

Investing in the FGP Mortgage Fund

The FGP Mortgage Fund provides the opportunity to invest in strategies that have been difficult to access for most investors. Mortgages typically provide stable returns and higher yields than most short-term bond alternatives, including high yield bonds. The Fund offers diversified investments in mortgages that are originated and serviced by third parties such as banks, life insurance companies, and other credit intermediaries. Investors can use the Fund to add meaningful diversification to a balanced portfolio since mortgages have a low correlation to other asset classes, with a potential for significant yield enhancement.

Diversification

We offer a currency-hedged portfolio of investments, with the ability to invest around the world across the spectrum of commercial and residential mortgages and their sub-segments. Dynamic positioning permits us to take advantage of attractive pricing in various market segments and risk categories.

Liquidity

Improved liquidity compared with dedicated private mortgage strategies, as many investments in the Fund are open ended structures or tradable in the secondary markets. To maintain portfolio liquidity, the Fund has limited exposure to closed-end structures. Investments in the Fund may be redeemed monthly.

Credit Analysis

FGP analysts have extensive experience analyzing individual and pooled investments including analyzing the quality and robustness of these structures; evaluating individual assets, recourse, and security; and assessing the credit risk and investment opportunity created by the diversification of the pool.

Investment Structure

Type of Investment	Maximum
Direct investments - Single mortgage/borrower	
- Single mortgage/borrower rated 'BBB (Low)' or better	10%
- Single mortgage/borrower rated below 'BBB (Low)'	6%
Indirect mortgage investments (mortgage pools - all structures)	
- Rated 'BBB (Low)' or better - Aggregate Limit	100%
- Unrated or Rated below 'BBB (low)' - Aggregate limits	80%
Foreign mortgages/borrowers - Aggregate limit	75%

Correlation of Returns (10 Years)

FTSE Canada 1-5 MBS Overall Index versus...	Correlation Coefficient
FTSE Canada Universe Bond Index	0.8
MSCI World Index (CAD)	0.3
S&P/TSX Composite Index	0.1

Portfolio Management Team

Team Member	Roles and Responsibilities	Year Joined FGP	Year Joined Industry
Ryan Domsy, CFA, MEcon, FRM	Lead Portfolio Manager & Head of Fixed Income	2010	2008
Robert Head, BA	Portfolio Manager & Co-Chair of the Investment Committee	1998	1990
Cameron Greenwood, CFA	Portfolio Manager & Co-Chair of the Investment Committee	2007	2007
Andy Thi, CFA	Head of Credit Research	2016	2012
Jesse Cotton, CFA, MBA	Trader / Credit Analyst	2015	2015
Siqi Chu, IBBA	Credit Analyst	2023	2019

Inception Date
August 31, 2021

Benchmark
FTSE Canada Short Term Overall Bond Index

Currency
CAD

PERFORMANCE (%)



Investment returns are gross of investment management fees and include reinvestment of dividends and income. Values change frequently and past investment performance may not be repeated. This sheet is provided for informational purposes only and does not constitute an offer or solicitation to buy or sell any securities. The information herein should not be relied upon as investment advice and does not take into account the investment objectives, risk tolerance, financial situation, or specific needs of any particular person. PC Bond is Copyright © by FTSE Global Debt Capital Markets Inc. All rights reserved. The information contained herein may not be redistributed, sold, modified or used to create any derivative work without the prior written consent of FGP. Information regarding the FTSE Canada Short Term Overall Bond Index (the Benchmark) may not be redistributed, sold, modified or used to create any derivative work without the prior written consent of FTSE Global Debt Capital Markets Inc.