

## Introduction

This document explains the holdings, risk profile and performance of the Mylo Fixed Income ETF Fund.

## Who should invest in this fund?

This fund is for investors who:

- Have a short- or medium-term goal and can afford low to medium risk.
- Are looking for an investment that provides moderate income.
- Want to invest in a diverse portfolio that is mostly selected from the Canadian bond market and benefit from greater downside protection.

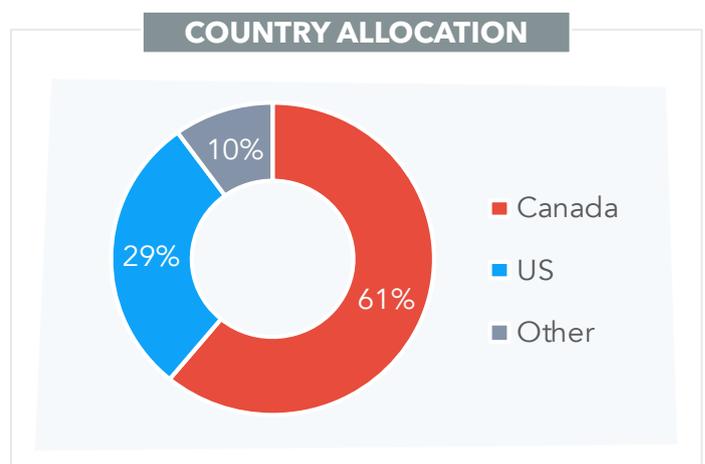
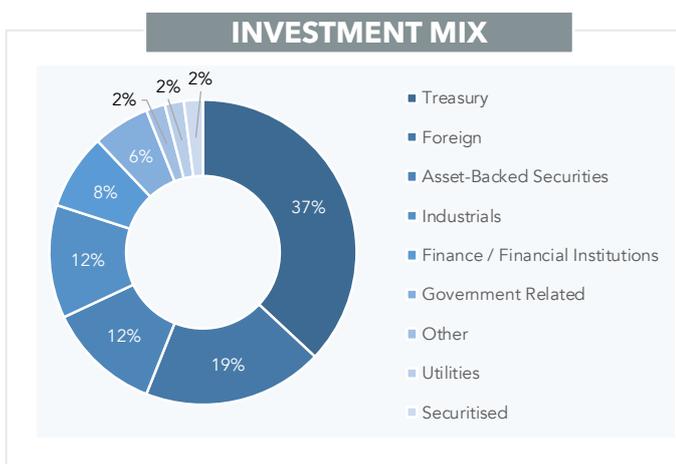
Quick Facts		How much does it cost?			
Internal Fund Code	<b>TXT016</b>	Management and Administration Fee	<b>\$0.00</b>		
Inception Date	<b>April 21, 2017</b>	Sales Commission and Fees	<b>\$0.00</b>		
Net Asset Value (NAV)	<b>\$1.31 million</b>	Service Fee (Trailing Commission)	<b>\$0.00</b>		
Net Asset Value per Share (NAVPS)	<b>\$4.94</b>	Management Expense Ratio (MER)	<b>0.00%</b>		
Minimum Investment	<b>None</b>	<b>ETF Characteristics</b>			
Management Expense Ratio (MER)	<b>0.00%</b>				
Fund Manager	<b>Tactex Asset Management Inc.</b>			Number of Bonds	<b>14,246</b>
Investment Manager	<b>Tactex Asset Management Inc.</b>			Effective YTM	<b>2.63%</b>
Trustee	<b>TSX Trust Company</b>	Average Coupon	<b>3.12%</b>		
Eligible for RRSP and TFSA	<b>Yes</b>	Average Duration	<b>7.2 years</b>		
Distributions	<b>Annually on December 31</b>	Average Maturity	<b>9.4 years</b>		

## What does the Fund invest in?

**Fund Objective:** Provide investors with exposure to fixed income markets in Canada, the United States, and other developed markets.

**Fund Strategy:** The Fund will invest in ETFs selected to provide a risk/return profile tracking the composite index or similar indices listed to the right.

	Breakdown
Bloomberg Barclays Global Aggregate Canadian Float Adjusted Bond Index	60%
Bloomberg Barclays U.S. Aggregate Float Adjusted Bond Index (CAD Hedged)	30%
Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index (CAD Hedged)	10%



## What does the Fund invest in?

### Credit Rating of Bonds

U.S. Government	19.4%
Aaa	29.6%
Aa	23.7%
A	15.6%
Baa	11.7%
Not Rated	0.1%

### Fund Holdings

Asset Class	Ticker	% of Net Asset Value
Canadian Bonds	VAB	58.8%
US Bonds	VBU	29.5%
International Bonds	VBG	9.7%
Canadian Cash	CAD	2.0%

## How has the Fund performed?

The following performance data represents past performance. As of June 30, 2018, the lowest return for the year was in July (-1.13%) and the highest return was in August (1.02%). The return since inception is -0.87%.

Performance of \$100 invested at inception



Month by month returns



## How risky is it?

Tactex Asset Management rates the Fund low to medium risk.



A method of measuring risk is to see how much a fund's returns change overtime. This is called volatility. A high volatility means that the returns change the most often over time while a lower volatility typically have returns that change less over time. This means that there's a lower risk of losing your money.

## Portfolio management team

**Liam Cheung, M.Sc, Ph.D, CFA, AFA**, is CEO and senior Portfolio Manager at Tactex Asset Management with over 25 years of experience in the financial services and technology sectors. **David Fortin, CFA**, is the COO, CCO and Portfolio Manager at Tactex Asset Management. He is responsible for the day-to-day management of key operating and compliance functions.

## What Funds are in a portfolio?

Your portfolio manager may invest your money in one or several of three funds depending on the portfolio they select for you –the Mylo Money Market Fund, the Mylo Fixed Income Fund and the Mylo Equity Fund–depending on your financial situation, time horizon and risk aversion. The chart to the right breaks down the five different kinds of portfolios.

	Conservative	Conservative - Moderate	Moderate	Moderate - Aggressive	Aggressive
Money Market Fund	100%	40%			
Fixed Income Fund		60%	60%	40%	20%
Equity Fund			40%	60%	80%

## A word about tax

As with most investments, income tax must be paid on any money earned on a fund. The amount paid for income tax is determined by the tax laws in your province and country of residence, the type of distributions made by the fund and if the fund is held in a registered plan (such as a Registered Retirement Savings Plan or Tax-Free Savings Account).

Note that if your funds are held in a non-registered account, the fund distributions and capital gains are included in your taxable income whether you get them in cash or have them reinvested.

Investors are urged to consult with their own tax advisors to determine the tax consequences to them of an investment in the Mylo Fixed Income ETF Fund.

## Glossary

**NAV (Net Asset Value)** is the total dollar amount of assets that are in a fund, and it grows as more people invest in the fund.

**NAVPS (Net Asset Value Per Share)** is the price of each unit in the fund, and it increases when the fund performs well. All Mylo Funds began at \$5.00.

**MER (Management Expense Ratio)** is the ongoing cost of operating the fund that is charged to the fund, which reduces overall returns. We do not charge management fees or any other fees on Mylo Funds.

**Effective YTM (Yield to Maturity)** is the total return expected on a bond if it is held until it matures.

**Average Coupon** is the average annual interest payment for a bond measured as a percentage.

**Average Duration** measures how the bond's price will react to changes in interest rates.

**Average Maturity** is the average time when the bond will expire (after which the bond issuer must repay the principal investment to their investors).

## For more information, contact



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**Notice to readers:** The information contained in this document is provided for general information purposes only and cannot be considered as constituting legal, tax, financial or professional advice. Holdings, Investment Mix, Country Allocation, ETF Characteristics and Credit Quality of Bonds are as of June 30, 2018. They are subject to change. For updated information, contact Tactex Asset Management. Diversification does not assure a profit nor protect against a loss in a declining market. Index Comparisons: Bloomberg Barclays Global Aggregate Canadian Float Adjusted Bond Index, Bloomberg Barclays U.S. Aggregate Float Adjusted Bond Index (CAD Hedged), and Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index (CAD Hedged) are bond indexes consisting of a total of 14,246 estimated bonds. Index results assume the re-investment of all coupons. The Fund's holdings may differ from the securities that comprise the index. The index is not a projection, prediction or guarantee of performance. Past performance does not guarantee future results. Credit Ratings: Credit-quality ratings use ratings derived from Moody's Investors Service, Standard & Poor's, and Fitch Ratings. Table is presented in Moody's assigned bond credit ratings.