

# FGP MONEY MARKET FUND

Investment Policy Statement | June 1, 2023

## INVESTMENT OBJECTIVE

The FGP Money Market Fund (the "Fund", and formerly named FGP Short Term Investment Fund) aims to generate income with lower capital risk primarily through investments in short-term debt obligations of Canadian issuers. To achieve this, the Fund will invest in a diversified mix of money market securities.

## PERFORMANCE OBJECTIVE

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

## PERMISSIBLE INVESTMENTS

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 and any other evidences of indebtedness with terms to maturity of less than one year.

Only issues of Canadian currency denomination may be held.

The Fund may invest in units of other FGP Funds from time to time. The Fund may invest all of its assets in units of other FGP Funds. In selecting in which (if any) other Funds the Fund may invest, FGP's portfolio managers consider whether the underlying Fund will contribute to accomplishing the Fund's investment objectives including managing diversification, liquidity or other investment risks. Investors in the Fund are entitled, on request, to receive a copy of the Offering Memorandum and the annual and interim financial statements of the underlying Fund(s) from FGP at no charge. If a conflict exists between this policy statement and a policy statement of an underlying Fund, the policy statement of the underlying Fund shall prevail.

## Diversification and Risk Control Guidelines

**Security Level 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.

The Fund is required to invest a minimum of 50% of its market value in federal and federally-guaranteed securities.

Investment limits for the money market securities as a percentage of the portfolio are as follows:

TYPE OF ISSUE	MAXIMUM
Total Federal and Federally-Guaranteed Issues	100%
Total Provincial and Provincially-Guaranteed Issues	50%
Total Municipal Issues	25%
Total Corporate Issues	50%
Single Corporate Issuer rated 'A', 'R1' or higher	8%

**Credit Quality Guidelines:** The minimum overall credit quality for the portfolio is 'R1' or 'A'.

**Term to Maturity Guidelines:** The maximum term to maturity for the short term portfolio is 365 days.

## INVESTMENT STRATEGY

FGP utilizes a multi-strategy approach, including: interest rate anticipation, credit sector/security selection, and yield-enhancing strategies in the context of a value-oriented approach. The portfolio managers, supported by FGP's research team, are responsible for security selection and portfolio construction within FGP's diversification and risk control guidelines.

## Performance Benchmark

FTSE Canada 91-Day Treasury Bill Index

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## FUND FACTS

Fund Code	1010
Fund Class	A
Performance Inception Date	April 30, 1993
Taxable Investors (Non-Registered Plans)	Eligible
Non-Taxable Investors (Registered Plans)	Eligible
Valuation Frequency	Daily
Distribution Frequency	Income – Minimum Annually
Expense Ratio*	0.05%
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 investments are paid to unitholders on a periodic basis as indicated. Distributions are made to unitholders of record at the close of business on the second last day of the year, pro rata to their holdings in the Fund as of that date.

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

The Fund may engage in securities lending.

\*The Fund incurs direct expenses for services provided by the Trustee, Custodian, Registrar and Auditor. The 2022 expense ratio for the Fund is presented above. FGP does not charge management fees directly to the Fund.

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