

FGP CORPORATE PLUS+ BOND FUND

Investment Policy Statement | June 1, 2026



INVESTMENT OBJECTIVE

The FGP Corporate Plus+ Bond Fund (the “Fund”) aims to generate an attractive total investment return through income and long term capital appreciation primarily through investments in debt obligations and other evidences of indebtedness of Canadian, U.S., and international issuers. To achieve this, the Fund will invest in a diversified mix of fixed income securities.

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 long-term, 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 OBJECTIVE

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

Performance Benchmark

FTSE Canada All Corporate Bond Index.

PERMISSIBLE INVESTMENTS

Eligible fixed income investments include bonds, debentures, notes, coupons, residuals and other evidence of indebtedness of Canadian or foreign issuers, whether denominated and payable in Canadian dollars or a foreign currency, mortgage-backed securities, asset-backed securities, floating rate notes, private placements, real return bonds, extendible/retractable bonds, convertible debentures, fixed income exchange traded funds, preferred shares, income-oriented equities, and other fixed income oriented securities.

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.

From time to time, the Fund may invest in units of other related funds for which FGP is the manager and adviser (“FGP Funds”). 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 FGP 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 Investment Policy Statement, 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

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

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Investment limits for fixed income securities as a percentage of the portfolio are as follows:

TYPE OF ISSUE	MAXIMUM
Foreign Currency Issues and Foreign Issuers	30%
Corporate Issuers rated below 'BBB'	30%
Single Corporate Issuer rated 'AA' or higher	10%
Single Corporate Issuer rated 'A'	8%
Single Corporate Issuer rated 'BBB'	6%
Single Corporate Issuer rated 'BB'	5%
Single Corporate Issuer rated 'B'	4%
Preferred Shares / Equities / Convertible Bonds / Other	20%

Security Level Guidelines: Investments in other FGP Funds are governed by the Investment Policy Statement of the respective fund.

Cash Level Guidelines: The Fund may have maximum cash or short term money market holdings of 10%.

Credit Quality Guidelines: The minimum credit quality for a corporate bond at the time of purchase is 'B', as assessed by FGP portfolio managers or analysts, or as determined by a recognized credit rating agency. The minimum overall credit quality for the fixed income portfolio is 'BBB', and the minimum credit quality for any short-term money market investments is 'R1' or 'A'.

Duration/Term to Maturity Guidelines: The modified duration range for the fixed income portfolio is plus or minus two years of the duration of the FTSE Canada All Corporate Bond Index.

FUND FACTS

Fund Code	1030	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.
Fund Class	N	
Portfolio Adviser and Fund Manager	Foyston, Gordon & Payne Inc.	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
Performance Inception Date	January 31, 2013	
Taxable Investors (Non-Registered Plans)	Eligible	
Non-Taxable Investors (Registered Plans)	Eligible	Temporary variances from these investment policy guidelines will generally be corrected within 90 days.
Valuation Frequency	Daily	
Distribution Frequency	Income – Monthly Capital Gains – Minimum Annually	The Fund may engage in securities lending.
Expense Ratio *	0.08%	
Trustee	CIBC Mellon Trust Co.	
Custodian	CIBC Mellon Trust Co.	
Auditor	Deloitte LLP	

*The Fund incurs direct expenses for services provided by the Trustee, Custodian, Registrar and Auditor. The 2025 expense ratio for the Fund is presented above. FGP does not receive a management fee directly from any FGP Fund in relation to Class N Units

FOYSTON, GORDON & PAYNE INC.

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