

**Renaissance Optimal Conservative Income Portfolio - Class F**  
(the "Fund")

**PFIC Annual Information Statement for the Year Ended June 30, 2016**

**IMPORTANT TAX NOTICE TO U.S. UNITHOLDERS OF THE FUND**

This statement is provided for unitholders who are U.S. persons for purposes of the U.S. Internal Revenue Code of 1986, as amended ("Code") and the regulations thereunder. It is not relevant to other unitholders. U.S. persons include U.S. citizens (whether or not they are U.S. residents), certain individuals with U.S. permanent resident status, U.S. corporations, and certain U.S. trusts and estates.

The Fund may be deemed to be classified as a Passive Foreign Investment Company (PFIC) as defined in Code Section 1297(a) for its U.S. tax year ended June 30, 2016.

The attached PFIC Annual Information Statement is being provided pursuant to the requirements of Treasury Regulation Section 1.1295-1(g) (1). The PFIC Annual Information Statement contains information to enable you (should you so choose based on your personal tax circumstances) to elect to treat the Fund as a qualified electing fund (QEF) for the U.S. tax year ended June 30, 2016.

A U.S. unitholder who makes a QEF election is required to annually include in his or her income, the pro-rata share of ordinary earnings and net capital gains of the Fund, whether or not that Fund distributes any amounts to its shareholders.

While the choice of whether the QEF election is appropriate for you will depend on your personal circumstances, please note that the QEF election is the only way that appreciation in the value of the Fund can be eligible for U.S. taxation at the more favorable capital gains rates.

The QEF election is generally made on Form 8621 (*Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund*) on or before the due date, including extensions, for the income tax return with respect to the tax year to which the election relates. Unitholders who are U.S. persons are required to report their holdings of the Fund on Form 8621 whether or not they make the QEF election. Where a U.S. person is a unitholder in a Fund that holds other funds in its portfolio, that person is an indirect investor in the lower-tier funds and is required to file a separate Form 8621 report for each of the lower-tier funds. The attached information is designed to enable a unitholder to make a QEF election for both directly held top-tier and indirectly held lower-tier funds.

This information is provided in order to assist unitholders in making calculations and does not constitute tax advice. For help with these calculations, Renaissance Investments suggests that investors consult with a qualified U.S. tax advisor.

Further information on PFIC rules and the QEF election is available on the Internal Revenue Service website at [www.irs.gov/instructions/i8621/ch01.html](http://www.irs.gov/instructions/i8621/ch01.html).

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**PFIC Annual Information Statement For the Year ended June 30, 2016**

- 1) This Information Statement applies to the taxable year of the Fund commencing on July 1, 2015 and ending on June 30, 2016.
- 2) The pro-rata per-unit per-day shares of ordinary earnings and net capital gains of these funds and their per-unit amounts distributed by Renaissance Optimal Conservative Income Portfolio - Class F, Renaissance Global Bond Fund, Renaissance High-Yield Bond Fund, Renaissance Canadian Bond Fund, Renaissance Canadian Dividend Fund, Renaissance Global Infrastructure Fund, Renaissance Floating Rate Income Fund, Renaissance Real Return Bond Fund, and Renaissance Short-Term Income Fund owned indirectly through Renaissance Optimal Conservative Income Portfolio - Class F for the period specified in paragraph 1 are as follows:

Fund	Original Earnings (US\$)	Net Capital Gains (US\$)
Renaissance Optimal Conservative Income Portfolio - Class F	0.0005670434	0.0001263234
Renaissance High-Yield Bond Fund	0.0000660245	-
Renaissance Canadian Dividend Fund	0.0000376653	-
Renaissance Real Return Bond Fund	0.0000362022	0.0000094099
Renaissance Global Infrastructure Fund	0.0000288568	0.0000514653
Renaissance Floating Rate Income Fund	0.0001255050	-
Renaissance Canadian Bond Fund	0.0003204644	-
Renaissance Short-Term Income Fund	0.0000679897	-
Renaissance Global Bond Fund	0.0000585637	0.0000111196

Renaissance Optimal Conservative Income Portfolio - Class F	Distribution (US\$)	Price (US\$)
7/31/2015	0.0140	8.1991
8/31/2015	0.0130	8.0150
9/30/2015	0.0229	7.8351
10/31/2015	0.0139	8.0212
11/30/2015	0.0134	7.8433
12/31/2015	0.0457	7.5420
1/31/2016	0.0172	7.4189
2/29/2016	0.0126	7.6256
3/31/2016	0.0195	8.0708
4/30/2016	0.0123	8.3426
5/31/2016	0.0140	8.0830
6/30/2016	0.0262	8.2433

- 3) For each PFIC, your U.S. tax preparer requires the following:
  - The PFIC Annual Information Statement for the fund provided by Renaissance Investments
  - Your account statements for the tax year provided by your investment dealer

- i) The PFIC Annual Information Statement will provide the pro-rata share of the fund's ordinary earnings, net capital gain per unit per day.

To calculate your individual amounts for a QEF election, multiply the number of unit days you held the fund series by the pro-rata amounts provided above.

To calculate the number of unit days, multiply the number of units held by the number of days the units were held for the tax year. For example, an account that held 1000 units of a fund for the full year (July 1, 2015 to June 30, 2016, 366 days), the number of unit days would be  $1000 \times 366 = 366,000$ . If those units were held for 181 days (July 1, 2015 to December 28, 2015), the number of unit days would be  $1000 \times 181 = 181,000$ . This value would then be multiplied by the pro-rata values on the Annual Information Statement and reported on IRS [Form 8621](#).

If the number of units changes over the course of the year, the unit days calculation should be adjusted accordingly. For example, consider an account that starts the year with 1000 units then, 66 days into the year, another 1000 units are purchased (increasing the total number of units to 2000). If no other changes are made for the remaining 300 days of the year, the unit days calculation would be:  $(1000 \text{ units} \times 66 \text{ days}) + (2000 \text{ units} \times 300 \text{ days}) = 666,000$  unit days.

- ii) The PFIC Annual Information Statement will provide the per unit amounts distributed by the Fund.

To calculate your individual amounts for a QEF election, multiply the number of units you held of the Fund series by the per unit amounts provided above.

- 4) The Fund will, upon receipt of request, permit you to inspect and copy its permanent books of account, records, and other such documents as may be maintained by the Fund. This is to establish that their respective ordinary earnings and net capital gains are computed in accordance with U.S. income tax principles, and to verify these amounts and your pro-rata shares thereof.

**Renaissance Optimal Conservative Income Portfolio - Class F**



Executive Director,  
Product Development & Management  
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