

INVESTMENT OBJECTIVE

The FGP Private International Equity Fund (the “Fund”) aims to generate an attractive total investment return through long-term capital growth as well as dividend and other income. To achieve this, the Fund will invest primarily in a diversified mix of non-North American equity securities. The Fund is oriented to taxable individuals and organizations and its objective is to optimize after-tax returns.

PERFORMANCE OBJECTIVE

The Fund’s objective is to exceed the return of its Performance Benchmark over five-year periods.

INVESTMENT STRATEGY

FGP employs a long-term, bottom-up value-oriented approach to security selection. The portfolio manager, supported by FGP’s research team, is responsible for security selection and portfolio construction within FGP’s diversification and risk control guidelines.

Performance Benchmark

MSCI EAFE Index (Net, C\$)

PERMISSIBLE INVESTMENTS

Eligible equity investments include publicly-listed common and preferred shares, debentures convertible into common or preferred shares, installment receipts, American Depository Receipts, Global Depository Receipts and exchange-traded index participation units.

Eligible cash and money market investments include cash and demand deposits, short term debt securities of Canadian government(s) and corporate issuers including treasury bills issued by the Federal, Provincial or Territorial governments or any of their agencies; bankers’ acceptances, term deposits, commercial paper, the FGP Money Market Fund, and any other evidences of indebtedness with terms to maturity of less than one year.

The Fund may use derivatives, such as currency forwards as permitted by Canadian securities laws, to hedge against potential currency fluctuations.

Indirect investments are primarily units of other FGP Funds.

Diversification and Risk Control Guidelines

The Fund has established guidelines to ensure the investments of the Fund are diversified. The assets of the Fund are invested in a prudent fashion with securities selected for their overall contribution to the investment objective of the Fund.

Security Level Guidelines: The Fund typically holds 30 to 60 equity securities (excludes indirect investments), and the individual weight for each equity investment will vary based on FGP’s assessment of quality. Specific ranges for indirect investments are provided in each relevant FGP Fund Investment Policy Statement. Each security is limited to a maximum of 10% of the market value of the Fund. The minimum credit quality for any short-term money market investments is ‘R1’ or ‘A’.

Sector Level Guidelines: There is no minimum investment requirement within a sector. Total investments in any sector may not exceed 40% of the Fund’s market value.

Cash Level Guidelines: The Fund may have a maximum cash weighting of 10%.

FGP PRIVATE INTERNATIONAL EQUITY FUND

Investment Policy Statement | March 31, 2022



Country and Regional Guidelines:

COUNTRY/REGION	WEIGHT OF COUNTRY/REGION (% OF PORTFOLIO MARKET VALUE)	
	MINIMUM	MAXIMUM
EAFE (Europe, Australasia, Far East)	75%	100%
Other Countries	0%	10%
Emerging Markets	0%	15%

Market Capitalization (Cap) Guidelines: The Fund invests directly and indirectly in a diversified portfolio of stocks. The minimum market cap for any one holding is \$100 million.

FUND FACTS

Fund Code	1017
Fund Class	A
Performance Inception Date	October 31, 2003
Taxable Investors (Non-Registered Plans)	Eligible
Non-Taxable Investors (Registered Plans)	Non-Eligible
Valuation Frequency	Daily
Distribution Frequency	Income – Monthly Capital Gains – Minimum Annually
Expense Ratio *	0.08%
Trustee	CIBC Mellon Trust Co.
Custodian	CIBC Mellon Trust Co.
Auditor	Deloitte LLP

The units of the Fund are issued and redeemed at the applicable net asset value per unit. The net asset value is determined daily at the close of each business day.

Net investment income and net realized gains on investment are paid to unitholders on a periodic basis as indicated. Distributions are made on a pro rata basis within each class to unitholders of record at the close of business on the second last business day prior to the date of distribution.

Temporary variances from these investment policy guidelines will generally be corrected within 90 days.

*The Fund incurs direct expenses for services provided by the Trustee, Custodian, Registrar and Auditor. The 2021 expense ratio for the Fund is presented above. FGP does not charge management fees directly to the Fund.

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