>2</sup> Net assets and distributions are based on the actual number of units outstanding at the relevant time. The total increase (decrease) from operations is based on the weighted average number of units outstanding during the period.

<sup>3</sup> Distributions were paid in cash, reinvested in additional units of the Pool, or both.

### Ratios and Supplemental Data - Class C Units

	2015	2014	2013	2012	2011
<b>Total Net Asset Value (000s)<sup>4</sup></b>	\$ 13,531	\$ 20,677	\$ 44,636	\$ 49,028	\$ 51,503
<b>Number of Units Outstanding<sup>4</sup></b>	1,278,194	1,956,452	4,448,841	4,580,237	4,851,725
<b>Management Expense Ratio<sup>5</sup></b>	0.96%	0.96%	0.96%	0.95%	0.96%
<b>Management Expense Ratio before waivers or absorptions<sup>6</sup></b>	1.35%	1.34%	1.17%	1.15%	1.18%
<b>Trading Expense Ratio<sup>7</sup></b>	0.02%	0.00%	0.00%	0.00%	0.00%
<b>Portfolio Turnover Rate<sup>8</sup></b>	99.47%	70.21%	84.53%	130.34%	118.01%
<b>Net Asset Value per Unit</b>	\$ 10.59	\$ 10.57	\$ 10.03	\$ 10.70	\$ 10.62

<sup>4</sup> This information is presented as at August 31 of the period(s) shown.

<sup>5</sup> Management expense ratio is based on the total expenses of the fund (excluding commissions and other portfolio transaction costs), incurred by or allocated to a class of units for the period shown, expressed as an annualized percentage of the daily average net asset value of that class during the period.

<sup>6</sup> The decision to waive and/or absorb management fees and operating expenses is at the discretion of the Manager. The practice of waiving and/or absorbing management fees and operating expenses may continue indefinitely or may be terminated at any time without notice to unitholders.

<sup>7</sup> The trading expense ratio represents total commissions and other portfolio transaction costs before income taxes expressed as an annualized percentage of the daily average net asset value during the period. Spreads associated with fixed income securities trading are not ascertainable and, for that reason, are not included in the trading expense ratio calculation.

<sup>8</sup> The portfolio turnover rate indicates how actively the portfolio advisor and/or portfolio sub-advisor manages the portfolio investments. A portfolio turnover rate of 100% is equivalent to a fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a portfolio turnover rate in a period, the greater the trading costs payable by a fund in the period, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

## Frontiers Canadian Fixed Income Pool

### The Pool's Net Assets per Unit<sup>1</sup> - Class I Units

	2015	2014	2013	2012	2011
<b>Net Assets, beginning of period</b>	\$ 10.69	\$ 10.13	\$ 10.77	\$ 10.66	\$ 10.52
<b>Increase (decrease) from operations:</b>					
Total revenue	\$ 0.19	\$ 0.36	\$ 0.37	\$ 0.38	\$ 0.38
Total expenses	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)
Realized gains (losses) for the period	0.30	0.14	0.06	0.45	0.19
Unrealized gains (losses) for the period	(0.09)	0.47	(0.27)	(0.23)	(0.01)
<b>Total increase (decrease) from operations<sup>2</sup></b>	\$ 0.36	\$ 0.93	\$ 0.12	\$ 0.56	\$ 0.52
<b>Distributions:</b>					
From income (excluding dividends)	\$ 0.32	\$ 0.32	\$ 0.37	\$ 0.34	\$ 0.33
From dividends	—	—	—	—	—
From capital gains	0.06	—	0.34	0.11	0.06
Return of capital	—	—	—	—	—
<b>Total Distributions<sup>3</sup></b>	\$ 0.38	\$ 0.32	\$ 0.71	\$ 0.45	\$ 0.39
<b>Net Assets, end of period</b>	\$ 10.64	\$ 10.69	\$ 10.12	\$ 10.77	\$ 10.66

<sup>1</sup> This information is derived from the Pool's audited annual financial statements. The Pool adopted IFRS on September 1, 2014. Previously, the Pool prepared its financial statements in accordance with Canadian Generally Accepted Accounting Principles (GAAP) as defined in Part V of the CPA Canada Handbook. Under Canadian GAAP, the Pool measured fair values of its investments in accordance with CICA Handbook Section 3855 which required the use of bid prices for long positions and ask prices for short positions. As such, the net assets per unit figure presented in the financial statements may differ from the net asset value calculated for fund pricing purposes. An explanation of these differences can be found in the notes to the financial statements issued prior to September 1, 2014. Upon adoption of IFRS, the Pool measures the fair value of its investments by using the close market prices, where the close market price falls within the bid-ask spread. As such, the Pool's accounting policies for measuring the fair value of investments in the financial statements are consistent with those used in measuring the net asset value for transactions with unitholders. Accordingly, the opening net asset figure as at September 1, 2013 reflects the adjusted amount in accordance with IFRS. All figures presented for periods prior to September 1, 2013 were prepared in accordance with Canadian GAAP.

<sup>2</sup> Net assets and distributions are based on the actual number of units outstanding at the relevant time. The total increase (decrease) from operations is based on the weighted average number of units outstanding during the period.

<sup>3</sup> Distributions were paid in cash, reinvested in additional units of the Pool, or both.

### Ratios and Supplemental Data - Class I Units

	2015	2014	2013	2012	2011
<b>Total Net Asset Value (000s)<sup>4</sup></b>	\$ 5,447	\$ 1,231	\$ 320	\$ 565	\$ 474
<b>Number of Units Outstanding<sup>4</sup></b>	511,945	115,180	31,566	52,358	44,410
<b>Management Expense Ratio<sup>5</sup></b>	0.39%	0.38%	0.39%	0.39%	0.40%
<b>Management Expense Ratio before waivers or absorptions<sup>6</sup></b>	0.64%	0.70%	0.61%	0.60%	0.62%
<b>Trading Expense Ratio<sup>7</sup></b>	0.02%	0.00%	0.00%	0.00%	0.00%
<b>Portfolio Turnover Rate<sup>8</sup></b>	99.47%	70.21%	84.53%	130.34%	118.01%
<b>Net Asset Value per Unit</b>	\$ 10.64	\$ 10.69	\$ 10.13	\$ 10.78	\$ 10.67

<sup>4</sup> This information is presented as at August 31 of the period(s) shown.

<sup>5</sup> Management expense ratio is based on the total expenses of the fund (excluding commissions and other portfolio transaction costs), incurred by or allocated to a class of units for the period shown, expressed as an annualized percentage of the daily average net asset value of that class during the period.

<sup>6</sup> The decision to waive and/or absorb management fees and operating expenses is at the discretion of the Manager. The practice of waiving and/or absorbing management fees and operating expenses may continue indefinitely or may be terminated at any time without notice to unitholders.

<sup>7</sup> The trading expense ratio represents total commissions and other portfolio transaction costs before income taxes expressed as an annualized percentage of the daily average net asset value during the period. Spreads associated with fixed income securities trading are not ascertainable and, for that reason, are not included in the trading expense ratio calculation.

<sup>8</sup> The portfolio turnover rate indicates how actively the portfolio advisor and/or portfolio sub-advisor manages the portfolio investments. A portfolio turnover rate of 100% is equivalent to a fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a portfolio turnover rate in a period, the greater the trading costs payable by a fund in the period, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

## Frontiers Canadian Fixed Income Pool

### The Pool's Net Assets per Unit<sup>1</sup> - Class O Units

	2015	2014	2013	2012	2011
<b>Net Assets, beginning of period</b>	\$ 10.62	\$ 10.08	\$ 10.73	\$ 10.66	\$ 10.55
<b>Increase (decrease) from operations:</b>					
Total revenue	\$ 0.19	\$ 0.34	\$ 0.36	\$ 0.38	\$ 0.38
Total expenses	—	—	—	—	—
Realized gains (losses) for the period	0.29	0.12	0.06	0.41	0.20
Unrealized gains (losses) for the period	(0.11)	0.45	(0.30)	(0.19)	0.02
<b>Total increase (decrease) from operations<sup>2</sup></b>	\$ 0.37	\$ 0.91	\$ 0.12	\$ 0.60	\$ 0.60
<b>Distributions:</b>					
From income (excluding dividends)	\$ 0.35	\$ 0.37	\$ 0.41	\$ 0.38	\$ 0.38
From dividends	—	—	—	—	—
From capital gains	0.03	—	0.36	0.14	0.09
Return of capital	—	—	—	—	—
<b>Total Distributions<sup>3</sup></b>	\$ 0.38	\$ 0.37	\$ 0.77	\$ 0.52	\$ 0.47
<b>Net Assets, end of period</b>	\$ 10.61	\$ 10.62	\$ 10.07	\$ 10.73	\$ 10.66

<sup>1</sup> This information is derived from the Pool's audited annual financial statements. The Pool adopted IFRS on September 1, 2014. Previously, the Pool prepared its financial statements in accordance with Canadian Generally Accepted Accounting Principles (GAAP) as defined in Part V of the CPA Canada Handbook. Under Canadian GAAP, the Pool measured fair values of its investments in accordance with CICA Handbook Section 3855 which required the use of bid prices for long positions and ask prices for short positions. As such, the net assets per unit figure presented in the financial statements may differ from the net asset value calculated for fund pricing purposes. An explanation of these differences can be found in the notes to the financial statements issued prior to September 1, 2014. Upon adoption of IFRS, the Pool measures the fair value of its investments by using the close market prices, where the close market price falls within the bid-ask spread. As such, the Pool's accounting policies for measuring the fair value of investments in the financial statements are consistent with those used in measuring the net asset value for transactions with unitholders. Accordingly, the opening net asset figure as at September 1, 2013 reflects the adjusted amount in accordance with IFRS. All figures presented for periods prior to September 1, 2013 were prepared in accordance with Canadian GAAP.

<sup>2</sup> Net assets and distributions are based on the actual number of units outstanding at the relevant time. The total increase (decrease) from operations is based on the weighted average number of units outstanding during the period.

<sup>3</sup> Distributions were paid in cash, reinvested in additional units of the Pool, or both.

### Ratios and Supplemental Data - Class O Units

	2015	2014	2013	2012	2011
<b>Total Net Asset Value (000s)<sup>4</sup></b>	\$ 341,028	\$ 359,081	\$ 338,068	\$ 384,555	\$ 433,799
<b>Number of Units Outstanding<sup>4</sup></b>	32,142,188	33,801,550	33,529,336	35,786,170	40,678,251
<b>Management Expense Ratio<sup>5</sup></b>	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Management Expense Ratio before waivers or absorptions<sup>6</sup></b>	0.01%	0.01%	0.01%	0.01%	0.00%
<b>Trading Expense Ratio<sup>7</sup></b>	0.02%	0.00%	0.00%	0.00%	0.00%
<b>Portfolio Turnover Rate<sup>8</sup></b>	99.47%	70.21%	84.53%	130.34%	118.01%
<b>Net Asset Value per Unit</b>	\$ 10.61	\$ 10.62	\$ 10.08	\$ 10.75	\$ 10.66

<sup>4</sup> This information is presented as at August 31 of the period(s) shown.

<sup>5</sup> Management expense ratio is based on the total expenses of the fund (excluding commissions and other portfolio transaction costs), incurred by or allocated to a class of units for the period shown, expressed as an annualized percentage of the daily average net asset value of that class during the period.

<sup>6</sup> The decision to waive and/or absorb management fees and operating expenses is at the discretion of the Manager. The practice of waiving and/or absorbing management fees and operating expenses may continue indefinitely or may be terminated at any time without notice to unitholders.

<sup>7</sup> The trading expense ratio represents total commissions and other portfolio transaction costs before income taxes expressed as an annualized percentage of the daily average net asset value during the period. Spreads associated with fixed income securities trading are not ascertainable and, for that reason, are not included in the trading expense ratio calculation.

<sup>8</sup> The portfolio turnover rate indicates how actively the portfolio advisor and/or portfolio sub-advisor manages the portfolio investments. A portfolio turnover rate of 100% is equivalent to a fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a portfolio turnover rate in a period, the greater the trading costs payable by a fund in the period, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

## Management Fees

The Pool, either directly or indirectly, pays an annual management fee to CAMI to cover the costs of managing the Pool. Management fees are based on the net asset value of the Pool and are calculated daily and paid monthly. Management fees are paid to CAMI in consideration for providing, or arranging for the provision of, management, distribution, and portfolio advisory services. Advertising and promotional expenses, office overhead expenses, trailing commissions, and the fees of the portfolio sub-advisor(s) are paid by CAMI out of the management fees received from the Pool. The Pool is required to pay applicable taxes on the management fees paid to CAMI. Refer to the simplified prospectus for the maximum annual management fee rate. For Class O units, the management fee is negotiated with and paid by, or as directed by, unitholders or dealers and discretionary managers on behalf of unitholders. Such Class O management fee will not exceed the Class I unit management fee rate.

The following table shows a breakdown of the services received in consideration of the management fees, as a percentage of the management fees collected from the Pool for the period ended August 31, 2015. These amounts do not include waived fees or absorbed expenses.

	Class A Units	Class C Units	Class I Units
Sales and trailing commissions paid to dealers	65.11%	59.51%	0.00%
General administration, investment advice, and profit	34.89%	40.49%	100.00%

## Past Performance

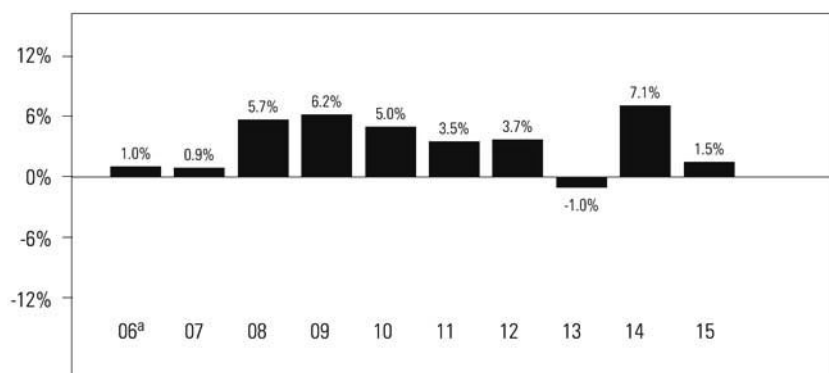
The performance data provided assumes reinvestment of distributions only and does not take into account sales, redemption, distribution, or other optional charges payable by any unitholder that would have reduced returns. Past performance does not necessarily indicate how a fund will perform in the future.

The Pool's returns are after the deduction of fees and expenses, and the difference in returns between classes of units is primarily due to differences in the management expense ratio. See *Financial Highlights* for the management expense ratio.

## Year-by-Year Returns

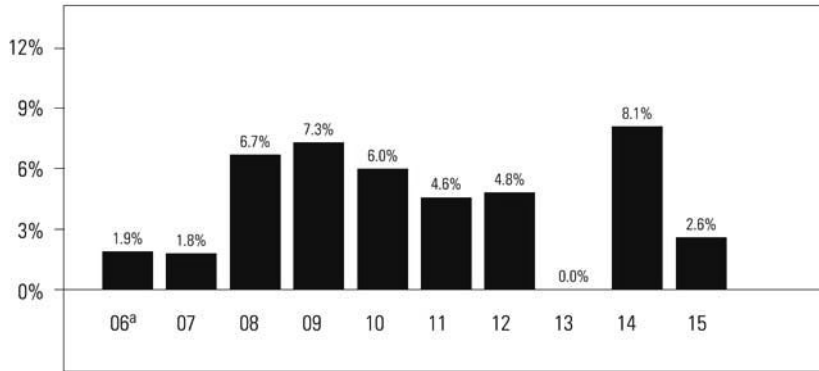
These bar charts show the annual performance of each class of units of the Pool for each of the periods shown, and illustrate how the performance has changed from period to period. The bar charts show, in percentage terms, how much an investment made on September 1 would have increased or decreased by August 31, unless otherwise indicated.

Class A Units



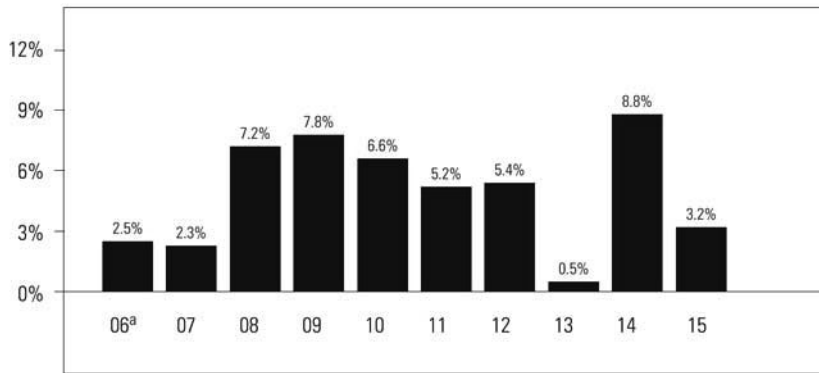
<sup>a</sup> 2006 return is for the period from October 1, 2005 to August 31, 2006.

Class C Units



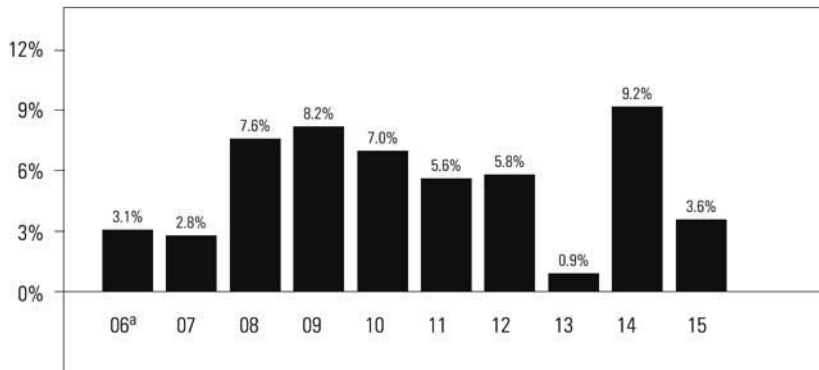
<sup>a</sup> 2006 return is for the period from February 17, 2006 to August 31, 2006.

Class I Units



<sup>a</sup> 2006 return is for the period from March 10, 2006 to August 31, 2006.

Class O Units



<sup>a</sup> 2006 return is for the period from October 1, 2005 to August 31, 2006.

**Annual Compound Returns**

This table shows the annual compound return of each class of units of the Pool for each indicated period ended on August 31, 2015. The annual compound return is also compared to the Pool's benchmark(s).

The Pool's benchmark is the FTSE TMX Canada Universe Bond Index.

**Frontiers Canadian Fixed Income Pool**

	<i>1 Year</i>	<i>3 Years</i>	<i>5 Years</i>	<i>10 Years*</i>	<i>or</i>	<i>Since Inception*</i>	<i>Inception Date</i>
Class A units	1.5%	2.5%	2.9%	3.2%			November 24, 1999
FTSE TMX Canada Universe Bond Index	4.9%	3.7%	4.6%	4.9%			
Class C units	2.6%	3.5%	4.0%			4.6%	February 17, 2006
FTSE TMX Canada Universe Bond Index	4.9%	3.7%	4.6%			5.2%	
Class I units	3.2%	4.1%	4.6%			5.2%	March 10, 2006
FTSE TMX Canada Universe Bond Index	4.9%	3.7%	4.6%			5.3%	
Class O units	3.6%	4.5%	5.0%	5.3%			March 15, 2005
FTSE TMX Canada Universe Bond Index	4.9%	3.7%	4.6%	4.9%			

\* If a class of units has been outstanding for less than 10 years, the annual compound return since inception is shown.

**FTSE TMX Canada Universe Bond Index** is comprised of marketable Canadian bonds intended to reflect the performance of the broad Canadian investment-grade bond market. Returns are calculated daily and are weighted by market capitalization.

A discussion of the relative performance of the Pool compared to its primary benchmark(s) can be found in *Results of Operations*.

## Frontiers Canadian Fixed Income Pool

### Summary of Investment Portfolio (as at August 31, 2015)

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund. A quarterly update is available by visiting [renaissanceinvestments.ca](http://renaissanceinvestments.ca). The Top Positions table shows a fund's 25 largest positions. For funds with fewer than 25 positions in total, all positions are shown. Cash and cash equivalents are shown in total as one position.

<i>Portfolio Breakdown</i>	<i>% of Net Asset Value</i>	<i>Top Positions</i>	<i>% of Net Asset Value</i>
Provincial Government & Guaranteed Bonds	33.2	Cash & Cash Equivalents	3.3
Corporate Bonds	20.8	Government of Canada, 5.00%, 2037/06/01	3.1
Government of Canada & Guaranteed Bonds	18.7	Province of Ontario, 5.60%, 2035/06/02	2.9
Foreign Currency Bonds	16.1	Province of Manitoba, Step Coupon, Puttable, 2031/03/05	2.9
Mortgage-Backed Securities	6.9	Canada Housing Trust No. 1, Floating Rate, 0.96%, 2020/03/15	2.6
Cash & Cash Equivalents	3.3	Province of Ontario, 3.50%, 2024/06/02	2.4
Municipal Government & Guaranteed Bonds	2.0	Government of Canada, 3.50%, 2045/12/01	2.1
Other Assets, less Liabilities	0.6	Province of Quebec, 3.50%, 2022/12/01	2.1
Futures Contracts - Fixed Income	-1.6	Hydro-Québec, Floating Rate, 1.18%, 2018/09/03	1.7
		Province of Quebec, 5.00%, 2041/12/01	1.7
		Province of Ontario, 3.45%, 2045/06/02	1.6
		PSP Capital Inc., 3.03%, 2020/10/22	1.5
		NHA MBS Merrill Lynch Canada Inc., 2.14%, 2017/05/01	1.5
		Canada Housing Trust No. 1, Floating Rate, 1.11%, 2017/09/15	1.4
		Province of Quebec, 2.75%, 2025/09/01	1.4
		Canada Housing Trust No. 1, 2.55%, 2025/03/15	1.4
		Province of Manitoba, Floating Rate, 1.23%, 2018/04/02	1.3
		Canada Housing Trust No. 1, 2.75%, 2016/06/15	1.2
		Canada Housing Trust No. 1, Floating Rate, 0.95%, 2018/09/15	1.2
		Canada Housing Trust No. 1, 3.75%, 2020/03/15	1.2
		Royal Bank of Canada, Floating Rate, 1.36%, 2020/03/23	1.1
		Municipal Finance Authority of British Columbia, 4.60%, 2018/04/23	1.1
		Province of Ontario, 5.85%, 2033/03/08	1.0
		Province of British Columbia, 6.35%, 2031/06/18	1.0
		BlackBerry Ltd., Convertible, Callable, 6.00%, 2020/11/13	1.0

The management report of fund performance may contain forward-looking statements. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates”, or other similar wording. In addition, any statements that may be made concerning future performance, strategies, or prospects and possible future actions taken by the fund, are also forward-looking statements. These statements involve known and unknown risks, uncertainties, and other factors that may cause the actual results and achievements of the fund to differ materially from those expressed or implied by such statements. Such factors include, but are not limited to: general economic, market, and business conditions; fluctuations in securities prices, interest rates, and foreign currency exchange rates; changes in government regulations; and catastrophic events. CIBC Asset Management Inc. does not undertake, and specifically disclaims, any obligation to update or revise any forward-looking statements, whether as a result of new information, future developments, or otherwise prior to the release of the next management report of fund performance.

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