meritage PORTFOLIOS®

Simplified Prospectus dated August 17, 2017

Offering securities of the Advisor Series and securities of the F Series (securities of the F5 Series, FT Series, O Series, T Series and T5 Series also offered where indicated)

Equity Portfolios

Meritage Canadian Equity Portfolio[1-2-4]
Meritage Canadian Equity Class Portfolio*[1-3]
Meritage Global Equity Portfolio[1-2-4]
Meritage Global Equity Class Portfolio*[1-3]
Meritage American Equity Portfolio[1-4]
Meritage International Equity Portfolio[1-4]

Investment Portfolios

Meritage Conservative Portfolio[1-4]
Meritage Moderate Portfolio[1-4]
Meritage Balanced Portfolio[1-4]
Meritage Growth Portfolio[1-2-4]
Meritage Growth Class Portfolio*[1-3]
Meritage Dynamic Growth Portfolio (formerly Meritage Aggressive Growth Portfolio)[1-2-4]
Meritage Dynamic Growth Class Portfolio (formerly Meritage Aggressive Growth Class Portfolio)*[1-3]

Income Portfolios

Meritage Diversified Fixed Income Portfolio[2]
Meritage Conservative Income Portfolio[2]
Meritage Moderate Income Portfolio[2]
Meritage Balanced Income Portfolio[2]
Meritage Growth Income Portfolio[2]
Meritage Dynamic Growth Income Portfolio (formerly Meritage Aggressive Growth Income Portfolio)[2]

Global Portfolios

Meritage Global Conservative Portfolio[1-4]
Meritage Global Moderate Portfolio[1-4]
Meritage Global Balanced Portfolio[1-4]
Meritage Global Growth Portfolio[1-2-4]
Meritage Global Growth Class Portfolio*[1-4]
Meritage Global Dynamic Growth Portfolio (formerly Meritage Global Aggressive Growth Portfolio)[1-2-4]
Meritage Global Dynamic Growth Class Portfolio (formerly Meritage Global Aggressive Growth Class Portfolio)*[1-4]

ETF Portfolios

Meritage Tactical ETF Fixed Income Portfolio[3-5]
Meritage Tactical ETF Moderate Portfolio[1-4]
Meritage Tactical ETF Balanced Portfolio[1-4]
Meritage Tactical ETF Growth Portfolio[1-4]
Meritage Tactical ETF Equity Portfolio[1-4]

* Class of shares of National Bank Funds Corporation
1 Securities of the F5 Series also offered
2 Securities of the O Series also offered
3 Securities of the T Series also offered
4 Securities of the T5 Series also offered
5 Securities of the FT Series also offered

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

The mutual funds and the securities of the mutual funds offered under this simplified prospectus are not registered with the United States Securities and Exchange Commission, and they are only sold in the United States in reliance on exemptions from registration.

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Introduction

In this document, *we*, *us* and *our* refer to National Bank Investments Inc. ("National Bank Investments" or the "Manager"). We refer to all of the mutual funds we offer pursuant to this Prospectus as "Meritage Portfolios" or "Portfolios" and, individually, as a "Portfolio".

If you invest in the Portfolios other than the Meritage Canadian Equity Class Portfolio, the Meritage Global Equity Class Portfolio, the Meritage Growth Class Portfolio, the Meritage Dynamic Growth Class Portfolio, the Meritage Global Growth Class Portfolio and the Meritage Global Dynamic Growth Class Portfolio (the "Corporate Portfolios"), you purchase units of a trust and are a "unitholder". If you invest in the Corporate Portfolios, you purchase shares of a corporation and are a "shareholder". The Portfolios other than the Corporate Portfolios are collectively called the "Trust Portfolios". The units and shares are collectively called "securities" and the unitholders and shareholders are collectively called the "securityholders".

This document contains important information to help you make an informed decision about investing in the Meritage Portfolios and to help you understand your rights as an investor. This document is divided into two parts. The first part, from pages 1 through 34, contains general information applicable to all of the Meritage Portfolios. The second part, from pages 28 through 122, contains specific information about each of the Meritage Portfolios.

Additional information about each Meritage Portfolio is available in the following documents:

- the Annual Information Form;
- the most recently filed annual financial statements;
- any interim financial reports filed after the annual financial statements;
- the most recently filed annual management report of fund performance;
- any interim management report of fund performance filed after the annual management report of fund performance; and
- the most recently filed Fund Facts.

These documents are incorporated by reference into this Prospectus, which means that they legally form part of this document just as if they were printed as part of this document. You can obtain a copy of these documents, at your request and at no cost, by calling toll free 1-866-603-3601 or from your dealer.

These documents are also available at www.nbcadvisor.com or you may request a copy by emailing us at investments@nbc.ca.

These documents and other information are also available on the SEDAR website at www.sedar.com.

What Is a Mutual Fund and What Are the Risks of Investing in a Mutual Fund?

Mutual funds offer a simple and affordable way for investors to meet financial goals, such as saving for retirement or a child's education. But what exactly is a mutual fund and what are the risks of investing in a mutual fund?

What is a mutual fund and what are the Portfolios?

A mutual fund is a pool of money contributed by people with similar investment objectives. People who contribute money become unitholders of the mutual fund.

The Portfolios are mutual funds that are designed to offer dynamic asset allocation and diversification by investing their assets in other mutual funds. These other mutual funds are referred to as underlying funds. Underlying funds may be trusts, corporations or classes of corporations.

A professional portfolio manager of a mutual fund uses the money contributed by investors to buy securities, which in the case of the Portfolios are securities of underlying funds and in the case of the underlying funds are generally stocks, bonds, cash or a combination of these, depending on the underlying fund's investment objective. The portfolio manager makes all the decisions about which securities to buy and when to buy and sell them. Mutual fund securityholders share the fund's income, expenses, and any gains and losses the fund makes on its investments in proportion to the units or shares they own. The value of an investment in a mutual fund is realized by securityholders when they redeem the units or shares held.

A mutual fund can be set up as a trust or as a corporation. Both allow you to pool your money with other investors, but there are some differences. When you buy a mutual fund, you purchase units if the mutual fund is a trust or shares if the mutual fund is a corporation. The price of a unit or share is its net asset value ("NAV"). In mutual funds that have multiple series of units or shares such as the Portfolios, the NAV per unit or per share is calculated by adding up all of the assets of the series, subtracting the liabilities allocated to that series, and dividing the balance by the total number of units or shares outstanding for that series.

The main difference between mutual funds that are trusts and mutual funds that are corporations relates to how your investment is taxed, which may be important if you are investing outside of a registered plan. For more information, see "*Income Tax Considerations for Investors*" on page 25.

Mutual funds may issue different series of securities. Each series is intended for different kinds of investors and has different fees and expenses.

What are the risks of investing in a mutual fund?

Mutual funds own different kinds of investments – stocks, bonds, other securities, cash, derivatives – depending on the fund's investment objective. The value of these investments will change from day to day, reflecting changes in interest rates, economic conditions, and market and company news. As a result, the value of a mutual fund's units or shares may go up and down, and the value of your investment in a mutual fund may be more or less when you redeem it than when you purchased it. For example, today you might pay $10 for a unit or share of a particular mutual fund, and tomorrow the price might be $10.05 or $9.95 for the same unit or share, because the value of the mutual fund has changed.

There will inevitably be periods where a mutual fund will experience a drop in the price of its units or shares. If you sell your units in a mutual fund when the price is lower than you paid for them, you will lose money on your investment. Holding a mutual fund for longer periods of time has historically reduced the risk of experiencing a loss.

Although we manage the Meritage Portfolios to earn as high a return as possible consistent with preservation of capital, we cannot guarantee that the full amount of your original investment will be returned. Unlike bank accounts or GICs, mutual fund units or shares are not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer.

Under exceptional circumstances, a mutual fund may suspend redemptions. See page 12, "*Some rules for redeeming*".

See "*What Are the Risks of Investing in the Portfolio?*" in each individual portfolio section of this Simplified Prospectus for risks specific to each Portfolio.

Specific risks of the Portfolios

The risks of investing in the Portfolios include the risks described below. Some of these risks apply directly to the Portfolios, while others apply to the underlying funds and, therefore, indirectly to the Portfolios. The description of each Portfolio starting on page 30 sets out the specific risks that apply directly or indirectly to that Portfolio.

Asset-backed and mortgage-backed security risk

Certain underlying funds may invest in asset-backed securities, which are debt obligations that are backed by pools of consumer or business loans. Some asset-backed securities are short-term debt obligations, called asset-backed commercial paper ("ABCP"). Mortgage-backed securities are debt obligations backed by pools of mortgages on commercial or residential real estate. If there are changes in the market's perception of the issuers of these types of securities, or in the creditworthiness of the parties involved, then the value of the securities may be affected. In addition, for ABCP, there is a risk that there may be a mismatch in timing between the cash flow of the underlying assets backing the security and the repayment obligation of the security upon maturity. In the use of mortgage-backed securities, there is also a risk that there may be a drop in the interest rates charged on mortgages, a mortgagor may default on its obligations under a mortgage or there may be a drop in the value of the property secured by the mortgage.

An underlying fund may invest in mortgage-backed securities issued by agencies or intermediaries of the U.S. government or U.S. government-sponsored enterprises. Securities issued by those agencies, instrumentalities and sponsored enterprises, including those issued by the Federal National Mortgage Association ("Fannie Mae"), the Federal Home Loan Mortgage Corporation ("Freddie Mac"), or the Federal Home Loan Banks, are neither issued nor guaranteed by the U.S. Treasury and, therefore, are not backed by the full faith and credit of the U.S. government. The maximum potential liability of the issuers of such securities may greatly exceed their current resources, including any legal right to support from the U.S. Treasury. It is also possible that the issuers of such securities will not have the funds to meet their payment obligations in the future. Freddie Mac and Fannie Mae have been placed under the conservatorship of the Federal Housing Finance Agency ("FHFA"), since September 2008. The entities are dependent upon the continuous support of the U.S. Department of the Treasury and the FHFA in order to continue their business operations. These factors, among others, could affect the future status and role of Fannie Mae and Freddie Mac and the value of their securities and the securities which they guanatee. Additionally, the U.S. government and its agencies and instrumentalities do not guarantee the market value of their securities, which may fluctuate.

To the extent that a mutual fund invests in mortgage-backed securities offered by private issuers, such as commercial banks, savings and loan institutions, private mortgage insurance companies, mortgage bankers and other secondary market issuers, the mutual fund may be subject to additional risks. Timely payment of interest and principal of non-governmental issuers is supported by various forms of private insurance or guarantees, including individual loan, title, pool and hazard insurance purchased by the issuer. There can be no assurance that private insurers can meet their obligations under such policies.

Class risk

Each Corporate Portfolio is a class of shares of National Bank Funds Corporation (the "Corporation"). Although each class of shares of the Corporation is legally responsible for the expenses attributable to it, the Corporation is legally responsible for all the expenses incurred by its classes of shares. Consequently, if there are not enough assets in a given class to pay such expenses and obligations, the assets of another class of the Corporation may be used to pay such expenses and obligations, which may result in a decline in the share value of the other class.

Capital erosion risk

The distributions on F5, FT, T and T5 Series securities of the Portfolios, as well as the distributions paid by the Income Portfolios may include a return of capital. **Any distributions paid in excess of the net income and net realized capital gains of the Portfolio constitute a return of capital for the investor.** A return of capital reduces the value of your original investment and is not the same as the return on your investment. Returns of capital that are not reinvested may reduce the net asset value of the Portfolio and the Portfolio's subsequent ability to generate income.

Commodity risk

Some underlying funds may invest directly in certain commodities, such as gold, silver, platinum and palladium, or indirectly in companies engaged in the energy or natural resource industries, such as gold, silver, platinum, palladium, oil and gas, or other commodity-focused industries (including grain, livestock and agricultural commodities). These investments, and therefore the value of a mutual fund's investment in these commodities or in these companies and the unit value of the mutual fund, will be affected by changes in the price of commodities, which can fluctuate significantly in short time periods. Commodity prices can change as a result of a number of factors, including supply and demand, speculation, government and regulatory activities, international monetary and political factors, central bank activity and changes in interest rates and currency values. Direct purchases of bullion by a mutual fund may generate higher transaction and custody costs than other types of investments, which may impact the performance of the mutual fund.

Concentration risk

If a mutual fund invests a large proportion of assets in securities of one or a few issuers, it will have risk relating to concentration. Because its portfolio is not diversified, it could experience greater volatility and will be strongly affected by changes in the market value of these securities.

Counterparty risk

Risks relating to counterparties are associated with the possibility of a counterparty, pursuant to a derivative contract in which a clearing house does not intervene, not being able to fulfill its obligations on time or at all, which may result in a loss for the mutual fund.

Credit risk

A mutual fund can lose money if the issuer of a bond or other fixed-income security cannot pay interest or repay principal when it is due. This risk is higher if the fixed-income security has a low credit rating or no rating at all. Fixed-income securities with a low credit rating usually offer a better return than securities with a high credit rating, but they also have the potential for substantial loss. These are known as "high yield securities".

Currency risk

Whenever a mutual fund must buy its assets in a currency other than the currency in which it is offered, there are risks relating to exchange rates. As different currencies change in value in relation to each other, the value of the mutual fund securities purchased in those other currencies will fluctuate.

Some mutual funds denominate the value of their securities in U.S. and/or Canadian dollars. These mutual funds may buy and sell assets in various currencies. The value of their securities denominated in Canadian dollars and/or in U.S. dollars will fluctuate according to the value of the Canadian dollar and/or U.S. dollar, whichever applies, in relation to the various currencies.

The portfolio manager may use derivatives to hedge against foreign currency fluctuations as a way of managing exchange risk. However, such derivative transactions may not be entirely effective. Furthermore, derivative transactions will expose the Portfolios to certain derivative risks, as described under "*Derivative risk*".

Depositary receipt risk

Certain underlying funds may invest in depositary receipts. Banks or other financial institutions, known as depositaries, issue depositary receipts that represent the value of securities issued by foreign companies. These receipts are better known as ADRs (American Depositary Receipts), GDRs (Global Depositary Receipts), or EDRs (European Depositary Receipts), according to the location of the depositary. Mutual funds invest in depositary receipts to obtain indirect ownership of foreign securities without trading on foreign markets. There is a risk that the value of the depositary receipts may be less than the value of the foreign securities. This difference can result from several factors: fees and expenses related to the depositary receipts; fluctuations in the exchange rate between the currency of the depositary receipts and the currency of the foreign securities; differences in taxes between the depositary receipts' and the foreign securities' jurisdictions; and the impact of the tax treaty, if any, between the depositary receipts' and the foreign securities' jurisdictions. Also, a mutual fund faces the risk that depositary receipts may be less liquid, that the holders of depositary receipts may have fewer legal rights than if they held the foreign securities directly, and that the depositary may change the terms of a depositary receipt, including terminating the depositary receipt, in such a way that a mutual fund would be forced to sell at an inopportune time.

Derivative risk

What are derivatives?

Derivatives are investment instruments generally seen in the form of a security or an asset. Usually, derivatives grant the right or require the holder to buy or sell a specific asset during a certain period of time for an agreed-upon price. There are several types of derivatives, each based on an underlying asset sold in a market or on a market index. A stock option is a derivative in which the underlying asset is the security of a major corporation. There are also derivatives based on currencies, commodities and market indexes.

How do the Portfolios use derivatives?

The Meritage Portfolios and the underlying funds of the Meritage Portfolios may acquire and use derivatives that comply with their investment objectives and the guidelines set out by the Canadian Securities Administrators on the use of derivatives by mutual funds. The portfolio manager of the Meritage Portfolios may use derivatives to offset or reduce a risk associated with investments in the mutual fund. The portfolio manager may seek to improve the portfolio's rate of return by using derivatives and accepting a lower, more predictable rate of return through hedging transactions, rather than a higher but less predictable potential rate of return. This is called hedging.

Derivatives may not be used for speculation or for the creation of portfolios with excess leverage.

The portfolio manager may use derivatives to reduce the risk of currency fluctuations, stock market volatility and interest rate fluctuations. However, there is no guarantee that using derivatives will prevent losses if the value of the underlying investments falls. In some cases, the portfolio manager may use derivatives instead of direct investments. This reduces transaction costs and can improve liquidity, and increase the flexibility of a portfolio and the speed with which a mutual fund can change its portfolio.

The portfolio manager may also use derivatives for non-hedging purposes, or what is also called "effective exposure". This strategy makes it possible to gain exposure to a security, region or sector, to decrease transaction costs or to provide increased liquidity. In accordance with this concept, derivatives, such as futures contracts, forward contracts, options and swaps, are used instead of the underlying asset. Definitions for such derivative types follow:

Forward contracts: A customized contract between two parties to buy or sell an asset at a specified price on a future date. Unlike a futures contract, a forward contract can be customized to any commodity, amount and delivery date. A forward contract settlement can occur on a cash or delivery basis. Forward contracts do not trade on a centralized exchange and are therefore regarded as over-the-counter (OTC) instruments.

Futures contracts: A contract, generally traded on a centralized exchange, to buy or sell a particular financial instrument at a pre-determined price in the future. Futures contracts detail the quality and quantity of the underlying asset; they are standardized to facilitate trading on a futures exchange. Futures contracts settlement can occur on a cash or delivery basis.

Options: Options are exchange-traded or private contracts involving the right — but not the obligation — of a holder to sell (put) or buy (call) certain assets (such as a security or currency) to or from another party at a set price and at a set time. A premium, which is a cash payment, is normally paid between parties in order to exchange the option.

Swaps: A swap is a private contract between two or more parties used to exchange periodic payments in the future based on a formula that the parties have agreed upon. Swaps are generally equivalent to a series of forward contracts packaged together. They are not traded on organized exchanges and are not subject to standardized terms and conditions. Derivatives can help mutual funds increase the speed and flexibility with which they trade, but there is no guarantee that using derivatives will result in positive returns. Mutual funds that use derivatives also face a credit risk stemming from their use.

What are the risks relating to derivatives?

The following are examples of risks relating to the use of derivatives:

- The use of derivatives to reduce risk associated with foreign markets, currencies or specific stocks, called hedging, is not always effective. There may be an imperfect correlation between changes in the market value of the investment being hedged and the hedging derivative. Furthermore, any past correlation may not be maintained during the hedging period.

- There is no assurance that the portfolio manager will be able to sell the derivatives to protect a portfolio. It may not always be possible to close out a derivative position quickly or easily. An over-the-counter market may not exist or may not be liquid. Derivatives traded on foreign markets may be less liquid and take longer to close out and therefore have more risk than derivatives traded on North American markets.
- Speculation in the derivative by investors can affect the price upwards or downwards.
- The change in price of the derivative may be more significant than the change in price of the underlying asset.
- A halt or interruption in the trading of a large number of shares or bonds in an index may also affect the trading of derivatives (more specifically, futures contracts and options) that are based on the underlying assets involved.
- There may be a credit risk associated with those who trade in derivatives. The mutual fund may not be able to complete settlement because the other party cannot honour the terms of the contract.
- There may be credit risk related to the other party to the contract, such as dealers who trade in derivatives. Indeed, if such party went bankrupt, it would lead the mutual fund to lose any deposits made as part of the contract.
- A securities exchange could impose daily limits on trading of derivatives, making it difficult to complete an option, forward or futures contract. Such trading limits can also be imposed by government authorities.
- If the mutual fund is unable to close out its position on options and futures contracts, this can affect its ability to hedge against losses or implement its investment strategy.
- When a price change is expected by the market, it may not be possible to buy or sell the derivative at the desired price.
- If trading in stock index options or futures contracts is restricted by a stock exchange, the mutual fund could experience substantial losses.
- Should a mutual fund be required to give a security interest in order to enter into a derivative transaction, such security interest may be enforced by the other party against the mutual fund's assets.
- Currency hedging does not result in the impact of the currency fluctuations being eliminated altogether.
- Hedging may be expensive.
- Regulation with respect to derivatives is subject to modification which may make it more difficult, or even impossible, for a mutual fund to use certain derivatives.

Emerging market investment risk

Mutual funds that invest in emerging or developing markets are subject to the same risks as noted under "*Foreign investment risk*". However, these risks may be far greater in emerging markets than in foreign markets due, among other things, to greater market volatility, smaller trading volumes, higher risk of political and economic instability, greater risk of market closure and more government-imposed restrictions on foreign investment compared to the restrictions imposed in developed markets. The fluctuation of prices can therefore be more pronounced than in developed countries, and it may be more difficult to sell securities.

Equity risk

Companies issue equities securities to finance their operations and future growth. Common shares are the most frequent type of equity securities. However, equity securities also include preferred shares, shares convertible into common shares, and warrants.

A company's performance outlook, market activity and the larger economic picture influence its stock price. When the economy is expanding, the outlook for many companies will be good. The opposite is also true. The value of a mutual fund is affected by changes in the prices of the fund shares or units it holds. The potential risks and rewards are usually greater for small companies, start-ups, resource companies and companies in emerging sectors. Investments that are convertible into equity may also be subject to interest rate risk.

A company may distribute part of its net income to shareholders in the form of dividends, but is not obliged to do so. In the event that an issuer experiences financial difficulties, its equity securities may decline in value, especially due to the reduced likelihood that its board of directors will declare a dividend.

Certain underlying funds of the Portfolios may invest in shares issued by way of an initial public offering ("IPO shares"). The market value of IPO shares may fluctuate considerably due to factors such as the absence of a prior public market, unseasoned trading, the small number of shares available for trading and limited information about the issuer. The purchase of IPO shares may involve high transaction costs. IPO shares are subject to liquidity risk.

Historically, equity securities are more volatile than fixed-income securities. Securities of small market-capitalization companies can be more volatile than securities of large market-capitalization companies.

Exchange-traded fund risk

Certain Portfolios and certain underlying funds may invest in exchange-traded funds ("ETFs") whose securities qualify as index participation units under *Regulation 81-102 respecting Investment Funds* ("Regulation 81-102"). These ETFs seek to provide returns similar to the performance of a particular market index or industry sector index. ETFs may not achieve the same return as their benchmark market or industry sector index due to, among other things, differences in the actual weights of securities held in the ETF versus the weights in the relevant index (any such differences are usually small) and due to the operating and management expenses of the ETFs. An ETF may, for a variety of reasons, also fail to accurately track the market segment or index that underlies its investment objective. The price of an ETF can also fluctuate and the value of mutual funds that invest in securities offered by ETFs will change with these fluctuations.

Certain underlying funds have obtained regulatory relief so that they may also invest in certain additional types of ETFs, whose securities do not qualify as index participation units, including ETFs that seek to replicate the price of gold or silver, or which employ leverage in an attempt to magnify returns by either a multiple or an inverse multiple of a benchmark. Under the terms of a regulatory exemption, the Portfolios may also invest directly in ETFs holding gold or permitted gold certificates that seek to provide returns similar to the price of gold (the "Gold ETFs"). ETFs that use leverage involve a higher degree of risk and are subject to increased volatility. ETFs that seek to replicate the price of gold or silver are subject to the risks associated with investing in gold or silver, as applicable.

Commissions may apply to the purchase or sale of an ETF's securities by a mutual fund. Therefore, investment in an ETF's securities may produce a return that is different from the change in the net asset value of such securities.

Foreign investment risk

Investing in mutual funds that hold or have exposure to foreign securities can help diversify your portfolio's overall risk and enhance its returns, but there are additional risks. The net asset value of these mutual funds can be affected by fluctuations in currency exchange rates and changes in monetary policies. Information about foreign companies may be incomplete and may not be up to Canadian standards. Some foreign securities markets are small, resulting in more abrupt price movements and less liquidity than in larger markets. Investments in some foreign countries could be affected by political actions and social instability. Derivatives traded in foreign markets may offer less liquidity and greater credit risk than comparable derivatives traded in North American markets.

Income trust risk

Income trusts generally hold securities in or are entitled to receive royalties from an underlying active business or investment in property. To the extent that an underlying active business or investment in property is susceptible to industry risks, interest rate fluctuations, commodity prices and other economic factors, investment returns from an income trust may be similarly affected. Although their returns are neither fixed nor guaranteed, income trusts are structured in part to provide a constant stream of income to investors. As a result, an investment in an income trust may expose the Portfolio to interest rate risk. There is also a remote risk that where claims against an income trust are not satisfied by that trust, investors in that trust could be held liable for any outstanding obligations.

Under certain rules in the *Income Tax Act* (Canada) (the "Tax Act") relating to specified income flow-through trusts and partnerships ("SIFTs") (the "SIFT rules"), certain publicly traded vehicles, including income trusts and certain real estate investment trusts, are liable to pay a tax on distributions to unitholders out of certain types of income. Where an income trust pays such tax with respect to a distribution, the distribution will be treated in the hands of the investor as if it were a dividend from a taxable Canadian corporation. The SIFT rules could reduce the tax advantages related to holding income trust units.

Inflation risk

To the extent that a mutual fund invests in real return bonds, changes in levels of inflation may affect the value of the mutual fund. The value of real return bonds is directly affected by inflation. The value of real return bonds tends to increase when inflation increases and tends to decrease when inflation decreases. This is the case even if the general level of interest rates is unchanged.

Interest rate risk

A mutual fund that holds debt securities is affected by interest rate fluctuations. A drop in interest rates may reduce the return of a mutual fund holding money market securities. An increase in interest rates may reduce the return of a mutual fund holding other debt securities.

Large investment risk

If a mutual fund experiences a "loss restriction event", (i) the mutual fund will be deemed to have a year-end for tax purposes (which could result in the mutual fund being subject to tax unless it distributes its income and capital gains prior to such year-end); and (ii) the mutual fund will become subject to the loss restriction rules generally applicable to corporations that experience an acquisition of control, including a deemed realization of any unrealized capital losses and restrictions on their ability to carry forward losses. Generally, the mutual fund will be subject to a loss restriction event when a person becomes a “majority-interest beneficiary” of the mutual fund, or a group of persons becomes a “majority-interest group of beneficiaries” of the mutual fund, as those terms are defined in the affiliated persons rules contained in the Tax Act, with appropriate modifications. Generally, a majority-interest beneficiary of the mutual fund will be a beneficiary whose interest, together with the beneficial interests of persons and partnerships with whom the beneficiary is affiliated, has a fair market value that is greater than 50% of the fair market value of all the interests in the income or capital, as the case may be, of the mutual fund.

Legal, tax and regulatory risks

Changes to laws, regulations or administrative practices could adversely affect the Portfolios and the issuers in which the mutual funds invest.

New rules to deal with certain financial arrangements (described as “character conversion transactions”) that seek to reduce tax by converting amounts that would have the character of ordinary income into amounts treated as capital gains (through the use of derivative forward agreements) were introduced. Derivatives entered into by a mutual fund and derivatives entered into by an underlying fund would not have the intent or effect identified in the Federal Budget. Amendments to these new rules were proposed on September 16, 2016 to clarify the fact that they do not apply to currency forward arrangements. However, the new rules are currently broadly worded and could possibly apply, under certain circumstances to derivative transactions such as the writing of covered call options. If the proposed new rules were to apply to such a derivative, the gain realized thereon would be treated as ordinary income notwithstanding that such gain might otherwise have been treated as a capital gain.

As of January 1, 2017 and unless an exception applies, the switch, by a shareholder, of shares from one class of mutual fund shares (such as National Bank Funds Corporation) into mutual fund shares of another class would result in a disposition at fair market value and a capital gain or a capital loss would generally be realized. However, the reclassification of shares where a shareholder exchanges a share of one class of mutual fund shares for another share of the same class and both shares derive their value from the same property or group of properties will not give rise to a capital gain or a capital loss insofar as said class of shares is recognized under securities legislation as being a single mutual fund or as being part of such a mutual fund. This exception is expected to permit shareholders to continue to switch between mutual fund shares of different series of the same fund on a tax-deferred basis. The proposals also contain an exception for an exchange of all the shares of a class of a mutual fund corporation that occurs in the context of certain capital reorganizations or amalgamations described in the Tax Act, provided certain specified conditions are met.

On July 18, 2017, the Minister of Finance (Canada) published for consultation purposes a working paper aimed at obtaining comments of the different possible approaches to eliminate certain perceived tax advantages from holding a passive investment portfolio in a private corporation. The proposed approaches to change the current corporate tax system under the Tax Act are described in the published working paper, despite the fact that no specific amendment proposal is included therein. Legislative proposals must be published by the Minister of Finance (Canada) following this consultation. Nothing guarantees that, following adoption of such proposals, an investment in a portfolio carried out by a private corporation will not be taxable under the Tax Act in a manner less favourable than under the current system. **We encourage investors to speak to their investment advisor and/or tax advisor about these changes and their options.**

Liquidity risk

Liquidity means the speed and ease with which an asset may be sold and converted into cash. Most of the securities held by a mutual fund may be sold easily at a fair price and thus represent investments which are relatively liquid. However, a mutual fund may invest in securities which are not liquid, i.e., which may not be sold quickly or easily. Some securities may not be liquid because of legal restrictions, the nature of the investment or certain characteristics of the security. The lack of purchasers interested in a given security or market could also explain why a security may be less liquid. The difficulty of selling illiquid securities may result in a loss or a reduced return for a fund.

The valuation of illiquid assets that have not had recent trading activity or for which market quotations are not publicly available has inherent uncertainties and the resulting values may differ from values that would have been used had a ready market existed for the investment. The fair value process has an inherent degree of subjectivity and, to the extent that these valuations are inaccurate, investors in a mutual fund that invest in illiquid assets may gain a benefit or suffer a loss when they purchase or redeem securities of the mutual fund.

Repurchase and reverse repurchase agreements risk

Repurchase agreements enable a portfolio manager to sell securities of the portfolio of the mutual fund to a purchaser for cash at one price, with an agreement to buy an identical quantity of the same securities back at a later date for a higher price. The securities are sold by the portfolio manager to obtain liquidity for the mutual fund. Such a transaction does not normally exceed thirty (30) days. To protect the interests of a mutual fund in a repurchase transaction, the mutual fund will receive, as collateral for the securities sold, a cash consideration equal to 102% of the market value of the securities sold. If the value of the securities sold increases, the purchaser would be required to pay an additional amount of money to maintain the collateral at 102% of the market value of the securities sold at all times.

The risk for the mutual fund associated with a repurchase agreement is mainly the purchaser's inability to pay the necessary consideration to maintain the collateral at 102%. If the purchaser is unable to deliver the securities sold by the end of the agreed-upon period for the repurchase transaction and the market value of the securities sold increases during this same period, the collateral will no longer be adequate to buy back these same securities on the market. The portfolio manager will therefore have to use the money in the mutual fund to repurchase the securities and the mutual fund will sustain a loss. The market value of the securities forming part of a repurchase transaction by a mutual fund may not exceed 50% of its net asset value, excluding the value of the collateral.

Reverse repurchase agreements enable the portfolio manager to buy securities for a mutual fund from a seller at one price with an agreement to sell an identical quantity of the same securities back at a higher price at a later date. Such transaction does not normally exceed thirty (30) days. To protect the interests of a mutual fund in a reverse repurchase agreement, the purchased securities must have a market value equal to at least 102% of the amount paid by the mutual fund to purchase them.

The risk associated with a reverse repurchase agreement is mainly the inability of the seller to maintain the collateral at 102% of the cash consideration paid for the securities. The mutual fund could sustain a loss if the seller is unable to buy back the securities sold at the end of the agreed-upon period for the reverse repurchase transaction and the market value of the securities sold decreases during this same period. The amount obtained by selling securities forming part of a reverse repurchase transaction will be less than the cash consideration given by the mutual fund in exchange for the securities, resulting in a loss for the mutual fund.

The risks described above can be minimized by selecting parties with solid credentials that have undergone a stringent credit evaluation.

Securities lending risk

A mutual fund's portfolio manager may, for a fixed period of time, lend securities of the portfolio in exchange for collateral. This collateral may be in cash, qualified securities or securities that may be immediately converted into the same securities that have been loaned. To limit the risks, the value of the assets given as collateral and held by the mutual fund must at all times be equal to at least 102% of the market value of the loaned securities.

The risk associated with a securities lending transaction is mainly the borrower's inability to pay the necessary consideration to maintain the collateral at 102%. The mutual fund could sustain a loss if the borrower is unable to return the loaned securities by the end of the agreed-upon period and the market value of the securities loaned increases during this period. In this case, the collateral will no longer be sufficient to purchase the same securities on the market. Consequently, the portfolio manager will have to use the money in the mutual fund to buy back securities and the mutual fund will sustain a loss. The market value of the securities forming part of a securities lending transaction by a mutual fund may not exceed 50% of its net asset value, excluding the value of the assets given as collateral.

The risks described above can be minimized by selecting purchasers with solid credentials that have undergone a stringent credit evaluation.

Series risk

The Portfolios and the underlying funds may have more than one series of securities. A multi-series structure recognizes that different investors may seek the same investment objective, yet require different investment advice or services. Each series represents an investment in the same investment portfolio. However, each series has its own fees and certain expenses which the Portfolio tracks separately. However, if a series is not able to meet its financial obligations, the other series in that fund will be required to make up any deficiency since the fund as a whole is liable for the financial obligations of all the series. This would lower the investment return of the other series.

Certain Portfolios offer series by way of private placement.

Short selling risk

Some underlying funds may engage in short selling transactions. In a short selling strategy, the portfolio manager of a mutual fund identifies securities that it expects will fall in value. A short sale is where a mutual fund borrows securities from a lender and sells them on the open market. The mutual fund must repurchase the securities at a later date in order to return them to the lender. In the interim, the proceeds from the short sale transaction are deposited with the lender and the mutual fund pays interest to the lender on the borrowed securities. If the mutual fund repurchases the securities later at a lower price than the price at which it sold the borrowed securities on the open market, a profit will result. However, if the price of the borrowed securities rises, a loss will result. There are risks associated with short selling, namely that the borrowed securities will rise in value or not decline enough in value to cover the mutual fund's costs, or that market conditions will cause difficulties in the sale or repurchase of the securities. In addition, the lender from whom the mutual fund has borrowed securities may become bankrupt before the transaction is complete, causing the borrowing mutual fund to forfeit the collateral it deposited when it borrowed the securities.

Smaller companies risk

Small companies can be riskier investments than larger companies. For one thing, they are often newer and may not have a track record, extensive financial resources or a well-established market. The risk is especially true for private companies or companies that have recently become publicly traded. They generally do not have as many shares trading in the market, so it could be difficult for a fund to buy or sell small companies' stock when it needs to. All of this means that their share price can change significantly in a short period of time.

Specialization risk

When a mutual fund is invested in a specific sector of the economy or a specific asset class and is not diversified among different industry sectors, share classes or geographic regions, the mutual fund's security price will be more volatile than more broadly diversified mutual funds. The security price of a mutual fund will vary with changes in the relevant geographic region and/or industry sector, such as the world price of energy, forces of nature, economic cycles, commodity prices, exchange rates and political events. If the industry sector, asset class or geographic area experiences the effects of an economic downturn, the repercussions for the mutual fund are likely to be greater than they would have been if the mutual fund had been more diversified.

Substantial securityholder risk

A mutual fund may have one or more investors who hold a significant amount of units of the mutual fund. If an investor or a group of investors in a mutual fund make large transactions, the mutual fund's cash flow may be affected. For example, if an investor or a group of investors redeem a large number of shares or units of a mutual fund, the mutual fund may be forced to sell securities at unfavourable prices to pay for the redemption. Such an unexpected sale may have a negative impact on the value of the mutual fund.

Underlying fund risk

The Meritage Portfolios invest in underlying funds, subject to certain requirements imposed by the Canadian Securities Administrators. Where a Portfolio invests some or all of its net assets in securities of underlying funds, to meet redemption requests, the underlying funds may have to alter their portfolio to accommodate large fluctuations in assets and sell their investments at unfavourable prices. This can reduce the returns of the underlying funds. In addition, a Portfolio's performance is directly related to the investment performance of the underlying funds and is therefore subject to the risks of an underlying fund in proportion to the amount of its investment in that fund. For more information on investing in underlying funds, see the description of the investment strategies and risk factors in each Portfolio covered by this Simplified Prospectus.

U.S. tax risk

Under U.S. tax rules that are being phased in from July 1, 2014 to January 1, 2019, generally referred to as the "*Foreign Account Tax Compliance Act*" ("FATCA"), together with the intergovernmental agreement between Canada and the U.S. with respect to FATCA and the implementing Canadian legislation, unitholders and shareholders will generally be required to provide to the Portfolios certain information regarding their identity, residency and, in some cases, holdings, as well as other private and confidential information. The mutual funds may be required to provide that information to the Canadian government who may share such information with U.S. tax authorities. Compliance with FATCA is required in order to avoid U.S. withholding taxes being imposed on U.S. and certain non-U.S. source income and proceeds of dispositions received by the Portfolios. Additionally, in certain limited circumstances, FATCA may require the mutual funds to withhold on certain amounts (including distributions and dividends) made to unitholders and shareholders that have failed to provide the information requested by the mutual funds or that have otherwise failed to comply with FATCA.

FATCA is complex and detailed guidance regarding the mechanics and scope of FATCA reporting and withholding is continuing to develop. There can be no assurance as to the timing or impact of any such guidance on future operations of the mutual funds. The administrative costs arising from compliance with FATCA may also increase the operating expenses of the Portfolios.

Organization and Management of the Meritage Portfolios

The following table tells you about the companies that are involved in managing and providing services to the Portfolios. National Bank Investments Inc., National Bank Trust Inc. and Natcan Trust Company are wholly-owned subsidiaries of National Bank of Canada.

FUND MANAGER National Bank Investments Inc. 1100 Robert-Bourassa Blvd. 10th Floor Montréal, Quebec H3B 2G7	National Bank Investments manages the overall business and affairs of the Portfolios. We may engage third parties to perform certain services on our behalf.
TRUSTEE Natcan Trust Company Montréal, Quebec	Certain Portfolios are organized as mutual fund trusts or unit trusts. When you invest in the Portfolios, you are buying units of a trust. As trustee, Natcan Trust Company is the legal owner of the investments in the Portfolios. Certain Portfolios are classes of National Bank Funds Corporation. The Corporate Portfolios do not have a trustee.
PORTFOLIO MANAGER National Bank Trust Inc. (the "Portfolio Manager") Montréal, Quebec	The Portfolio Manager manages the investment portfolio of each of the Portfolios, provides analysis and makes the decisions as to which underlying funds the Portfolio will invest in and the target weighting of a Portfolio's assets.
CUSTODIAN Natcan Trust Company Montréal, Quebec	The custodian is responsible for ensuring that the assets in the Portfolios are safely held.
REGISTRAR Natcan Trust Company Montréal, Quebec	The registrar maintains the names of securityholders and the record of the number of securities held.
AUDITOR Raymond Chabot Grant Thornton LLP Montréal, Quebec	As auditor, Raymond Chabot Grant Thornton provides assurance that the Portfolios' financial statements present fairly, in all material respects, the Portfolios' financial position and financial performance, in accordance with International Financial Reporting Standards (IFRS).
AGENT FOR SECURITIES LENDING TRANSACTIONS Natcan Trust Company Montréal, Quebec	The agent for securities lending transactions acts on behalf of the Portfolios in administering securities lending transactions entered into by the Portfolios. Natcan Trust Company is an affiliate of the Manager.
INDEPENDENT REVIEW COMMITTEE Members: Jean-François Bernier, Jean Durivage, André D. Godbout, Yves Julien and Jacques Valotaire	Pursuant to *Regulation 81-107 Independent Review Committee for Investment Funds* ("Regulation 81-107"), the independent review committee (the "IRC") generally reviews conflict of interest matters submitted by the manager with which the manager is confronted in operating the Portfolios and reviews and comments on the manager's written policies and procedures regarding conflict of interest matters. The IRC is composed of five members who are independent from the manager and entities related to the manager. The IRC prepares, at least annually, a report of its activities for the Portfolios' securityholders. You may obtain this report by visiting our website at www.nbcadvisor.com or by sending an email to National Bank Investments at investments@nbc.ca. You will find additional information on the IRC in the Portfolios' Annual Information Form.

Purchases, Switches, Conversions and Redemptions

You can buy, sell, switch and convert securities of the Portfolios through registered dealers and brokers.

About the series offered

We offer seven (7) series of securities called the Advisor Series, the F Series, the F5 Series, the FT Series, the O Series, the T Series and the T5 Series. Your choice of series will particularly have an impact on the fees that you will pay and the compensation received by your dealer. See "*Fees*" and "*Dealer Compensation*".

See "*Portfolio Details*" for each Portfolio to find out which series are offered for each Portfolio.

Advisor Series, T Series and T5 Series

These series are offered under one of the following three sales charge options:

- Initial sales charge: In this case, you pay an initial sales charge which you negotiate with your dealer or broker when you purchase securities of a Portfolio.
- Deferred sales charge ("DSC"): In this case, you pay a redemption fee if you ask for your securities to be redeemed within 6 years of purchase.
- Low sales charge: In this case, you pay a redemption fee if you ask for your securities to be redeemed within 3 years of purchase.

The distinction between Advisor Series, T Series and T5 Series securities is based on the distribution policy. Monthly distributions are generally not paid on Advisor Series securities. However, certain Portfolios, including the Income Portfolios, offer monthly distributions on each Series of securities, including Advisor Series securities. T Series and T5 Series securities are intended for investors seeking to obtain regular monthly distributions. These distributions will be composed of a return of capital and/or net income (and/or dividends in the case of Corporate Portfolios). Distributions on T Series and T5 Series securities could be suspended if the equity capital attributable to the Series is depleted. The amount of the monthly distribution on T Series securities is based on the Portfolio's payout rate, the net asset value per security at the end of the previous calendar year and the number of securities of the Portfolio you own at the time of the distribution.

The amount of the monthly distribution on T5 Series securities is set at the beginning of each calendar year by multiplying the net asset value per unit at the end of the previous calendar year by 5% and dividing the result by 12. The target distribution rate is therefore 5%.

The monthly distributions on T Series, Advisor Series and T5 Series securities may be readjusted without prior notice in certain circumstances. For more information, see "*Distribution Policy*" for the relevant Portfolios.

F Series, FT Series and F5 Series

Securities of these series are only available to investors with a fee-based account with dealers who have entered into an agreement with us. These investors pay their dealer annual compensation based on the asset value of their account instead of commissions on each trade. F Series, FT Series and F5 Series securities have lower management fees than Advisor Series, T Series or T5 Series securities because our costs are lower as we do not pay any commissions to dealers who sell securities of these series to their clients.

Your dealer is responsible for deciding whether you are eligible to subscribe for and continue to hold F Series, FT Series or F5 Series securities. If you are no longer eligible to hold F Series, FT Series or F5 Series securities, we can convert them, as applicable, into Advisor Series, T Series or T5 Series securities (under the initial sales charge option) of the same Portfolio upon thirty (30) days' notice or redeem them.

The distinction between F Series, FT Series and F5 Series securities is based on the distribution policy. FT Series and F5 Series securities are intended for investors seeking to obtain fixed monthly distributions. Distributions of FT Series securities are generally composed of net income and may also include a significant return of capital component. The amount of the monthly distribution per security is reset at the beginning of each calendar year. The amount of the distribution is a factor of the Portfolio's payout rate, the net asset value per security at the end of the previous calendar year and the number of securities of the Portfolio you own at the time of the distribution. Distributions of F5 Series securities will be composed of a return of capital and/or net income (and/or dividends in the case of Corporate Portfolios). Distributions of F5 Series securities could be suspended if the equity capital attributable to the Series is depleted. The amount of the monthly distribution on F5 Series securities is set at the beginning of each calendar year by multiplying the net asset value per unit at the end of the previous calendar year by 5% and dividing the result by 12. The target distribution rate is therefore 5%.

The monthly distributions on F Series, FT Series and F5 Series securities may be readjusted without prior notice in certain circumstances. For more information, see "*Distribution Policy*" for the Portfolios.

O Series

O Series securities are only offered to selected investors who have been approved by us and have entered into an O Series account agreement with us. The criteria for approval may include the size of the investment, the expected level of account activity and the investor's total investment with us. No management fees are charged directly to the Portfolios. Instead, management fees are negotiated with and paid directly by investors.

We don't pay any commissions or service fees to dealers who sell O Series securities. Furthermore, there are no sales charges payable by investors who purchase O Series securities.

Establishing the price of a security

Security prices are generally calculated each day that the Toronto Stock Exchange ("TSX") is open for business. The price of the securities that you buy or sell is based on the net asset value per security of the series of the Portfolio, determined after we receive your order.

Here's how we calculate the net asset value per security for each series of a Portfolio:

- we take the series' proportionate share of all the investments and other assets of the Portfolio.
- we subtract the series' liabilities and its proportionate share of common Portfolio liabilities. That gives us the net asset value for the series.
- we divide that number by the total number of securities held by investors in that series. That gives us the net asset value per security of the series.

If we receive your order by 4:00 p.m. Eastern time on a day that the TSX is open for business, we will process your order using the net asset value per security or the share price for that day. If we receive your order after 4:00 p.m., or on a day that is not a business day at the TSX, we will process your order on the next day net asset value is calculated for that Portfolio or series.

As a general rule, we calculate the price of the shares of the Corporate Portfolios in the manner described above. However, National Bank Funds Corporation's general expenses are first calculated and then allocated proportionately among all the funds comprising a class of shares of the corporation. We may allocate expenses to a particular Corporate Portfolio when it is reasonable to do so and when the expenses are related to that Portfolio.

Some rules for buying

- The minimum initial investment in a Portfolio is $500 ($25 in a systematic investment plan). Each additional investment in a Portfolio must be at least $50 for any type of account ($25 in a systematic investment plan). The minimum purchase amount for O Series securities is determined by contract.
- You must pay the full price for the securities (in Canadian dollars) when you buy them.
- We must receive payment from your dealer or broker within three (3) business days following the day we receive your order (or such shorter period as may be determined by us, in response to changes to applicable laws or general changes to settlement procedures in applicable markets).
- If we do not receive payment within the specified time, or if your cheque is returned because there were not sufficient funds in your account, we will redeem the same number of securities as you ordered. If the sale price is greater than the price you paid for the securities, the Portfolio will keep the difference. If the sale price is less than the price you paid for the securities, we are required to pay the Portfolio the difference. We may make arrangements to collect the difference from your dealer or broker, who may then make arrangements to collect it from you.
- When you buy securities, we will send you a confirmation that includes the details of your purchase. We do not issue certificates.
- We have the right to reject any request for purchase within one business day after we receive it, and will return your payment immediately.
- There is no limit to the number of securities that a Portfolio can issue.
- If the value of your investment in a Portfolio falls below the minimum investment requirement, we reserve the right to redeem the aggregate of your securities and send you the proceeds.

We will give you thirty (30) days' prior notice before selling the aggregate of your securities so that you can buy more securities if you wish to raise the value of your investment in the Portfolio above the minimum investment requirement.

Some rules for redeeming

Redeeming your securities is often referred to as selling. In general, if you are redeeming securities of a Portfolio, the lowest amount you can redeem is $50. The minimum redemption amount for O Series securities is determined by contract. You can sell your securities at any time, once your payment for them has cleared the Canadian banking system.

Your dealer or broker must send a written request to us to redeem securities of a Portfolio on your behalf. Your dealer or broker may also provide this information to us electronically in accordance with our requirements.

If we do not receive all the documents required to complete the redemption within ten (10) business days, we will buy for your account the same number of securities you sold. If the purchase price is less than the redemption price for the securities, the Portfolio will keep the difference. If the purchase price is greater than the sale price for the securities, we are required to pay the Portfolio the difference. We may make arrangements to collect the difference from your dealer or broker, who then may make arrangements to collect it from you.

Your dealer or broker will credit your account with the proceeds of the redemption less any redemption fees.

Under some exceptional circumstances, we may suspend your right to redeem your securities. The Canadian Securities Administrators allow us to suspend your right to redeem your securities when:

- normal trading is suspended in any market where securities or derivatives that make up more than 50% of the Portfolio's total value are traded and there is no other market or exchange that represents a reasonable alternative for trading, or
- the Canadian Securities Administrators consent.

If we suspend redemption rights following your request to redeem, you may either withdraw your redemption request or redeem your securities at the net asset value determined after the suspension period ends. We will not accept orders to buy securities of a Portfolio during any redemption suspension period.

Redeeming securities under the DSC option or low sales charge option

If you purchase Advisor Series, T Series or T5 Series securities under the DSC option or the low sales charge option and sell those Advisor Series, T Series or T5 Series securities within six years (for the DSC option) or three years (for the low sales charge option) of buying them, we will deduct the applicable redemption fee from your redemption proceeds.

You will not pay any DSC or low redemption fee in the following circumstances:

- cash distributions on Advisor Series, T Series or T5 Series securities;
- redeeming Advisor Series, T Series or T5 Series securities you received from reinvested distributions;
- switching or converting Advisor Series, T Series or T5 Series securities from one Portfolio to securities of another fund managed by National Bank Investments, provided you remain in the same series (and under the same purchase option). Any fee will be payable when Advisor Series, T Series or T5 Series securities in the new fund are redeemed but will be based on the date on which you bought Advisor Series, T Series or T5 Series securities in the initial Portfolio.

Every year, you are entitled to redeem a certain number of Advisor Series, T Series or T5 Series securities bought under the DSC option without paying any DSC redemption fee. See "*Free redemption securities — DSC option*".

We redeem units of a Portfolio in the following order:

- free redemption securities (available to DSC option only);
- securities obtained from reinvested distributions;
- other securities in the order of purchase, with the oldest securities being redeemed first.

Free redemption securities – DSC option

Every calendar year, you can redeem up to 10% of your Advisor Series, T Series or T5 Series securities bought under the DSC option without paying any DSC redemption fee. We call these "free redemption securities". You can use up your free redemption securities in one sale or spread them out over several sales, whichever you prefer. You cannot carry forward any unused free redemption securities to the next year. The number of free redemption securities you are entitled to is established as follows:

- 10% of the Advisor Series, T Series or T5 Series securities held on December 31 of the previous year (excluding securities obtained by reinvested distribution); plus
- 10% of the Advisor Series, T Series or T5 Series securities bought in the current year.

Short-term trading

Most mutual funds are considered long-term investments, so we discourage investors from redeeming or switching Portfolio securities frequently.

Some investors may seek to trade Portfolio securities frequently in an effort to benefit from differences between the value of a Portfolio's securities and the value of the underlying securities (*market timing*). These activities, if undertaken by securityholders, can negatively impact the value of the Portfolio to the detriment of other securityholders. Excessive short-term trading can also reduce a Portfolio's return because the Portfolio may be forced to hold additional cash to pay redemption proceeds or, alternatively, to sell investment portfolio holdings at an inopportune time to fund the redemption and incur additional trading costs.

Depending on the Portfolio and the particular circumstances, we will employ a combination of preventative and detective measures to discourage and identify excessive short-term trading in the Portfolios, including:

- application of short-term trading fees;
- monitoring of trading activity and refusal of trades.

See "*Fees and charges payable directly by you*" for the short-term trading fees that may apply.

Switching securities

National Bank Investments allows you to redeem securities of one Portfolio in order to purchase securities of the same series (and under the same purchase option, if applicable) of any other fund managed by National Bank Investments, provided you meet the minimum initial investment requirements for the new fund. This transaction is called a "switch", unless it involves an exchange of shares of one Corporate Portfolio for another class of shares of National Bank Fund Corporation (in which case, the transaction is called a "conversion of securities"). See "*Converting securities*" for more information.

When we receive your request to make a switch, we will redeem your securities of one Portfolio and use the proceeds to buy securities of the other fund. When we redeem your securities in order to make a switch in an investment account, you may realize a gain or loss. If you realize a gain, you may have to pay income tax on it. Your dealer or broker must send a written request to us to switch securities of a Portfolio on your behalf. Your dealer or broker may also provide this information to us electronically in accordance with our requirements.

You can switch your securities for securities of another fund managed by National Bank Investments only if the latter are offered in the same currency as the securities of your Portfolio.

Switching securities out of a registered plan may lead to a capital gain or loss for tax purposes.

See "*Fees and charges payable directly by you*", "*Impact of Sales Charges*" and "*Income Tax Considerations for Investors*" for more information.

Converting securities

You may change securities of one series for securities of another series of the same Portfolio, or change shares of a Corporate Portfolio for shares of the same series or of a different series of another class of shares of National Bank Funds Corporation, provided you have the right to obtain the securities of the series targeted by the transaction. Such a transaction is called a "conversion" of securities.

If you convert securities of a given Portfolio into Advisor Series, T Series or T5 Series securities, you can choose any of the three sales charge options for your new securities.

If you bought Advisor Series, T Series or T5 Series securities under the DSC or low sales charge option, you may convert them into securities under the initial sales charge option (Advisor, T or T5 Series, as the case may be) or into securities of any other series of the Portfolio, provided you meet the conditions applicable to the series. You may not convert your securities purchased under the DSC option into securities under the low sales charge option (or vice versa) or convert your securities purchased under the initial sales charge option into securities under the DSC or low sales charge option.

The value of your investment will be the same after the conversion. You will, however, own a different number of securities because each series and each fund may have a different unit price.

As of January 1, 2017 and unless an exception applies, the switch, by a shareholder, of shares from one class of mutual fund shares (such as National Bank Funds Corporation) into mutual fund shares of another class results in a disposition at fair market value and a capital gain or a capital loss is generally realized. However, the reclassification of shares where a shareholder exchanges a share of one class of mutual fund shares for another share of the same class and both shares derive their value from the same property or group of properties will not give rise to a capital gain or a capital loss insofar as said class of shares is recognized under securities legislation as being a single mutual fund or as being part of such a mutual fund. This exception is expected to permit shareholders to continue to switch between mutual fund shares of different series of the same fund on a tax-deferred basis. Another exception is also provided for cases in which an exchange of all the shares of a class of a mutual fund corporation that occurs in the context of certain capital reorganizations or amalgamations described in the Tax Act, provided certain specified conditions are met. **We encourage investors to speak to their investment advisor and/or tax advisor about these changes and their options.**

See "*Fees and charges payable directly by you*", "*Impact of Sales Charges*" and "*Income Tax Considerations for Investors*" for more information.

Optional Services

Registered plans

In the opinion of counsel, to the extent that a Portfolio qualifies as a "mutual fund trust", a "registered investment" or a "mutual fund corporation", the securities in such portfolio will be qualified investments under the Tax Act for trusts governed by registered plans. In this respect, other information will be provided in the Annual Information Form of the Portfolios.

We offer the following registered plans:

- registered retirement savings plan (RRSP)
- registered retirement income fund (RRIF)
- locked-in retirement account (LIRA)
- life income fund (LIF)
- locked-in retirement income fund (LRIF)
- registered education savings plan (RESP)
- tax-free savings account (TFSA)
- prescribed retirement income fund (PRIF)
- restricted retirement income fund (RLSP)
- restricted locked-in registered retirement savings plan (LRIF)

You should consult with your tax advisor regarding whether an investment in any Portfolio could be a prohibited investment for your registered plan.

There are no annual administration fees for our registered plans.

Systematic investment plan

If you wish to contribute regularly to your Portfolios, you may set up a systematic investment plan. The plan allows you to put a fixed amount into one Portfolio or a group of Portfolios at regular intervals. You may contribute weekly, bi-weekly, monthly or every three months. The minimum amount you may invest in a Portfolio through the systematic investment plan is $25. For the O Series, the minimum amount is determined by contract. You may change the amount or the frequency of the withdrawals or cancel the plan at any time.

You may request that a copy of the prospectus, Fund Facts and any amendments thereto be sent to you when you enrol in the Systematic Investment Plan or at any time following your enrolment, by calling us toll-free at 1-866-603-3601, by e-mailing us at investments@nbc.ca or by contacting your dealer. You may also obtain the prospectus, Fund Facts and any amendments at www.sedar.com or through our website at www.nbcadvisor.com.

When you make subsequent purchases under the Systematic Investment Plan, you will only receive a copy of the Simplified Prospectus and/or the Fund Facts and any amendments if you so request when you join the plan or at any time thereafter.

Systematic withdrawal plan

You may opt to make systematic withdrawals from a Portfolio if you want a regular fixed payment to meet your financial needs. A withdrawal can be done weekly, bi-weekly, monthly or every three months. You must have invested a minimum of $10,000 in a Portfolio to benefit from this service. The minimum that must be kept in a Portfolio is $500 and the minimum periodic payment is $50.

The minimum initial investment, the minimum that must be kept in a Portfolio and the minimum periodic payment applicable to O Series securities are determined by contract.

Fees

There are two kinds of Portfolio fees and charges. The first kind is paid by a Portfolio before its security price is calculated, which will therefore indirectly reduce the value of your investment in the Portfolio. You pay for the second kind directly. The following table lists both kinds of fees and charges.

We will have to obtain the approval of Advisor Series, T Series and T5 Series securityholders for the following changes: (i) a change in the way of calculating the fees and expenses charged to the Portfolios or directly to their securityholders by the Portfolios or by us which has the effect of increasing the charges for these series or the securityholders of these series; or (ii) the addition of fees or expenses to be charged to the Portfolios or directly to their securityholders which has the effect of increasing the charges for these series or the securityholders of these series, unless the fees or expenses are charged by an entity at arm's length from the Portfolios. If the fees or expenses are charged by such an entity, we will not seek the approval of the securityholders of the Advisor Series, T Series and T5 Series, but will send them a notice of the change in writing at least sixty (60) days before the effective date of the change.

For all other series, we may change the way of calculating the fees or expenses or introduce new fees or expenses which could have the effect of increasing the charges for the series by giving notice in writing of such a change at least sixty (60) days before the effective date of the change.

Fees and charges payable directly by the Portfolios

Management fees	National Bank Investments receives a management fee from each Portfolio. The fee covers, in particular, investment restriction and/or policy drafting services, investment fund management, office facilities and equipment, administrative personnel costs, the payment of trailing commissions to your dealer in connection with the distribution of securities, and marketing and promotional activities relating to the sale of the Portfolios. The fee varies by Portfolio and series and is a percentage of the average daily net asset value of each series. The management fees are paid monthly and are subject to applicable taxes, including QST or HST. For the maximum total annual rate of the management fee for Advisor Series, F Series, FT Series, F5 Series, T Series and T5 Series securities payable by each Portfolio, see the description of each Portfolio. For O Series securities, no management fees are charged directly to the Portfolios. Instead, management fees are negotiated with and paid directly by investors. In some cases, we may reduce the management fee or Portfolio expenses for certain securityholders in a specific series of a Portfolio. Our decision to reduce the usual management fee or Portfolio expenses depends on a number of factors, including the size of the investment, the expected level of account activity and the investor's total investments with us. See "*Management Fee Reduction*" for more information.
Operating expenses	National Bank Investments pays the operating expenses of the Meritage Portfolios,

other than Portfolio Costs (as defined below). In exchange, National Bank Investments receives a fixed-rate administration fee (the "Administration Fee") in respect of each series of each Meritage Portfolio. The amount of the operating expenses paid by National Bank Investments in exchange for payment of the administration fee may be higher or lower than the administration fee over a given period.

The operating expenses paid by National Bank Investments in exchange for the Administration Fee include, but are not limited to, transfer agency and recordkeeping costs, custodial costs, accounting and valuation fees, audit fees, legal fees, the costs of preparing and distributing financial reports, simplified prospectuses, annual information forms, fund facts, continuous disclosure materials and other investor communications and the costs of trustee services relating to registered plans, as applicable. National Bank Investments pays these operating expenses, provided such expenses are incurred in the normal course of business of the Meritage Portfolios.

The "Portfolio Costs", which will continue to be payable by all Meritage Portfolios, are as follows:

- taxes (including HST and income tax);
- the fees, costs and expenses associated with compliance with any changes to existing governmental or regulatory requirements introduced after August 1, 2013, in the case of the Meritage Portfolios existing on that date, or on the date the Portfolio was started in the case of the Meritage Portfolios established after August 1, 2013;
- the fees, costs and expenses associated with compliance with any new governmental or regulatory requirements, including any new fees introduced after August 1, 2013, in the case of the Meritage Portfolios existing on that date, or on the date the Portfolio was started in the case of the Meritage Portfolios established after August 1, 2013;
- interest and borrowing costs;
- fees, costs and expenses related to external services that were not commonly charged in the Canadian mutual fund industry as at August 1, 2013, in the case of the Meritage Portfolios existing on that date, or on the date the Portfolio was started in the case of the Meritage Portfolios established after August 1, 2013;
- fees and expenses relating to National Bank Funds Corporation's board of directors;
- fees and expenses of the IRC, including compensation paid to IRC members, travel expenses, insurance premiums and costs associated with their continuing education; and
- fees, costs and expenses relating to operating expenses that will be paid by National Bank Investments incurred beyond the normal course of business of the Meritage Portfolios.

Portfolio Costs are allocated among the Meritage Portfolios and among each series of a Meritage Portfolio in a fair and equitable manner. National Bank Investments may decide to bear a portion of the Administration Fee and/or Portfolio Costs. This decision will be made each year, based on the manager's assessment, without notifying the securityholders.

Each Meritage Portfolio will continue to pay its portfolio transaction costs, which include brokerage commissions and other securities transaction fees, including the costs of derivatives (including, but not limited to, forward contracts) and foreign exchange transactions, as applicable. Portfolio transaction costs are not considered to be operating expenses and are not included in the management expense ratio of a series of a Meritage Portfolio.

The Administration Fee is equal to a percentage of the net asset value of a series of the Meritage Portfolios, calculated and paid in the same manner as the management fee for each series. The Administration Fee for each series is set out below.

Meritage Portfolios	Advisor Series	F Series	F5 Series	FT Series	T Series	T5 Series	O Series
Equity Portfolios							
Meritage Canadian Equity Portfolio	0.18%	0.18%	0.18%	–	–	0.18%	0.02%
Meritage Canadian Equity Class Portfolio	0.24%	0.24%	0.24%	–	0.24%	–	–
Meritage Global Equity Portfolio	0.18%	0.18%	0.18%	–	–	0.18%	0.02%
Meritage Global Equity Class Portfolio	0.18%	0.18%	0.18%	–	0.18%	–	–
Meritage American Equity Portfolio	0.18%	0.18%	0.18%	–	–	0.18%	–
Meritage International Equity Portfolio	0.18%	0.18%	0.18%	–	–	0.18%	–
Investment Portfolios							
Meritage Conservative Portfolio	0.11%	0.11%	0.11%	–	–	0.11%	–
Meritage Moderate Portfolio	0.12%	0.12%	0.12%	–	–	0.12%	–
Meritage Balanced Portfolio	0.12%	0.12%	0.12%	–	–	0.12%	–
Meritage Growth Portfolio	0.16%	0.16%	0.16%	–	–	0.16%	0.02%
Meritage Growth Class Portfolio	0.16%	0.16%	0.16%	–	0.16%	–	–
Meritage Dynamic Growth Portfolio	0.18%	0.18%	0.18%	–	–	0.18%	0.02%
Meritage Dynamic Growth Class Portfolio	0.19%	0.19%	0.19%	–	0.19%	–	–
Income Portfolios							
Meritage Diversified Fixed Income Portfolio	0.15%	0.15%	–	–	–	–	0.02%
Meritage Conservative Income Portfolio	0.11%	0.11%	–	–	–	–	0.02%
Meritage Moderate Income Portfolio	0.12%	0.12%	–	–	–	–	0.02%
Meritage Balanced Income Portfolio	0.12%	0.12%	–	–	–	–	0.02%
Meritage Growth Income Portfolio	0.16%	0.16%	–	–	–	–	0.02%
Meritage Dynamic Growth Income Portfolio	0.18%	0.18%	–	–	–	–	0.02%
Global Portfolios							
Meritage Global Conservative Portfolio	0.08%	0.08%	0.08%	–	–	0.08%	–
Meritage Global Moderate Portfolio	0.08%	0.08%	0.08%	–	–	0.08%	–
Meritage Global Balanced Portfolio	0.08%	0.08%	0.08%	–	–	0.08%	–
Meritage Global Growth Portfolio	0.11%	0.11%	0.11%	–	–	0.11%	0.02%
Meritage Global Growth Class Portfolio	0.11%	0.11%	0.11%	–	–	0.11%	–
Meritage Global Dynamic Growth Portfolio	0.13%	0.13%	0.13%	–	–	0.13%	0.02%
Meritage Global Dynamic Growth Class Portfolio	0.13%	0.13%	0.13%	–	–	0.13%	–
ETF Portfolios							
Meritage Tactical ETF Fixed Income Portfolio	0.08%	0.08%	–	0.08%	0.08%	–	–
Meritage Tactical ETF Moderate Portfolio	0.08%	0.08%	0.08%	–	–	0.08%	–
Meritage Tactical ETF Balanced Portfolio	0.08%	0.08%	0.08%	–	–	0.08%	–
Meritage Tactical ETF Growth Portfolio	0.08%	0.08%	0.08%	–	–	0.08%	–
Meritage Tactical ETF Equity Portfolio	0.08%	0.08%	0.08%	–	–	0.08%	–

	Independent Review Committee As mentioned earlier, the Portfolios pay fees and expenses related to the IRC of the Portfolios. As at the date of this Prospectus, each member of the IRC receives an annual retainer of $27,500 and the chairman of the committee receives an annual retainer of $42,000. However, if more than seven meetings are held in a particular year, each member of the IRC will receive an additional $1,750 and the chairman will receive an additional $2,000 for each meeting held after the seventh meeting they attend. Members are reimbursed for the expenses they incur to attend meetings. Such costs, which relate to all of the mutual funds managed by the manager, are allocated among all of these mutual funds. For further details of the fees and expenses paid by the Portfolios, see *Management of the Portfolios* in the Annual Information Form of the Portfolios.
Fees relating to the underlying funds	In addition to the fees and expenses directly payable by the Portfolios, certain fees and expenses are payable by the underlying funds held by the Portfolios. Each Portfolio indirectly bears its share of such fees and expenses. However, a Portfolio does not pay management fees or incentive fees that, to a reasonable person, would duplicate a fee payable by an underlying fund of that Portfolio for the same service. In addition, a Portfolio does not pay any sales charges or redemption fees in relation to its purchases or redemptions of securities of an underlying fund that, to a reasonable person, would duplicate a fee payable by an investor in the Portfolio.

Fees and charges payable directly by you

Sales charges and switch, conversion and redemption fees	**F Series, FT Series and F5 Series** For F Series, FT Series and F5 Series securities, you pay your dealer or broker an annual fee based on the asset value of your account instead of paying commissions or fees on each purchase, switch, conversion or redemption.
	Advisor Series, T Series and T5 Series For Advisor Series, T Series or T5 Series securities purchased under the initial sales charge option, you negotiate the initial sales charge with your dealer. This initial sales change may not be greater than 5% of the purchase price of the securities. We deduct the sales charge from the amount you are investing and pay it to the dealer. If you switch or convert your Advisor Series, T Series or T5 Series securities, you may have to pay your dealer switch or conversion fees that generally may amount to up to 2% of the value of the securities you switch or convert. You negotiate these fees with your dealer. See "*Switching securities*" and "*Converting securities*" for more information about these types of transactions and the applicable conditions. For Advisor Series, T Series or T5 Series securities purchased under the DSC or low sales charge option, you will have to pay a redemption fee if you redeem, switch or convert your securities within a specified time. We will charge you the applicable amount of deferred or low sales charges when your securities are redeemed, converted or switched. However, you will not have to pay a fee when you switch these securities for securities of the same series (acquired under the same sales charge option) in another fund managed by National Bank Investments. You will also not have to pay a fee if you convert your securities of a class of shares of National Bank Funds Corporation into securities of the same series (acquired under the same sales charge option) of another class of shares of National Bank Funds Corporation. In these cases, a fee will be payable, if applicable, when you redeem the securities of the new fund, based on the date on which you purchased the securities of the initial fund. The applicable fee is based on the initial cost of your securities and the amount of time you hold them. We will deduct the fee from the value of the securities you are redeeming. The following table shows the redemption fees depending on whether the securities were bought with the DSC option or low sales charge option:

Securities sold during the following periods after you bought them:	*Deferred sales charge if bought with the deferred sales charge option*[1]	*Low sales charge if bought with the low sales charge option*
during the 1st year	6.0%	3.0%
during the 2nd year	5.5%	2.5%
during the 3rd year	5.0%	2.0%
during the 4th year	4.5%	0%
during the 5th year	3.0%	0%
during the 6th year	1.5%	0%
After the 6th year	0%	0%

[1] These fees are only charged if you request the redemption of more than 10% of the securities that you hold. See "*Free redemption securities – DSC option*".

	O Series For O Series securities, you do not have to pay any fees when you purchase, switch, convert or redeem your securities through National Bank Investments.
Short-term trading fee	If you redeem or switch securities of a Meritage Portfolio within thirty (30) days of purchase, you *may* be charged a short-term trading fee of 2% of the value of the securities. In determining whether a short-term trade is inappropriate, we will consider relevant factors, including: • bona fide changes in investor circumstances or intentions; • unanticipated financial emergencies; • the nature of the fund; and • past trading patterns. For the purposes of determining whether the fee applies, we will consider the securities that were held the longest to be the securities which are redeemed first. Short-term trading fees are paid to the Portfolio and are in addition to any initial sales charge, DSC, low redemption fee or switch fee. The fee is deducted from the amount you redeem or switch, or it is charged to your account. The fee will not apply in the following circumstances: • redemption of securities pursuant to a systematic withdrawal plan or purchase of securities pursuant to a systematic investment plan; • redemptions of securities purchased by the reinvestment of distributions; • reclassification of securities from one series to another series of the same Portfolio; or • redemptions initiated by us. This fee is designed to protect securityholders from other investors moving quickly in and out of the Portfolios. See "*Short-term trading*" for more information.
Negotiated management fees	**O Series** A negotiated management fee is paid by holders of O Series securities. The percentage varies according to the value of the investor's initial investment and does not exceed the management fee for the Advisor Series. This fee is over and above the fixed-rate administration fee.

Management Fee Reduction

In certain cases, we may reduce the management fee for certain securityholders of a particular series of a Portfolio. Our decision to reduce the usual management fee depends on a number of factors, including the size of the investment, the expected level of activity in the account and the investor's total investments. We may raise or lower the amount of the reduction for certain investors from time to time.

In the case of the Trust Portfolios, we reduce the management fee charged to the Portfolio or we reduce the amount charged to the Portfolio for certain expenses and the Portfolio pays an amount equivalent to the reduction to the investors concerned as a special distribution (the "management fee distribution"). These distributions are automatically reinvested in additional Portfolio securities of the same series. Management fee distributions are paid first out of net income and net realized capital gains of the Portfolio and thereafter out of capital.

In the case of the Corporate Portfolios, we rebate the appropriate amount directly to each shareholder (the "management fee rebate"). These management fee rebates must generally be included in the shareholder's income. These management fee rebates are automatically reinvested in additional Portfolio securities of the same series.

For information about the tax treatment of management fee distributions and rebates, see *Canadian Federal Income Tax Considerations* in the Annual Information Form for the Portfolios.

Management fee reduction plan for high net worth investors

As part of the management fee reduction plan for high net worth investors (the "reduction plan") certain investors holding Advisor Series, F Series, F5 Series, FT Series, T Series and T5 Series securities of the eligible Meritage Portfolios or holding certain series securities of eligible NBI Funds (as specified in the NBI Funds prospectus) may be eligible for a management fee reduction based on the size of their investment in one or more Meritage Portfolios or NBI Funds, as applicable. This reduction plan does not apply to O Series securities.

We may, in our sole discretion, change the terms and conditions of the reduction plan, including by raising or lowering the management fee reduction percentages or changing the applicable levels or the eligibility criteria. However, we will send you a written notice thirty (30) days prior to a change should we cease to offer the reduction plan, should the eligibility criteria be raised so that you no longer qualify for the reduction plan, or should the reduction percentages that apply to your investments in a Meritage Portfolio or a NBI Fund be lowered. You will not receive any prior written notice in respect of other changes, such as if you cease to qualify for the reduction plan not due to a change in the program, for example, through securities redemptions or distributions consisting of a return of capital.

Eligibility criteria for the reduction plan

In order for you to qualify for the reduction plan, we will have to determine whether you satisfy one of the following criteria:

1. Individual investor with at least $100,000 invested in one Meritage Portfolio

The reduction plan applies automatically to any investor who has an investment with a market value of at least $100,000 in securities of any one Meritage Portfolio. The minimum $100,000 amount must be invested in securities of a single series, bought under the same purchase option, where applicable.

For purposes of calculating the amount of $100,000, all accounts in your own name in which you hold securities of the same Meritage Portfolio can be combined, as long as they are all with the same registered dealer representative. Only personal accounts can be combined.

The table below shows the applicable reduction rate for the Portfolios covered by this Prospectus. The reduction applies only to the portion of the assets that falls within the indicated level.

Portfolio	Level	Amount applicable to the level*	Reduction for the level (bp)
Meritage American Equity Portfolio Meritage International Equity Portfolio	Level 1	First $250,000	2.5 bps
	Level 2	Next $250,000	5 bps
	Level 3	In excess of $500,000	7.5 bps
All other Meritage Portfolios	Level 1	First $250,000	5 bps
	Level 2	Next $250,000	10 bps
	Level 3	In excess of $500,000	15 bps

* *The levels apply according to the market value of the assets.*

Example A

For example, if your assets are allocated as illustrated below, no reduction will apply, because the total minimum amount of $100,000 is not invested in securities of the same Meritage Portfolio.

Asset No.	Account	Portfolio	Series	Amount of assets	
#1	Non-registered	Meritage Canadian Equity Portfolio	Advisor (DSC)	$20,000	$95,000
#2	RRSP	Meritage Canadian Equity Portfolio	Advisor (DSC)	$75,000	
#3	RRSP	Meritage Global Equity Portfolio	Advisor (DSC)	$25,000	
				$120,000	

Example B

However, if your assets are allocated as illustrated below, a reduction will apply, since the total minimum amount of $100,000 is invested in securities of the same series of the same Meritage Portfolio, bought under the same purchase option.

Asset No.	Account	Portfolio	Series	Amount of assets	
#1	Non-registered	Meritage Canadian Equity Portfolio	Advisor (DSC)	$25,000	$100,000
#2	RRSP	Meritage Canadian Equity Portfolio	Advisor (DSC)	$75,000	
#3	RRSP	Meritage Global Equity Portfolio	Advisor (DSC)	$20,000	
				$120,000	

In Example B above, you would receive a management fee distribution equivalent to 0.05% (5 basis points) or $50 annually. The actual management fee, net of the reduction, would thus be 2.20% instead of 2.25%. This example assumes that the market value of the assets invested in the Meritage Canadian Equity Portfolio remains the same the entire year.

2. Individual investor with at least $250,000 invested in several Meritage Portfolios or NBI Funds

A reduction applies automatically to any investor who has an investment with a market value of at least $250,000 in several Meritage Portfolios or NBI Funds. In such a case, there is no required minimum investment per Meritage Portfolio or NBI Fund to qualify for the reduction. The value of all the assets in all Meritage Portfolios and NBI Funds will be considered, regardless of the series and purchase options you have selected. For purposes of calculating the amount of $250,000, all accounts in your own name in which you hold securities of the Meritage Portfolios or the NBI Funds can be combined, as long as they are all with the same registered dealer representative. Only personal accounts can be combined. The management fee reduction will be granted for the securities of the applicable Meritage Portfolios and NBI Funds based on the weighting of each fund and each level. See the NBI Funds prospectus for the list of NBI Funds securities that are eligible for the reduction.

The table below shows the different levels of management fee reduction applicable to the Portfolios covered by this Prospectus. The reduction applies only to the portion of the assets that is at the level indicated.

Portfolio	Level	Amount applicable to the level*	Reduction for the level (bp)
Meritage American Equity Portfolio	Level 1	First $250,000	2.5 bps
Meritage International Equity Portfolio	Level 2	Next $250,000	5 bps
	Level 3	In excess of $500,000	7.5 bps
All other Meritage Portfolios	Level 1	First $250,000	5 bps
	Level 2	Next $250,000	10 bps
	Level 3	In excess of $500,000	15 bps

* *The levels apply according to the market value of the assets.*

Example C

For example, if you held $650,000 divided between the Meritage Canadian Equity Portfolio ($600,000) and the Meritage International Equity Portfolio ($50,000), you would be entitled to a total reduction of $576.93 (annualized) as illustrated in the tables below. This example assumes that the market value of the assets invested in securities of the Meritage Portfolios remains the same during the entire year.

Reduction applicable to the investment in the Meritage Canadian Equity Portfolio ($600,000)

Amount applicable to the level	**Reduction for the level (bp)**	**Calculation of reduction (before applying the weighting)**	**Reduction (before applying the weighting)**	**Reduction for this Portfolio (in %)**
First $250,000 (Level 1)	5 bp	0.05% X $250,000	$125	$600/$650,000 = 0.092308%
Next $250,000 (Level 2)	10 bp	0.10% X $250,000	$250	**Reduction for this Portfolio (in $)**
$150,000 (in excess of $500,000) (Level 3)	15 bp	0.15% X $150,000	$225	$600,000 x 0.092308% = **$553.85**
			$600	

You would be entitled to a reduction of 0.092308% (9.2308 basis points) annually for your investment in the Meritage Canadian Equity Portfolio. The actual management fee, net of reductions, would thus be 2.1577% instead of 2.25%. The amount of the reduction (in dollars) applicable to your investment of $600,000 in the Meritage Canadian Equity Portfolio would thus be $553.85 (annualized).

Reduction applicable to the investment in the Meritage International Equity Portfolio ($50,000)

Amount applicable to the level	**Reduction for the level (bp)**	**Calculation of reduction (before applying the weighting)**	**Reduction (before applying the weighting)**	**Reduction for this Portfolio (in %)**
First $250,000 (Level 1)	2.5 bp	0.025% X $250,000	$62.50	$300/$650,000 = 0.04615%
Next $250,000 (Level 2)	5 bp	0.05% X $250,000	$125	**Reduction for this Portfolio (in $)**
$150 000 (in excess of $500,000) (Level 3)	7.5 bp	0.075% X $150,000	$112.50	$50,000 x 0.04615% = **$23.08**
			$300	

You would be entitled to a management fee reduction of 0.04615% (4.615 basis points) annually on your investment in the Meritage International Equity Portfolio. The actual management fee, net of reductions, would thus be 2.2038% instead of 2.25%. The amount of the reduction (in dollars) applicable to your investment of $50,000 in the Meritage International Equity Portfolio would thus be $23.08 (annualized).

Terms and conditions of payment

The management fee reduction is calculated daily as soon as you satisfy one of the eligibility criteria set out above. The amount of the management fee reduction is calculated automatically based on the daily market value of your assets invested in the applicable Meritage Portfolios or NBI Funds. If the market value of your assets falls below the minimum amount on a given day, no management fee reduction will be calculated for that day, unless the book value of your investment remains higher than the minimum amount necessary to qualify for the management fee reduction plan. In such case, the amount of the management fee reduction will still be calculated based on market value.

The management fee rebate or distribution will be applied once per calendar quarter. It will be automatically reinvested in additional securities of the same series of the applicable Meritage Portfolio or NBI Fund.

If you redeem all of the securities of a series in a Portfolio bought under the same purchase option, you will receive any management fee distributions or rebates owing at the redemption date of these securities. These amounts will be paid to you in the same manner and at the same time as the proceeds of redemption.

For information about the tax treatment of these management fee rebates and distributions, see *Canadian Federal Income Tax Considerations* in the Annual Information Form for the Portfolios.

Impact of Sales Charges

You and your broker or dealer decide on an appropriate purchase option when you buy securities of the Portfolios. The following table indicates the fees you would have to pay according to the different purchase options described above if you invest $1,000 in a Portfolio over 1, 3, 5 or 10 years and if redemption occurs before the end of that period.

	At the time of purchase	**Redemption fee after:**			
		1 year	**3 years**	**5 years**	**10 years**
All series *(excluding those listed below)*	–	–	–	–	–
Advisor Series, T Series and T5 Series					
Initial Sales Charge Option[1]	$50	–	–	–	–
Deferred Sales Charge Option	–	$60	$50	$30	–
Low Sales Charge Option	–	$30	$20	–	–

[1] In the case where sales charges are 5%.

Dealer Compensation

F Series, FT Series, F5 Series and O Series

Your dealer does not receive any compensation with respect to F Series, FT Series or F5 Series securities, other than the annual fee based on the asset value of your account that you pay your dealer. No compensation is paid to your dealer with respect to O Series securities.

Advisor Series, T Series and T5 Series

Your dealer normally receives a commission each time you buy securities in the Advisor Series, T Series and T5 Series of a Portfolio. This commission is based on the purchase option under which you invest in the Portfolio.

- Initial sales charge option: You and your dealer agree on the percentage you will pay as a fee at the time you buy Advisor Series, T Series or T5 Series securities. This percentage varies between 0 and 5%. See "*Fees*" for more information.
- Deferred sales charge option: When you buy Advisor Series, T Series or T5 Series securities under the DSC option, we pay your dealer a commission equal to 5% of the amount you invest. You do not pay any fee unless you redeem your securities within six years of their purchase. See "*Fees*" and "*Impact of Sales Charges*" for more information.
- Low sales charge option: When you buy Advisor Series, T Series or T5 Series securities under the low sales charge option, we pay your dealer a commission equal to 2.5% of the amount you invest. You do not pay a fee unless you redeem your securities within three years of their purchase. See "*Fees*" and "*Impact of Sales Charges*" for more information.

Switch and conversion fees

If you switch or convert your Advisor Series, T Series or T5 Series securities, you may have to pay your dealer switch or conversion fees. You negotiate these fees with your dealer. See "*Switching securities*", "*Converting securities*" and "*Fees and charges directly payable by you*" above for more information.

Trailing commissions

At the end of each month we pay an ongoing trailing commission to your dealer with respect to securities in the Advisor Series, T Series or T5 Series. We assume that the dealers will pay part of that commission to their registered representatives to compensate them for the services they provide their clients. We also pay a trailing commission with respect to securities purchased through a direct brokerage account. These commissions represent a percentage of the average daily value of the securities of each Portfolio held by a dealer's clients. The maximum trailing commission rates are as follows:

Advisor Series, T Series and T5 Series securities – Maximum annual trailing commissions

	Initial Sales Charge Option	Deferred Sales Charge Option		Low Sales Charge Option	
Portfolio	**Trailing Commission (%)**	**Trailing Commission (%) (1 to 6 yrs)**	**Trailing Commission (%) (+ 6 years)***	**Trailing Commission (%) (1 to 3 yrs)**	**Trailing Commission (%) (+ 3 yrs)**
Meritage Canadian Equity Portfolio	1.00	0.50	1.00	0.50	1.00
Meritage Canadian Equity Class Portfolio	1.00	0.50	1.00	0.50	1.00
Meritage Global Equity Portfolio	1.00	0.50	1.00	0.50	1.00
Meritage Global Equity Class Portfolio	1.00	0.50	1.00	0.50	1.00
Meritage American Equity Portfolio	1.00	0.50	1.00	0.50	1.00
Meritage International Equity Portfolio	1.00	0.50	1.00	0.50	1.00
Meritage Conservative Portfolio	0.75	0.25	0.75	0.25	0.75
Meritage Moderate Portfolio	0.75	0.25	0.75	0.25	0.75
Meritage Balanced Portfolio	1.00	0.50	1.00	0.50	1.00
Meritage Growth Portfolio	1.00	0.50	1.00	0.50	1.00
Meritage Growth Class Portfolio	1.00	0.50	1.00	0.50	1.00
Meritage Dynamic Growth Portfolio	1.00	0.50	1.00	0.50	1.00
Meritage Dynamic Growth Class Portfolio	1.00	0.50	1.00	0.50	1.00
Meritage Diversified Fixed Income Portfolio	0.75	0.25	0.75	0.25	0.75
Meritage Conservative Income Portfolio	0.75	0.25	0.75	0.25	0.75
Meritage Moderate Income Portfolio	0.75	0.25	0.75	0.25	0.75
Meritage Balanced Income Portfolio	1.00	0.50	1.00	0.50	1.00
Meritage Growth Income Portfolio	1.00	0.50	1.00	0.50	1.00
Meritage Dynamic Growth Income Portfolio	1.00	0.50	1.00	0.50	1.00
Meritage Global Conservative Portfolio	0.75	0.25	0.75	0.25	0.75
Meritage Global Moderate Portfolio	0.75	0.25	0.75	0.25	0.75
Meritage Global Balanced Portfolio	1.00	0.50	1.00	0.50	1.00
Meritage Global Growth Portfolio	1.00	0.50	1.00	0.50	1.00
Meritage Global Growth Class Portfolio	1.00	0.50	1.00	0.50	1.00
Meritage Global Dynamic Growth Portfolio	1.00	0.50	1.00	0.50	1.00
Meritage Global Dynamic Growth Class Portfolio	1.00	0.50	1.00	0.50	1.00
Meritage Tactical ETF Fixed Income Portfolio	0.50	0.25	0.50	0.25	0.50
Meritage Tactical ETF Moderate Portfolio	0.75	0.25	0.75	0.25	0.75
Meritage Tactical ETF Balanced Portfolio	1.00	0.50	1.00	0.50	1.00
Meritage Tactical ETF Growth Portfolio	1.00	0.50	1.00	0.50	1.00
Meritage Tactical ETF Equity Portfolio	1.00	0.50	1.00	0.50	1.00

* Applicable to any purchase made after August 17, 2015, excluding securities purchased under a systematic investment plan that started before August 17, 2015 and securities purchased as a result of reinvested distributions. For switches (or conversions in the case of Corporate Portfolios), the applicable trailing commission schedule is the one in effect at the time of the initial purchase.

Converting your Advisor, T or T5 Series securities purchased under the DSC or low sales charge option into securities of the same series under the initial sales charge option will generally result in an increase in the trailing commission being paid to your dealer. Decisions regarding purchase option changes are negotiated between you and your dealer. It is our expectation that your dealer will act in accordance with the regulations of the Mutual Fund Dealers Association of Canada and/or the regulations of the Investment Industry Regulatory Organization of Canada, including obtaining your prior consent.

Dealer support program

Co-operative marketing – We may pay your dealer or broker up to 50% of their direct costs to:

- publish and distribute sales communications;
- lead seminars to educate investors or promote mutual funds in general, the Portfolios or other mutual funds managed by National Bank Investments.

We may also provide dealers and brokers with marketing materials and reports to help them promote the Portfolios and other mutual funds managed by National Bank Investments.

Conferences and seminars – In addition to co-operative marketing, we may also:

- organize and present educational conferences for representatives of dealers and brokers;
- pay registration fees of representatives of dealers and brokers for educational conferences organized and presented by other organizations;
- pay industry organizations up to 10% of the direct costs of organizing and presenting educational conferences;
- pay dealers and brokers up to 10% of the costs of leading educational conferences.

Dealer Compensation from Management Fees

During the last financial year of National Bank Investments, which ended on October 31, 2016, 47.89% of the management fees for the Meritage Portfolios were used to pay dealer sales and trailing commissions and for promotional activities.

Income Tax Considerations for Investors

The following summary is of a general nature only. You should consult your own tax advisor about your individual circumstances. The Annual Information Form contains more detailed information.

This summary does not take into account the working paper published for consultation purposes by the Minister of Finance (Canada) on July 18, 2017 aimed at obtaining comments on the different possible approaches to eliminate certain perceived tax advantages from holding a passive investment portfolio in a private corporation. In this respect, please see the section entitled "*Legal, Tax and Regulatory Risks*" of this Simplified Prospectus.

O Series Securities

The negotiated management fees that you pay us with respect to O Series securities will not be deductible from the income earned on these securities.

Portfolios held in a registered plan

In the opinion of counsel, to the extent that a Portfolio qualifies as a "mutual fund trust", a "registered investment" or a "mutual fund corporation", the securities in this portfolio will be qualified investments under the Tax Act for trusts governed by registered plans. In this respect, other information will be provided in the Annual Information Form of the Portfolios.

If you hold your investments in an RRSP, RRIF, LIRA, LIF, LRIF, RESP, TFSA or in a deferred profit-sharing plan ("DPSP") or a registered disability savings plan ("RDSP"), you will not generally be taxed on your distributions (including dividends) and capital gains. You will, however, be taxed when you withdraw money from a plan (except for withdrawals from a TFSA, withdrawals of contributions to an RESP and certain withdrawals from an RDSP). Holders of RRSPs, RRIFs and TFSAs should consult with their tax advisors as to whether securities of the Portfolios would be "prohibited investments" under the Tax Act.

Distribution policy

Each Portfolio makes payments, as the case may be, called distributions, to its investors. These distributions (which include the dividends paid by the Corporate Portfolios) consist of net income, dividends, net realized capital gains and capital gains dividends or non-taxable amounts such as returns of capital.

Portfolios not held in a registered plan

You will be taxed on all distributions (other than certain non-taxable amounts such as a return of capital and the non-taxable half of capital gains) and all dividends (including the taxable portion of capital gains dividends), whether you take them in cash or we reinvest them for you in securities of a Portfolio. Any amount considered to be a return of capital will not be included in your income, but will reduce the adjusted cost base of your securities. If the adjusted cost base were to become a negative amount, you would be deemed to realize a capital gain of such amount and your adjusted cost base would then be zero. You will also be subject to capital gains tax if you redeem or switch any of your securities at a gain. However, you may convert securities: (i) from one series into another series of the same Trust Portfolio or; (ii) from one series into another series of the same Corporate Portfolio; or without triggering a capital gain or loss. You will generally also be taxed on management fee distributions you receive from a Portfolio.

As of January 1, 2017 and unless an exception applies, the switch, by a shareholder, of shares from one class of mutual fund shares (such as National Bank Funds Corporation) into mutual fund shares of another class results in a disposition at fair market value and a capital gain or a capital loss is generally realized. However, the reclassification of shares where a shareholder exchanges a share of one class of mutual fund shares for another share of the same class and both shares derive their value from the same property or group of properties will not give rise to a capital gain or a capital loss insofar as said class of shares is recognized under securities legislation as being a single mutual fund or as being part of such a mutual fund. This exception is expected to permit shareholders to continue to switch between mutual fund shares of different series of the same fund on a tax-deferred basis. Another exception is also provided for cases in which an exchange of all the shares of a class of a mutual fund corporation that occurs in the context of certain capital reorganizations or amalgamations described in the Tax Act, provided certain specified conditions are met. **We encourage investors to speak to their investment advisor and/or tax advisor about these changes and their options.**

When you invest in a Portfolio, the security price may include undistributed income and capital gains, particularly when you invest late in a calendar year in a portfolio other than an income portfolio. When these earnings are distributed to you, you will have to include them in your income for tax purposes, even though they may include earnings from before the date you invested in the Portfolio. To the extent that the distribution is invested in additional securities, the amount of the distribution will be added to the adjusted cost base of your securities, which will reduce any capital gains you have to declare later when you redeem or switch your securities.

The total adjusted cost base of your securities of a Portfolio will generally be equal to the total of all amounts paid to purchase your securities of that Portfolio plus the amount of any reinvested distributions less non-taxable amounts such as a return of capital component of distributions and the adjusted cost base of any securities of that Portfolio you have previously redeemed. The adjusted cost base per security of a Portfolio is determined by dividing the total adjusted cost base of your securities of that Portfolio by the number of such securities that you own in that Portfolio. In the case of a Portfolio with more than one series of securities, the adjusted cost base is determined separately for each series of securities of the Portfolio owned by an investor.

What Are Your Legal Rights?

You have the right to cancel your agreement to buy

Securities legislation in some provinces gives you the right to withdraw from an agreement to buy mutual funds within two (2) business days of receiving the Simplified Prospectus or the Fund Facts or to cancel your purchase within forty-eight (48) hours after receiving confirmation of your order.

Securities legislation in some provinces and territories also allows you to cancel an agreement to buy mutual fund securities and get your money back, or to make a claim for damages, if the Simplified Prospectus, Annual Information Form, Fund Facts or financial statements misrepresent any facts about the Portfolios. These rights must usually be exercised within certain time limits.

For more information, refer to the securities legislation of your province or territory or consult your lawyer.

Additional Information

Debt securities

The Portfolios have received an exemption from the Canadian Securities Administrators allowing it to engage in certain debt securities transactions. Without the exemption, the transactions would have been prohibited. Pursuant to the exemption, a Portfolio may, with the approval of the IRC in accordance with Regulation 81-107 and subject to certain other provisions of Regulation 81-107, purchase from or sell to related dealers that are principal dealers in the Canadian debt securities market, government or non-government debt securities in the secondary market, if the purchase or sale is consistent with the investment objective of the Portfolio or necessary to meet such objective.

The Portfolios have also received an exemption from the Canadian Securities Administrators allowing them to invest in debt securities that do not have an approved rating (or designated rating) during an offering in which a related party acts as an underwriter or during the sixty (60) day period following the completion of such an offering. Without the exemption, such transactions would have been prohibited. Pursuant to this exemption, a Portfolio may make such investments, with the approval of the IRC in accordance with Regulation 81-107 and subject to certain other provisions of Regulation 81-107, provided certain other conditions are met, including that the investment be consistent with the investment objective of the Portfolio or be necessary to meet such objective.

Non-exchange-traded related issuer securities

The Portfolios have received an exemption from the Canadian Securities Administrators allowing them to purchase on the secondary market securities of a related issuer which are not exchange-traded if certain conditions are met. In particular, the investment must be made in a security having obtained an approved rating (or designated rating) and must be consistent with the investment objective of the Portfolio or necessary to meet said objective. The investment must also be approved by the IRC as described in Regulation 81-107 and is subject to certain other provisions of Regulation 81-107.

The Portfolios have also received an exemption from the Canadian Securities Administrators allowing them to purchase on the primary market non-exchange-traded related issuer securities with a term of three hundred and sixty-five (365) days or more, other than asset-backed commercial paper, if certain conditions are met, in particular the approval of the IRC is obtained.

Investments in certain exchange-traded funds

The Portfolios have received an exemption from the Canadian Securities Administrators allowing them to invest in ETFs that hold gold, permitted gold certificates or specified derivatives of which the underlying interest is gold or permitted gold certificates ("Gold ETFs"), although such ETFs are not index participation units under securities laws. Such Gold ETFs seek to replicate the performance of the price of gold.

Actively managed exchange traded funds

An exemption application has been obtained from the Canadian Securities Administrators permitting the Portfolios to invest a portion of their net asset value in Canadian and U.S. actively managed exchange traded funds that are not index participation units under securities laws (the "Actively Managed ETFs") and are not subject to *Regulation 81-101 respecting Mutual Fund Prospectus Disclosure* ("Regulation 81-101"). The aforementioned exemption will be subject to certain conditions, including that a Portfolio will not be entitled to purchase securities of such Actively Managed ETFs if, immediately after the purchase, more than 30% of the net asset value of the Portfolio, taken at market value at the time of purchase, would consist of securities of such Actively Managed ETFs; or more than 10% of the net asset value of the Portfolio, taken at market value at the time of purchase, would consist of securities of U.S. Actively Managed ETFs.

Private placements in which a related underwriter participates

The Portfolios have received an exemption from the Canadian Securities Administrators allowing them to purchase equity securities of a reporting issuer in a private placement in which a related underwriter is participating, during the offering period of the securities and the sixty (60) day period following completion of the offering. Without the exemption, such transactions would have been prohibited. Pursuant to this exemption, the Portfolios may engage in such transactions subject to the approval of the IRC, as described in Regulation 81-107 and subject to certain provisions of Regulation 81-102. The purchase must also comply with the Portfolios' investment objective.

Inter-fund trades

Pursuant to exemptions obtained by National Bank Trust Inc., the Portfolios may purchase or sell securities (including debt securities) from or to the investment portfolio of an associate of a responsible person or of an investment fund (including investment funds not subject to Regulation 81-102) for which a responsible person acts as portfolio manager (the "inter-fund trades"). In addition, pursuant to these exemptions, each of the Portfolios is authorized to engage in inter-fund trades in respect of exchange-traded securities with another fund that is subject to Regulation 81-102 at the current market price instead of the closing price. Without these exemptions, such inter-fund trades would have been prohibited. The exemptions are subject to various conditions. In particular, the inter-fund trades must be consistent with the Portfolio's investment objective and must be submitted to the Portfolio's IRC in accordance with Regulation 81-107 and must also comply with certain provisions of Regulation 81-107.

Fundamental changes

In accordance with Regulation 81-102 and to the extent permitted under the Portfolios' constating documents, securityholder approval need not be sought with respect to fundamental changes in the following circumstances:

(i) a Portfolio undertakes a reorganization with, or transfers its assets to, another mutual fund to which Regulation 81-107 applies which is managed by the manager or an affiliate of the manager, and ceases to continue after the reorganization or transfer of assets, which results in the securityholders of the Portfolio becoming securityholders of the other mutual fund;

(ii) a Portfolio changes its auditor.

Though they need not be called upon to approve such changes, which will however require the approval of the IRC, securityholders will be notified at least sixty (60) days prior to the date the changes take effect.

Specific Information About Each of the Mutual Funds Described in This Document

General information

The following explanations are provided to help you more easily understand the specific information about each of the Portfolios described in this Part B. Any information that is common to the Portfolios is described here. You should refer back to this section when reading the individual Portfolio description to make sure you have complete information about a particular Portfolio.

Portfolio details

This section gives you an overview of each Portfolio, and includes the following information:

- Type of Portfolio;
- Date the Portfolio or Series Was Started: the date at which the Portfolio or series was legally started by declaration of trust or amendment of the articles of National Bank Funds Corporation, as applicable, which corresponds to the date of the prospectus;
- Securities Offered;
- Date Operations Commenced: the date at which the securities of each series were first issued to the public;
- Eligibility for Registered Plans;
- Maximum Annual Management Fees.

Additional information may be included depending on the specific features of the Portfolio.

What does the Portfolio invest in?

This section can help you decide which Portfolio is suitable for you. It is meant as a general guide only. For advice about your investment portfolio, you should consult your registered representative.

Investment objective

This section outlines the investment objective of the Portfolio. This will allow you to choose the Portfolio that best matches your personal financial objectives.

Investment strategies

This section outlines the strategies we use to achieve the Portfolio's investment objective.

Monitoring of the Meritage Portfolios

All the Meritage Portfolios are monitored at least monthly and rebalanced when deemed necessary. Rebalancing may, for example, be required to correct material deviations (5% or more) or when certain changes are made to the composition of the underlying funds of the Meritage Portfolios.

The ETF Portfolios apply a tactical allocation valuation process in which asset allocation and the choice of underlying funds are subject to frequent changes (normally on a quarterly basis) in light of economic and market conditions. When the target asset allocation and the choice of underlying funds are modified, the Portfolio is generally rebalanced based on the new targets.

Fund on fund investing

The Portfolios are allowed to invest in underlying funds, subject to certain requirements of securities legislation.

Investments in actively managed ETFs

Pursuant to an exemption received from the Canadian Securities Administrators, the Meritage Portfolios may invest a portion of their net asset value in actively managed Canadian and U.S. ETFs that do not qualify as index participation units under securities laws.

See the *Additional Information* section of this prospectus for more information on this exemption.

Use of derivatives

Derivatives are investment instruments such as futures and options. Usually, derivatives grant the right or require the holder to buy or sell a specific asset during a certain period of time. There are several types of derivatives, each based on an underlying asset. A stock option is a derivative in which the underlying asset is the security of a major corporation. There are also derivatives based on currencies, commodities and market indexes.

The Meritage Portfolios may use derivatives that comply with their investment objective and the guidelines set out by the Canadian Securities Administrators on the use of derivatives by mutual funds. The current Portfolio Manager of the Portfolios is not registered to manage derivatives as it is exempted from such a registration requirement. The Portfolios may use derivatives to offset or reduce a risk associated with investments in the Portfolios. The Portfolios may seek to improve their rates of return by using derivatives and accepting a lower, more certain rate of return through hedging transactions, rather than a higher but less certain rate of return. This is called hedging. Derivatives may not be used for speculation.

The Portfolios may use derivatives to reduce the risk of currency fluctuations, stock market volatility and interest rate fluctuations. However, there is no guarantee that using derivatives will prevent losses if the value of the underlying investments falls. In some cases, the Portfolios may use derivatives instead of direct investments. This reduces transaction costs, can improve liquidity and increases flexibility.

The Portfolios may also use derivatives for non-hedging purposes. Derivatives help these Portfolios increase the speed and flexibility with which they trade. But there is no guarantee that using derivatives will result in positive returns. The Meritage Portfolios face a credit risk when they use derivatives.

What are the risks of investing in the Portfolio?

There are certain risks associated with investing in the Portfolios. The Portfolios indirectly have the same risks as the underlying funds they hold. This section lists the direct and indirect risks specific to the Portfolios. However, since changes may occur in a Portfolio's holdings of the underlying funds, you should refer to the simplified prospectus of the underlying funds for the risks associated with the underlying funds.

Who should invest in this Portfolio?

This section tells you if the Portfolio is a suitable investment for you. This depends on a number of factors, including your risk tolerance, your investment horizon and your personal financial objectives.

Investment risk classification methodology

To help you determine if a Portfolio is suitable for you, the Portfolio Manager classifies the risk of investing in one or the other of the following categories: low, low to medium, medium, medium to high or high. The risk level of investing in a Portfolio is reviewed at least once a year and each time a material change is made to the Portfolio's investment objective and/or strategies.

The methodology used to determine the risk ratings of the Portfolios for purposes of disclosure in this prospectus is the one provided in Regulation 81-101.

The new standardized methodology is useful to investors, as it provides a consistent and comparable basis for measuring the risk levels of the different mutual funds.

The methodology consists in grading the risk associated with a mutual fund on the five-category scale mentioned above based on the historical volatility of that mutual fund's performance, as measured by the standard deviation of the mutual fund's performance over a 10-year period. A mutual fund's standard deviation is calculated by determining the differential between a mutual fund's yield and its average yield over a given timeframe. A mutual fund with a high standard deviation is usually classified as being risky.

If the historical performance falls short of the 10-year period required by regulation to calculate the standard deviation of a Portfolio, the Manager will substitute the data of a recognized reference index to make up for the Portfolio's missing historical performance. The reference index retained by the Manager must have a composition similar to that of the Portfolio's investment Portfolio with performances that positively correlate with or bear a resemblance to those of the fund.

You may obtain a copy of the methodology used by the Portfolio Manager by calling the toll-free number 1-866-603-3601 or by emailing us at investments@nbc.ca.

Distribution policy

This section outlines how frequently the Portfolio distributes its net income and net realized capital gains.

Distributions from certain Series or from certain Portfolios may include a return of capital. A return of capital reduces the value of your original investment and is not the same as the return on your investment. Returns of capital that are not reinvested may reduce the net asset value of the Portfolio and the Portfolio's subsequent ability to generate income.

All distributions payable to investors will be reinvested in additional securities of the same Portfolio, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash. However, no distributions may be paid in cash if you hold your units in a registered plan. Any special year-end distribution must be reinvested in additional securities of the Portfolio.

The amount of the monthly distribution per unit of the monthly income Portfolios and the amount of the distribution per security of each Portfolio offering F5, FT, T and T5 Series securities is reset at the beginning of each calendar year. This information is available at www.nbcadvisor.com and may also be obtained by calling toll-free 1-866-603-3601.

The Manager may make other distributions during the year at its discretion.

Portfolio expenses indirectly borne by investors

This section helps you compare the cost of investing in a Portfolio with the costs of investing in other mutual funds.

Meritage Canadian Equity Portfolio

Portfolio Details

Type of Portfolio:	Canadian Equity
Date the Portfolio Was Started:	September 25, 2006
Securities Offered:*	Trust units – Advisor Series, F Series, F5 Series, O Series and T5 Series
Date Operations Commenced:	Advisor Series – September 25, 2006 F Series – September 25, 2006 F5 Series – September 5, 2014 O Series – October 31, 2013 T5 Series – September 5, 2014
Eligibility for Registered Plans:	The Portfolio securities are eligible investments for registered plans.
Maximum Annual Management Fees:	Advisor Series and T5 Series: 2.00% F Series and F5 Series: 0.85%

* *The Portfolio also offers a series by way of private placement.*

What Does the Portfolio Invest in?

Investment Objective

The Portfolio's investment objective is to achieve long-term capital appreciation by investing primarily in a diverse mix of Canadian equity mutual funds.

Unitholders must approve any change to this objective at a meeting specifically held for that purpose.

Investment Strategies

Under normal market conditions, the Portfolio invests up to:

- 100% of its net assets in Canadian equity.

The Portfolio invests up to 100% of its net assets in underlying funds (that may include exchange-traded funds) managed by third parties ("Underlying Funds"). The Portfolio Manager may, in its sole discretion, select the Underlying Funds, allocate assets to the Underlying Funds, change the percentage holding of any Underlying Fund, remove any Underlying Fund or add other Underlying Funds.

When selecting an Underlying Fund in which to invest, the Portfolio Manager will consider the market capitalization and performance of the Underlying Fund, and the expenses (if any) payable by the Portfolio which may be associated with the investment. There will be no duplication of fees, particularly sales charges, between the Portfolio and any Underlying Fund.

The Portfolio may from time to time invest in foreign equity mutual funds and make direct investments in Canadian and foreign equity and fixed-income securities. The Portfolio will invest no more than 30% of its assets in foreign equity mutual funds and direct investments in foreign equity securities. The Portfolio may also invest in mutual funds that hold shares of small-cap corporations.

The Portfolio may hold a portion of its assets in cash, money market securities or money market funds while seeking investment opportunities, for cash management purposes, for defensive purposes depending on market conditions or for purposes of an amalgamation or other transaction. As a result, the Portfolio may temporarily not be fully invested in accordance with its investment objective.

The Portfolio may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest or exchange rates. The Portfolio may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies provided that the use of the derivative is consistent with the Portfolio's investment objective.

The Portfolio may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the Portfolio's other investment strategies in the most appropriate manner to allow the Portfolio to meet its investment objective and improve its performance. See "*Repurchase and reverse repurchase agreements risk*" and "*Securities lending risk*" for a description of these transactions and the strategies to be used by the Portfolio to reduce the risks related to these transactions. At the current time, the Portfolio does not intend to engage in repurchase and reverse repurchase transactions.

What Are the Risks of Investing in the Portfolio?

The Portfolio indirectly has the same risks as the Underlying Funds it holds. The Portfolio takes on the risks of an Underlying Fund in proportion to its investment in that fund. The direct and indirect risks of the Portfolio are:

- Capital erosion risk
- Commodity risk
- Concentration risk
- Counterparty risk
- Credit risk
- Currency risk
- Derivative risk

- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Income trust risk
- Interest rate risk
- Large investment risk
- Legal, tax and regulatory risks
- Liquidity risk
- Repurchase and reverse repurchase agreements risk
- Securities lending risk
- Series risk
- Short selling risk
- Smaller companies risk
- Specialization risk
- Substantial securityholder risk
- Underlying fund risk
- U.S. tax risk

These risks are described in more detail beginning on page 2 of this Simplified Prospectus.

During the last 12 months, the Portfolio invested as much as 30.67% of its net assets in the Fidelity Canadian Disciplined Equity® Fund, as much as 30.18% of its net assets in the Beutel Goodman Canadian Equity Fund, as much as 10.13% of its net assets in the Dynamic Power Small Cap Fund and as much as 32.13% of its net assets in the Manulife Canadian Investment Fund. See "*Concentration risk*" on page 3 for a description of this risk.

Who Should Invest in This Portfolio?

The Portfolio is suitable if you:

- are willing to tolerate a medium level of risk;
- are looking to invest for the long term (at least five years);
- are looking for an investment solution that allows you to invest in a wide range of Canadian equity securities;
- want to receive a distribution regularly (F5 Series and T5 Series only).

Distribution Policy

For Advisor, F and O Series units, the Portfolio distributes its net income and net realized capital gains for the year between December 14 and December 31 of each year. These distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash.

For F5 and T5 Series units, the Portfolio makes distributions at the end of each month. These monthly distributions are composed of a return of capital and/or net income. The amount of the monthly distribution per unit is reset at the beginning of each calendar year. The amount of the monthly distribution per unit is set by multiplying the net asset value per unit at the end of the previous calendar year (or if no units were offered at the end of the previous calendar year, the date when units were first offered in the current year) by 5% and dividing the result by 12. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio. These monthly distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash. The total amount of distributions for a year may exceed the income and capital gains earned by the Portfolio in that year. This excess amount will be treated as a return of capital to the unitholders and will not be taxable to you in the year of receipt, but will reduce the adjusted cost base of the units and may, in certain circumstances, result in a capital gain. See "*Income Tax Considerations for Investors*" for more information. Any net income not distributed previously in the year and any capital gains will be distributed by the Portfolio in a special distribution at the end of the year. This special year-end distribution must be reinvested in additional Portfolio units of the same series.

Portfolio Expenses Indirectly Borne by Investors

A mutual fund generally pays some expenses out of its assets. The table below shows the costs you pay indirectly for each $1,000 that you have invested in the Portfolio. To make it easy for you to compare these costs to the costs of other Portfolios, this table assumes:

- the total annual return of the Portfolio is 5% a year;
- the management expense ratio of the Portfolio was the same throughout the ten-year period as it was in the last financial year of the Portfolio.

Based on these assumptions, the cumulative costs of investing in this fund would be:

	One year	**Three years**	**Five years**	**Ten years**
Advisor Series	$28.96	$91.29	$160.01	$364.23
F Series	$14.62	$46.08	$80.78	$183.87
F5 Series	$14.71	$46.39	$81.30	$185.07
O Series	$0.75	$2.36	$4.13	$9.40
T5 Series	$29.39	$92.64	$162.39	$369.64

To compare the costs you pay indirectly for this Portfolio to those of other Portfolios, please see the other Portfolio descriptions. *Please note these figures are for comparative purposes only, based on the above-mentioned assumptions. Actual expenses will vary from what we have indicated here.*

See "*Fees and charges payable directly by you*" for the fees and charges that you pay directly.

Meritage Canadian Equity Class Portfolio

Portfolio Details

Type of Portfolio:	Canadian Equity
Date the Portfolio Was Started:	March 23, 2011
Securities Offered:	Shares – Advisor Series, F Series, F5 Series and T Series
Date Operations Commenced:	Advisor Series – March 23, 2011 F Series – March 23, 2011 F5 Series – September 5, 2014 T Series – March 23, 2011
Eligibility for Registered Plans:	The Portfolio shares are eligible investments for registered plans.
Maximum Annual Management Fees:	Advisor Series and T Series: 2.00% F Series and F5 Series: 0.85%

What Does the Portfolio Invest in?

Investment Objective

The Portfolio's investment objective is to obtain a comparable return to that of the Meritage Canadian Equity Portfolio (the "Underlying Fund").

The Portfolio invests mainly in units of the Underlying Fund and/or in securities of the mutual funds held by the Underlying Fund and/or in mutual funds similar to those funds, based on a similar weighting to that used by the Underlying Fund.

Shareholders must approve any change to this objective at a meeting specifically held for that purpose.

Investment Strategies

To achieve its investment objective, the Portfolio invests substantially all of its net assets in O Series units of the Underlying Fund. The investment objective of the Underlying Fund is to achieve long-term capital appreciation by investing primarily in a diverse mix of Canadian equity funds.

The Underlying Fund invests all of its net assets in Canadian equity funds managed by third parties (that may include exchange-traded funds). The Portfolio Manager of the Underlying Fund may, at its sole discretion, select the mutual funds, allocate assets to the mutual funds, change the percentage holding of any mutual fund, remove any mutual fund from the Portfolio or add other mutual funds.

When selecting a mutual fund in which to invest, the Portfolio Manager of the Underlying Fund will consider the mutual fund's market capitalization, its performance, and the expenses (if any) payable by the Underlying Fund which may be associated with the investment.

The Underlying Fund may from time to time invest in foreign equity mutual funds and make direct investments in Canadian and foreign equity and fixed-income securities. The Underlying Fund will invest no more than 30% of its assets in foreign equity mutual funds and direct investments in foreign equity securities. The Underlying Fund may also invest in mutual funds that hold shares of small-cap corporations.

The Portfolio has obtained from the Canadian Securities Administrators an exemption from the application of certain rules applicable to funds-of-funds set out in Regulation 81-102. The exemption allows the Portfolio to invest in securities of the Underlying Fund even if the Underlying Fund holds, directly or indirectly, more than 10% of its net assets in the securities of other mutual funds.

There will be no duplication of management fees between the Portfolio, the Underlying Fund and the Underlying Fund's Underlying Funds.

If the Portfolio Manager is of the opinion that it is no longer in the best interests of the Portfolio to invest in O Series units of the Underlying Fund, it may invest in securities of the mutual funds held by the Underlying Fund and/or in mutual funds similar to those funds, based on a similar weighting to that used by the Underlying Fund.

The Portfolio and the Underlying Fund may hold a portion of their assets in cash, money market securities or money market funds while seeking investment opportunities, for cash management purposes, for defensive purposes depending on market conditions or for purposes of an amalgamation or other transaction. As a result, the Portfolio and the Underlying Fund may temporarily not be fully invested in accordance with their investment objective.

The Portfolio and the Underlying Fund may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest or exchange rates. The Portfolio and the Underlying Fund may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies provided that the use of the derivative is consistent with the Portfolio's investment objective.

The Portfolio and the Underlying Fund may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the Portfolio's other investment strategies in the most appropriate manner to allow the Portfolio to meet its investment objectives and improve its performance. See "*Repurchase and reverse repurchase agreements risk*" and "*Securities lending risk*" for a description of these transactions and the strategies to be used by the Portfolio to reduce the risks related to these transactions. At the current time, the Portfolio and the Underlying Fund do not intend to engage in repurchase and reverse repurchase transactions.

For more information on the Meritage Canadian Equity Portfolio, please see page 30 of this Prospectus.

What Are the Risks of Investing in the Portfolio?

The Portfolio indirectly has the same risks as the Underlying Funds it holds. The Portfolio takes on the risks of an Underlying Fund in proportion to its investment in that fund. The direct and indirect risks of the Portfolio are:

- Capital erosion risk
- Class risk
- Commodity risk
- Concentration risk
- Counterparty risk
- Credit risk
- Currency risk
- Derivative risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Income trust risk
- Interest rate risk
- Large investment risk
- Legal, tax and regulatory risks
- Liquidity risk
- Repurchase and reverse repurchase agreements risk
- Securities lending risk
- Series risk
- Short selling risk
- Smaller companies risk
- Specialization risk
- Substantial securityholder risk
- Underlying fund risk
- U.S. tax risk

These risks are described in more detail beginning on page 2 of this Simplified Prospectus.

During the last 12 months, the Portfolio invested as much as 30.29% of its net assets in the Beutel Goodman Canadian Equity Fund, as much as 30.11% of its net assets in the Fidelity Canadian Disciplined Equity® Fund, as much as 10.17% of its net assets in the Dynamic Power Small Cap Fund and as much as 32.58% of its net assets in the Manulife Canadian Investment Fund. See "*Concentration risk*" on page 3 for a description of this risk.

Who Should Invest in This Portfolio?

The Portfolio is suitable if you:

- are willing to tolerate a medium level of risk;
- are looking to invest for the long term (at least five years);
- are looking for an investment solution that allows you to invest in a wide range of Canadian equity securities;
- wish to make investments outside your registered plan;
- want to receive a distribution regularly (F5 Series and T Series only).

Distribution Policy

Ordinary dividends may be paid in December of each year and capital gains dividends may be paid at the end of the year or in January or February of each year. Dividends may also be paid at other times during the year. Dividends will be paid to the extent necessary to minimize National Bank Funds Corporation's tax liability.

For T Series shares, monthly distributions will also be paid. They will be composed of a return of capital and/or dividends. The amount of the monthly distribution per share is reset at the beginning of each calendar year. It is a factor of the Portfolio's payout rate, the net asset value per share at the end of the previous calendar year and the number of shares of the Portfolio you own at the time of the distribution. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio.

For F5 Series shares, monthly distributions will also be paid. They will be composed of a return of capital and/or dividends. The amount of the monthly distribution per share is reset at the beginning of each calendar year. The amount of the monthly distribution is set by multiplying the net asset value per share at the end of the previous calendar year (or if no shares were offered at the end of the previous calendar year, the date when shares were first offered in the current year) by 5% and dividing the result by 12. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio.

The return of capital distributed for F5 Series and T Series shares will be treated as a return of capital in the shareholder's hands and will not be taxable in the year of receipt, but will reduce the adjusted cost base of the shares and may, in certain situations, give rise to a capital gain. See "*Income Tax Considerations for Investors*" for more information.

In addition to the monthly distributions, a special year-end distribution may be made to F5 Series and T Series investors. This distribution will consist of ordinary dividends and/or capital gains dividends and will be automatically reinvested in additional shares of the same series of the Portfolio.

All dividends payable to Advisor Series and F Series investors will be reinvested in additional Portfolio shares of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum dividend amount of $25 may be required for a dividend to be paid to you in cash.

Monthly distributions payable to F5 Series and T Series investors will be reinvested in additional Portfolio shares of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash.

Portfolio Expenses Indirectly Borne by Investors

A mutual fund generally pays some expenses out of its assets. The table below shows the costs you pay indirectly for each $1,000 that you have invested in the Portfolio. To make it easy for you to compare these costs to the costs of other Portfolios, this table assumes:

- the total annual return of the Portfolio is 5% a year;
- the management expense ratio of the Portfolio was the same throughout the ten-year period as it was in the last financial year of the Portfolio.

Based on these assumptions, the cumulative costs of investing in this Portfolio would be:

	One year	**Three years**	**Five years**	**Ten years**
Advisor Series	$28.62	$90.23	$158.16	$360.01
F Series	$14.49	$45.67	$80.05	$182.21
F5 Series	$15.17	$47.83	$83.84	$190.83
T Series	$29.35	$92.54	$162.20	$369.22

To compare the costs you pay indirectly for this Portfolio to those of other Portfolios, please see the other Portfolio descriptions. *Please note these figures are for comparative purposes only, based on the above-mentioned assumptions. Actual expenses will vary from what we have indicated here.*

See "*Fees and charges payable directly by you*" for the fees and charges that you pay directly.

Meritage Global Equity Portfolio

Portfolio Details

Type of Portfolio:	Global Equity
Date the Portfolio Was Started:	September 25, 2006
Securities Offered:*	Trust units – Advisor Series, F Series, F5 Series, O Series and T5 Series
Date Operations Commenced:	Advisor Series – September 25, 2006 F Series – September 25, 2006 F5 Series – September 5, 2014 O Series – October 31, 2013 T5 Series – September 5, 2014
Eligibility for Registered Plans:	The Portfolio securities are eligible investments for registered plans.
Maximum Annual Management Fees:	Advisor Series and T5 Series: 2.00% F Series and F5 Series: 1.00%

* *The Portfolio also offers a series by way of private placement.*

What Does the Portfolio Invest in?

Investment Objective

The Portfolio's investment objective is to achieve long-term capital appreciation by investing primarily in a diverse mix of global equity mutual funds.

Unitholders must approve any change to this objective at a meeting specifically held for that purpose.

Investment Strategies

Under normal market conditions, the Portfolio invests up to:

- 100% of its net assets in global equity securities (including emerging markets equity securities).

The Portfolio invests up to 100% of its net assets in underlying funds (that may include exchange-traded funds) managed by third parties ("Underlying Funds"). The Portfolio Manager may, at its sole discretion, select the Underlying Funds, allocate assets to the Underlying Funds, change the percentage holding of any Underlying Fund, remove any Underlying Fund or add other Underlying Funds.

When selecting an Underlying Fund in which to invest, the Portfolio Manager will consider the degree of exposure to various geographic regions that the Underlying Fund will provide to the Portfolio, the market capitalization and performance of the Underlying Fund, and the expenses (if any) payable by the Portfolio which may be associated with the investment. There will be no duplication of fees, particularly sales charges, between the Portfolio and any Underlying Fund.

The Portfolio may from time to time make direct investments in Canadian and foreign equity and fixed-income securities. The Portfolio may also invest in mutual funds that hold shares of small-cap corporations.

The Portfolio may hold a portion of its assets in cash, money market securities or money market funds while seeking investment opportunities, for cash management purposes, for defensive purposes depending on market conditions or for purposes of an amalgamation or other transaction. As a result, the Portfolio may temporarily not be fully invested in accordance with its investment objective.

The Portfolio may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest or exchange rates. The Portfolio may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies provided that the use of the derivative is consistent with the Portfolio's investment objective.

The Portfolio may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the Portfolio's other investment strategies in the most appropriate manner to allow the Portfolio to meet its investment objective and improve its performance. See "*Repurchase and reverse repurchase agreements risk*" and "*Securities lending risk*" for a description of these transactions and the strategies to be used by the Portfolio to reduce the risks related to these transactions. At the current time, the Portfolio does not intend to engage in repurchase and reverse repurchase transactions.

What Are the Risks of Investing in the Portfolio?

The Portfolio indirectly has the same risks as the Underlying Funds it holds. The Portfolio takes on the risks of an Underlying Fund in proportion to its investment in that fund. The direct and indirect risks of the Portfolio are:

- Capital erosion risk
- Concentration risk
- Credit risk
- Currency risk
- Depositary receipt risk
- Derivative risk

- Emerging market investment risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Income trust risk
- Interest rate risk
- Large investment risk
- Legal, tax and regulatory risks
- Liquidity risk
- Repurchase and reverse repurchase agreements risk
- Securities lending risk
- Series risk
- Short selling risk
- Smaller companies risk
- Specialization risk
- Substantial securityholder risk
- Underlying fund risk
- U.S. tax risk

These risks are described in more detail beginning on page 2 of this Simplified Prospectus.

During the last 12 months, the Portfolio invested as much as 15.50% of its net assets in the Mackenzie Ivy Foreign Equity Fund, as much as 31.83% of its net assets in the Edgepoint Global Portfolio and as much as 45.65% of its net assets in the Capital Group Global Equity Fund (Canada). See "*Concentration risk*" on page 3 for a description of this risk.

Who Should Invest in This Portfolio?

The Portfolio is suitable if you:

- are willing to tolerate a medium level of risk;
- are looking to invest for the long term (at least five years);
- are looking for an investment solution that allows you to invest in a wide range of global equity securities;
- want to receive a distribution regularly (F5 Series and T5 Series only).

Distribution Policy

For Advisor, F and O Series units, the Portfolio distributes its net income and net realized capital gains for the year between December 14 and December 31 of each year. These distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash.

For F5 and T5 Series units, the Portfolio makes distributions at the end of each month. These monthly distributions are composed of a return of capital and/or net income. The amount of the monthly distribution per unit is reset at the beginning of each calendar year. The amount of the monthly distribution per unit is set by multiplying the net asset value per unit at the end of the previous calendar year (or if no units were offered at the end of the previous calendar year, the date when units were first offered in the current year) by 5% and dividing the result by 12. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio. These monthly distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash. The total amount of distributions for a year may exceed the income and capital gains earned by the Portfolio in that year. This excess amount will be treated as a return of capital to the unitholders and will not be taxable to you in the year of receipt, but will reduce the adjusted cost base of the units and may, in certain circumstances, result in a capital gain. See "*Income Tax Considerations for Investors*" for more information. Any net income not distributed previously in the year and any capital gains will be distributed by the Portfolio in a special distribution at the end of the year. This special year-end distribution must be reinvested in additional Portfolio units of the same series.

Portfolio Expenses Indirectly Borne by Investors

A mutual fund generally pays some expenses out of its assets. The table below shows the costs you pay indirectly for each $1,000 that you have invested in the Portfolio. To make it easy for you to compare these costs to the costs of other Portfolios, this table assumes:

- the total annual return of the Portfolio is 5% a year;
- the management expense ratio of the Portfolio was the same throughout the ten-year period as it was in the last financial year of the Portfolio.

Based on these assumptions, the cumulative costs of investing in this Portfolio would be:

Meritage Global Equity Portfolio

	One year	Three years	Five years	Ten years
Advisor Series	$28.09	$88.56	$155.23	$353.35
F Series	$13.72	$43.25	$75.80	$172.55
F5 Series	$13.72	$43.25	$75.82	$172.58
O Series	$0.20	$0.63	$1.11	$2.53
T5 Series	$28.24	$89.04	$156.06	$355.24

To compare the costs you pay indirectly for this Portfolio to those of other Portfolios, please see the other Portfolio descriptions. *Please note these figures are for comparative purposes only, based on the above-mentioned assumptions. Actual expenses will vary from what we have indicated here*.

See "*Fees and charges payable directly by you*" for the fees and charges that you pay directly.

Meritage Global Equity Class Portfolio

Portfolio Details

Type of Portfolio:	Global Equity
Date the Portfolio Was Started:	March 23, 2011
Securities Offered:	Shares – Advisor Series, F Series, F5 Series and T Series
Date Operations Commenced:	Advisor Series – March 23, 2011 F Series – March 23, 2011 F5 Series – September 5, 2014 T Series – March 23, 2011
Eligibility for Registered Plans:	The Portfolio shares are eligible investments for registered plans.
Maximum Annual Management Fees:	Advisor Series and T Series: 2.00% F Series and F5 Series: 1.00%

What Does the Portfolio Invest in?

Investment Objective

The Portfolio's investment objective is to obtain a comparable return to that of the Meritage Global Equity Portfolio (the "Underlying Fund").

The Portfolio invests mainly in units of the Underlying Fund and/or in securities of the mutual funds held by the Underlying Fund and/or in mutual funds similar to those funds, based on a similar weighting to that used by the Underlying Fund.

Shareholders must approve any change to this objective at a meeting specifically held for that purpose.

Investment Strategies

To achieve its investment objective, the Portfolio invests substantially all of its net assets in O Series units of the Underlying Fund. The investment objective of the Underlying Fund is to achieve long-term capital appreciation by investing primarily in a diverse mix of global equity mutual funds.

The Underlying Fund invests up to 100% of its net assets in global equity security mutual funds (including emerging markets equity securities) managed by third parties (that may include exchange-traded funds). The Portfolio Manager of the Underlying Fund may, at its sole discretion, select the mutual funds, allocate assets to the mutual funds, change the percentage holding of any mutual fund, remove any mutual fund from the Portfolio or add other mutual funds.

When selecting a mutual fund in which to invest, the Portfolio Manager of the Underlying Fund will consider the degree of exposure to various geographic regions that the mutual fund will provide to the Underlying Fund, the mutual fund's market capitalization, its performance, and the expenses (if any) payable by the Underlying Fund which may be associated with the investment.

The Underlying Fund may from time to time make direct investments in Canadian and foreign equity and fixed-income securities. The Underlying Fund may also invest in mutual funds that hold shares of small-cap corporations.

The Portfolio has obtained from the Canadian Securities Administrators an exemption from the application of certain rules applicable to funds-of-funds set out in Regulation 81-102. The exemption allows the Portfolio to invest in securities of the Underlying Fund even if the Underlying Fund holds, directly or indirectly, more than 10% of its net assets in the securities of other mutual funds.

There will be no duplication of management fees between the Portfolio, the Underlying Fund and the Underlying Fund's Underlying Funds.

If the Portfolio Manager is of the opinion that it is no longer in the best interests of the Portfolio to invest in O Series units of the Underlying Fund, it may invest in securities of the mutual funds held by the Underlying Fund and/or in mutual funds similar to those funds, based on a similar weighting to that used by the Underlying Fund.

The Portfolio and the Underlying Fund may hold a portion of their assets in cash, money market securities or money market funds while seeking investment opportunities, for cash management purposes, for defensive purposes depending on market conditions or for purposes of an amalgamation or other transaction. As a result, the Portfolio and the Underlying Fund may temporarily not be fully invested in accordance with their investment objective.

The Portfolio and the Underlying Fund may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest or exchange rates. The Portfolio and the Underlying Fund may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies provided that the use of the derivative is consistent with the Portfolio's investment objective.

The Portfolio and the Underlying Fund may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the Portfolio's other investment strategies in the most appropriate manner to allow the Portfolio to meet its investment objectives and improve its performance. See "*Repurchase and reverse repurchase agreements risk*" and "*Securities lending risk*" for a description of these transactions and the strategies to be used by the Portfolio to reduce the risks related to these transactions. At the current time, the Portfolio and the Underlying Fund do not intend to engage in repurchase and reverse repurchase transactions.

For more information on the Meritage Global Equity Portfolio, please see page 36 of this Prospectus.

What Are the Risks of Investing in the Portfolio?

The Portfolio indirectly has the same risks as the Underlying Funds it holds. The Portfolio takes on the risks of an Underlying Fund in proportion to its investment in that fund. The direct and indirect risks of the Portfolio are:

- Capital erosion risk
- Class risk
- Concentration risk
- Credit risk
- Currency risk
- Depositary receipt risk
- Derivative risk
- Emerging market investment risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Income trust risk
- Interest rate risk
- Large investment risk
- Legal, tax and regulatory risks
- Liquidity risk
- Repurchase and reverse repurchase agreements risk
- Securities lending risk
- Series risk
- Short selling risk
- Smaller companies risk
- Specialization risk
- Substantial securityholder risk
- Underlying fund risk
- U.S. tax risk

These risks are described in more detail beginning on page 2 of this Simplified Prospectus.

During the last 12 months, the Portfolio invested as much as 45.60% of its net assets in the Capital Group Global Equity Fund (Canada), as much as 31.64% of its net assets in the Edgepoint Global Portfolio and as much as 15.43% of its net assets in the Mackenzie Ivy Foreign Equity Fund. See "*Concentration risk*" on page 3 for a description of this risk.

Who Should Invest in This Portfolio?

The Portfolio is suitable if you:

- are willing to tolerate a medium level of risk;
- are looking to invest for the long term (at least five years);
- are looking for an investment solution that allows you to invest in a wide range of global equity securities;
- wish to make investments outside your registered plan;
- want to receive a distribution regularly (F5 Series and T Series only).

Distribution Policy

Ordinary dividends may be paid in December of each year and capital gains dividends may be paid at the end of the year or in January or February of each year. Dividends may also be paid at other times during the year. Dividends will be paid to the extent necessary to minimize National Bank Funds Corporation's tax liability.

For T Series shares, monthly distributions will also be paid. They will generally be composed of a return of capital and/or dividends. The amount of the monthly distribution per share is reset at the beginning of each calendar year. It is a factor of the Portfolio's payout rate, the net asset value per share at the end of the previous calendar year and the number of shares of the Portfolio you own at the time of the distribution. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio.

For F5 Series shares, monthly distributions will also be paid. They will be composed of a return of capital and/or dividends. The amount of the monthly distribution per share is reset at the beginning of each calendar year. The amount of the monthly distribution is set by multiplying the net asset value per share at the end of the previous calendar year (or if no shares were offered at the end of the previous calendar year, the date when shares were first offered in the current year) by 5% and dividing the result by 12. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio.

The return of capital distributed for the F5 and T Series will be treated as a return of capital in the shareholder's hands and will not be taxable in the year of receipt, but will reduce the adjusted cost base of the shares and may, in certain situations, give rise to a capital gain. See "*Income Tax Considerations for Investors*" for more information.

In addition to the monthly distributions, a special year-end distribution may be made to F5 and T Series investors. This distribution will consist of ordinary dividends and/or capital gains dividends and will be automatically reinvested in additional shares of the same series of the Portfolio.

All dividends payable to Advisor and F Series investors will be reinvested in additional Portfolio shares of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum dividend amount of $25 may be required for a dividend to be paid to you in cash.

Monthly distributions payable to F5 and T Series investors will be reinvested in additional Portfolio shares of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash.

Portfolio Expenses Indirectly Borne by Investors

A mutual fund generally pays some expenses out of its assets. The table below shows the costs you pay indirectly for each $1,000 that you have invested in the Portfolio. To make it easy for you to compare these costs to the costs of other Portfolios, this table assumes:

- the total annual return of the Portfolio is 5% a year;
- the management expense ratio of the Portfolio was the same throughout the ten-year period as it was in the last financial year of the Portfolio.

Based on these assumptions, the cumulative costs of investing in this Portfolio would be:

	One year	**Three years**	**Five years**	**Ten years**
Advisor Series	$28.14	$88.73	$155.52	$354.00
F Series	$13.93	$43.92	$76.98	$175.22
F5 Series	$14.42	$45.46	$79.68	$181.37
T Series	$28.56	$90.02	$157.79	$359.18

To compare the costs you pay indirectly for this Portfolio to those of other Portfolios, please see the other Portfolio descriptions. *Please note these figures are for comparative purposes only, based on the above-mentioned assumptions. Actual expenses will vary from what we have indicated here.*

See "*Fees and charges payable directly by you*" for the fees and charges that you pay directly.

Meritage American Equity Portfolio

Portfolio Details

Type of Portfolio:	U.S. Equity
Date the Portfolio Was Started:	September 25, 2007
Securities Offered:	Trust units – Advisor Series, F Series, F5 Series and T5 Series
Date Operations Commenced:	Advisor Series – September 25, 2007 F Series – September 25, 2007 F5 Series – September 5, 2014 T5 Series – September 5, 2014
Eligibility for Registered Plans:	The Portfolio securities are eligible investments for registered plans.
Maximum Annual Management Fees:	Advisor Series and T5 Series: 2.00% F Series and F5 Series: 1.00%

What Does the Portfolio Invest in?

Investment Objective

The Portfolio's investment objective is to achieve long-term capital appreciation by investing primarily in a diverse mix of U.S. equity mutual funds.

Unitholders must approve any change to this objective at a meeting specifically held for that purpose.

Investment Strategies

Under normal market conditions, the Portfolio invests up to:

- 100% of its net assets in U.S. equity.

The Portfolio invests up to 100% of its net assets in underlying funds (that may include exchange-traded funds) managed by third parties ("Underlying Funds"). The Portfolio Manager may, at its sole discretion, select the Underlying Funds, allocate assets to the Underlying Funds, change the percentage holding of any Underlying Fund, remove any Underlying Fund or add other Underlying Funds.

When selecting an Underlying Fund in which to invest, the Portfolio Manager will consider the market capitalization and performance of the Underlying Fund, and the expenses (if any) payable by the Portfolio which may be associated with the investment. There will be no duplication of fees, particularly sales charges, between the Portfolio and any Underlying Fund.

The Portfolio may from time to time make direct investments in Canadian and foreign equity and fixed-income securities. The Portfolio may also invest in mutual funds that hold shares of small-cap corporations.

The Portfolio may hold a portion of its assets in cash, money market securities or money market funds while seeking investment opportunities, for cash management purposes, for defensive purposes depending on market conditions or for purposes of an amalgamation or other transaction. As a result, the Portfolio may temporarily not be fully invested in accordance with its investment objective.

The Portfolio may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest or exchange rates. The Portfolio may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies provided that the use of the derivative is consistent with the Portfolio's investment objective.

The Portfolio may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the Portfolio's other investment strategies in the most appropriate manner to allow the Portfolio to meet its investment objective and improve its performance. See "*Repurchase and reverse repurchase agreements risk*" and "*Securities lending risk*" for a description of these transactions and the strategies to be used by the Portfolio to reduce the risks related to these transactions. At the current time, the Portfolio does not intend to engage in repurchase and reverse repurchase transactions.

What Are the Risks of Investing in the Portfolio?

The Portfolio indirectly has the same risks as the Underlying Funds it holds. The Portfolio takes on the risks of an Underlying Fund in proportion to its investment in that fund. The direct and indirect risks of the Portfolio are:

- Capital erosion risk
- Concentration risk
- Credit risk
- Currency risk
- Derivative risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Income trust risk

- Interest rate risk
- Large investment risk
- Legal, tax and regulatory risks
- Liquidity risk
- Repurchase and reverse repurchase agreements risk
- Securities lending risk
- Series risk
- Short selling risk
- Smaller companies risk
- Specialization risk
- Substantial securityholder risk
- Underlying fund risk
- U.S. tax risk

These risks are described in more detail beginning on page 2 of this Simplified Prospectus.

The Portfolio's level of risk is medium. Because the historical performance of the Portfolio is less than 10 years, to calculate the level of risk, the Manager used a reference index similar to the Portfolio's strategy, in addition to the actual return history of the Portfolio. The index used by the Manager is the S&P 500, which reproduces the returns of 500 large American corporations that are industry leaders in the country and that cover approximately 80% of market capitalization. For more information, see "*Investment risk classification methodology*" in the section "*Specific Information About Each of the Mutual Funds Described in This Document*".

During the last 12 months, the Portfolio invested as much as 29.58% of its net assets in the Fidelity American Disciplined Equity® Fund, as much as 31.05% of its net assets in the RBC O'Shaughnessy U.S. Value Fund, as much as 16.02% of its net assets in the CI American Small Companies Fund and as much as 25.73% of its net assets in the TD U.S. Mid-Cap Growth Fund. See "*Concentration risk*" on page 3 for a description of this risk.

Who Should Invest in This Portfolio?

The Portfolio is suitable if you:

- are willing to tolerate a medium level of risk;
- are looking to invest for the long term (at least five years);
- are looking for an investment solution that allows you to invest in a wide range of U.S. equity securities;
- want to receive a distribution regularly (F5 Series and T5 Series only).

Distribution Policy

For Advisor and F Series units, the Portfolio distributes its net income and net realized capital gains for the year between December 14 and December 31 of each year. These distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash.

For F5 and T5 Series units, the Portfolio makes distributions at the end of each month. These monthly distributions are composed of a return of capital and/or net income. The amount of the monthly distribution per unit is reset at the beginning of each calendar year. The amount of the monthly distribution per unit is set by multiplying the net asset value per unit at the end of the previous calendar year (or if no units were offered at the end of the previous calendar year, the date when units were first offered in the current year) by 5% and dividing the result by 12. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio. These monthly distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash. The total amount of distributions for a year may exceed the income and capital gains earned by the Portfolio in that year. This excess amount will be treated as a return of capital to the unitholders and will not be taxable to you in the year of receipt, but will reduce the adjusted cost base of the units and may, in certain circumstances, result in a capital gain. See "*Income Tax Considerations for Investors*" for more information. Any net income not distributed previously in the year and any capital gains will be distributed by the Portfolio in a special distribution at the end of the year. This special year-end distribution must be reinvested in additional Portfolio units of the same series.

Portfolio Expenses Indirectly Borne by Investors

A mutual fund generally pays some expenses out of its assets. The table below shows the costs you pay indirectly for each $1,000 that you have invested in the

Portfolio. To make it easy for you to compare these costs to the costs of other Portfolios, this table assumes:

- the total annual return of the Portfolio is 5% a year;
- the management expense ratio of the Portfolio was the same throughout the ten-year period as it was in the last financial year of the Portfolio.

Based on these assumptions, the cumulative costs of investing in this Portfolio would be:

	One year	Three years	Five years	Ten years
Advisor Series	$28.86	$90.98	$159.46	$362.98
F Series	$14.00	$44.14	$77.36	$176.10
F5 Series	$13.43	$42.34	$74.21	$168.92
T5 Series	$29.24	$92.18	$161.58	$367.79

To compare the costs you pay indirectly for this Portfolio to those of other Portfolios, please see the other Portfolio descriptions. *Please note these figures are for comparative purposes only, based on the above-mentioned assumptions. Actual expenses will vary from what we have indicated here*.

See "*Fees and charges payable directly by you*" for the fees and charges that you pay directly.

Meritage International Equity Portfolio

Portfolio Details

Type of Portfolio:	International Equity
Date the Portfolio Was Started:	September 25, 2007
Securities Offered:	Trust units – Advisor Series, F Series, F5 Series and T5 Series
Date Operations Commenced:	Advisor Series – September 25, 2007 F Series – September 25, 2007 F5 Series – September 5, 2014 T5 Series – September 5, 2014
Eligibility for Registered Plans:	The Portfolio securities are eligible investments for registered plans.
Maximum Annual Management Fees:	Advisor Series and T5 Series: 2.00% F Series and F5 Series: 1.00%

What Does the Portfolio Invest in?

Investment Objective

The Portfolio's investment objective is to achieve long-term capital appreciation by investing primarily in a diverse mix of international and emerging markets equity mutual funds.

Unitholders must approve any change to this objective at a meeting specifically held for that purpose.

Investment Strategies

Under normal market conditions, the Portfolio invests up to:

- 100% of its net assets in international and emerging markets equity. International equity originates primarily in markets located outside North America.

The Portfolio invests up to 100% of its net assets in underlying funds (that may include exchange-traded funds) managed by third parties ("Underlying Funds"). The Portfolio Manager may, at its sole discretion, select the Underlying Funds, allocate assets to the Underlying Funds, change the percentage holding of any Underlying Fund, remove any Underlying Fund or add other Underlying Funds.

When selecting an Underlying Fund in which to invest, the Portfolio Manager will consider the degree of exposure to various geographic regions that the Underlying Fund will provide to the Portfolio, the market capitalization and performance of the Underlying Fund, and the expenses (if any) payable by the Portfolio which may be associated with the investment. There will be no duplication of fees, particularly sales charges, between the Portfolio and any Underlying Fund.

The Portfolio may from time to time make direct investments in Canadian and foreign equity and fixed-income securities. The Portfolio may also invest in mutual funds that hold shares of small-cap corporations.

The Portfolio may hold a portion of its assets in cash, money market securities or money market funds while seeking investment opportunities, for cash management purposes, for defensive purposes depending on market conditions or for purposes of an amalgamation or other transaction. As a result, the Portfolio may temporarily not be fully invested in accordance with its investment objective.

The Portfolio may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest or exchange rates. The Portfolio may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies provided that the use of the derivative is consistent with the Portfolio's investment objective.

The Portfolio may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the Portfolio's other investment strategies in the most appropriate manner to allow the Portfolio to meet its investment objective and improve its performance. See "*Repurchase and reverse repurchase agreements risk*" and "*Securities lending risk*" for a description of these transactions and the strategies to be used by the Portfolio to reduce the risks related to these transactions. At the current time, the Portfolio does not intend to engage in repurchase and reverse repurchase transactions.

What Are the Risks of Investing in the Portfolio?

The Portfolio indirectly has the same risks as the Underlying Funds it holds. The Portfolio takes on the risks of an Underlying Fund in proportion to its investment in that fund. The direct and indirect risks of the Portfolio are:

- Capital erosion risk
- Concentration risk
- Counterparty risk
- Credit risk
- Currency risk
- Derivative risk

- Emerging market investment risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Income trust risk
- Interest rate risk
- Large investment risk
- Legal, tax and regulatory risks
- Liquidity risk
- Repurchase and reverse repurchase agreements risk
- Securities lending risk
- Series risk
- Short selling risk
- Smaller companies risk
- Specialization risk
- Substantial securityholder risk
- Underlying fund risk
- U.S. tax risk

These risks are described in more detail beginning on page 2 of this Simplified Prospectus.

The Portfolio's level of risk is medium. Because the historical performance of the Portfolio is less than 10 years, to calculate the level of risk, the Manager used a reference index similar to the Portfolio's strategy, in addition to the actual return history of the Portfolio. The index used by the Manager is the MSCI EAFE Index. This index represents the performance of large to mid-cap securities of 21 developed markets of Europe, Australasia and the Far East. For more information, see "*Investment Risk Classification Methodology*" in the section "*Specific Information About Each of the Mutual Funds Described in This Document*".

During the last 12 months, the Portfolio invested as much as 37.11% of its net assets in the Black Creek International Equity Corporate Class, as much as 34.50% of its net assets in the Invesco International Growth Class and as much as 30.87% of its net assets in the Manulife World Investment Fund. See "*Concentration risk*" on page 3 for a description of this risk.

Who Should Invest in This Portfolio?

The Portfolio is suitable if you:

- are willing to tolerate a medium level of risk;
- are looking to invest for the long term (at least five years);
- are looking for an investment solution that allows you to invest in a wide range of international and emerging markets equity securities;
- want to receive a distribution regularly (F5 Series and T5 Series only).

Distribution Policy

For Advisor and F Series units, the Portfolio distributes its net income and net realized capital gains for the year between December 14 and December 31 of each year. These distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash.

For F5 and T5 Series units, the Portfolio makes distributions at the end of each month. These monthly distributions are composed of a return of capital and/or net income. The amount of the monthly distribution per unit is reset at the beginning of each calendar year. The amount of the monthly distribution per unit is set by multiplying the net asset value per unit at the end of the previous calendar year (or if no units were offered at the end of the previous calendar year, the date when units were first offered in the current year) by 5% and dividing the result by 12. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio. These monthly distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash. The total amount of distributions for a year may exceed the income and capital gains earned by the Portfolio in that year. This excess amount will be treated as a return of capital to the unitholders and will not be taxable to you in the year of receipt, but will reduce the adjusted cost base of the units and may, in certain circumstances, result in a capital gain. See "*Income Tax Considerations for Investors*" for more information. Any net income not distributed previously in the year and any capital gains will be distributed by the Portfolio in a special distribution at the end of the year. This special year-end distribution must be reinvested in additional Portfolio units of the same series.

Portfolio Expenses Indirectly Borne by Investors

A mutual fund generally pays some expenses out of its assets. The table below shows the costs you pay indirectly for each $1,000 that you have invested in the Portfolio. To make it easy for you to compare these costs to the costs of other Portfolios, this table assumes:

- the total annual return of the Portfolio is 5% a year;
- the management expense ratio of the Portfolio was the same throughout the ten-year period as it was in the last financial year of the Portfolio.

Based on these assumptions, the cumulative costs of investing in this Portfolio would be:

	One year	Three years	Five years	Ten years
Advisor Series	$28.65	$90.32	$158.30	$360.34
F Series	$14.60	$46.04	$80.70	$183.69
F5 Series	$14.62	$46.10	$80.81	$183.94
T5 Series	$26.89	$84.76	$148.57	$338.18

To compare the costs you pay indirectly for this Portfolio to those of other Portfolios, please see the other Portfolio descriptions. *Please note these figures are for comparative purposes only, based on the above-mentioned assumptions. Actual expenses will vary from what we have indicated here*.

See "*Fees and charges payable directly by you*" for the fees and charges that you pay directly.

Meritage Conservative Portfolio

Portfolio Details

Type of Portfolio:	Canadian Fixed Income Balanced
Date the Portfolio Was Started:	September 25, 2006
Securities Offered:*	Trust units – Advisor Series, F Series, F5 Series and T5 Series
Date Operations Commenced:	Advisor Series – September 25, 2006 F Series – September 25, 2006 F5 Series – September 5, 2014 T5 Series – September 5, 2014
Eligibility for Registered Plans:	The Portfolio securities are eligible investments for registered plans.
Maximum Annual Management Fees:	Advisor Series and T5 Series: 1.75% F Series and F5 Series: 0.90%

** The Portfolio also offers a series by way of private placement.*

What Does the Portfolio Invest in?

Investment Objective

The Portfolio's investment objective is to achieve a steady rate of return with reduced risk by investing primarily in a diverse mix of fixed-income and equity mutual funds.

Unitholders must approve any change to this objective at a meeting specifically held for that purpose.

Investment Strategies

The target weighting for each asset class in which the Portfolio invests under normal market conditions is the following:

- 70%-90% of net assets in Canadian and global fixed-income securities;
- 10%-30% of net assets in Canadian and global equity.

The Portfolio Manager may, at its sole discretion, review and adjust the target weighting of each asset class depending on economic and market conditions.

The Portfolio achieves exposure to the above asset classes by investing up to 100% of its net assets in underlying funds (that may include exchange-traded funds) managed by third parties ("Underlying Funds"). The Portfolio Manager may, at its sole discretion, select the Underlying Funds, allocate assets to the Underlying Funds, change the percentage holding of any Underlying Fund, remove any Underlying Fund or add other Underlying Funds.

When selecting an Underlying Fund in which to invest, the Portfolio Manager will consider the degree of exposure to the asset class that the Underlying Fund will provide to the Portfolio, the performance of the Underlying Fund, and the expenses (if any) payable by the Portfolio which may be associated with the investment. There will be no duplication of fees, particularly sales charges, between the Portfolio and any Underlying Fund.

The Portfolio may from time to time make direct investments in Canadian and foreign equity and fixed-income securities. The Portfolio may also invest in mutual funds that hold shares of small-cap corporations.

The Portfolio may hold a portion of its assets in cash, money market securities or money market funds while seeking investment opportunities, for cash management purposes, for defensive purposes depending on market conditions or for purposes of an amalgamation or other transaction. As a result, the Portfolio may temporarily not be fully invested in accordance with its investment objective.

The Portfolio may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest or exchange rates. The Portfolio may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies provided that the use of the derivative is consistent with the Portfolio's investment objective.

The Portfolio may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the Portfolio's other investment strategies in the most appropriate manner to allow the Portfolio to meet its investment objective and improve its performance. See "*Repurchase and reverse repurchase agreements risk*" and "*Securities lending risk*" for a description of these transactions and the strategies to be used by the Portfolio to reduce the risks related to these transactions. At the current time, the Portfolio does not intend to engage in repurchase and reverse repurchase transactions.

What Are the Risks of Investing in the Portfolio?

The Portfolio indirectly has the same risks as the Underlying Funds it holds. The Portfolio takes on the risks of an Underlying Fund in proportion to its investment in that fund. The direct and indirect risks of the Portfolio are:

- Capital erosion risk

- Commodity risk
- Concentration risk
- Counterparty risk
- Credit risk
- Currency risk
- Derivative risk
- Emerging market investment risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Income trust risk
- Inflation risk
- Interest rate risk
- Large investment risk
- Legal, tax and regulatory risks
- Liquidity risk
- Repurchase and reverse repurchase agreements risk
- Securities lending risk
- Series risk
- Short selling risk
- Smaller companies risk
- Specialization risk
- Substantial securityholder risk
- Underlying fund risk
- U.S. tax risk

These risks are described in more detail beginning on page 2 of this Simplified Prospectus.

During the last 12 months, the Portfolio invested as much as 11.08% of its net assets in the Capital Group Global Equity Fund (Canada), as much as 10.51% of its net assets in the RBC Global High Yield Bond Fund, as much as 30.93% of its net assets in the Signature Canadian Bond Fund, as much as 30.99% of its net assets in the TD Canadian Core Plus Bond Fund, as much as 10.24% of its net assets in the Manulife Strategic Income Fund and as much as 10.57% of its net assets in the Manulife Canadian Investment Fund. See "*Concentration risk*" on page 3 for a description of this risk.

Who Should Invest in This Portfolio?

The Portfolio is suitable if you:

- are willing to tolerate a low level of risk;
- are looking to invest for the short term to medium term (at least one year);
- are looking for an investment solution that allows you to invest in a wide variety of securities in order to create a fully diversified portfolio;
- want to receive a distribution regularly (F5 Series and T5 Series only).

Distribution Policy

For Advisor and F Series units, the Portfolio distributes its net income at the end of each quarter. It distributes its net income for the last quarter and net realized capital gains for the year between December 14 and December 31 of each year. These distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash.

For F5 and T5 Series units, the Portfolio makes distributions at the end of each month. These monthly distributions are composed of a return of capital and/or net income. The amount of the monthly distribution per unit is reset at the beginning of each calendar year. The amount of the monthly distribution per unit is set by multiplying the net asset value per unit at the end of the previous calendar year (or if no units were offered at the end of the previous calendar year, the date when units were first offered in the current year) by 5% and dividing the result by 12. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio. These monthly distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash. The total amount of distributions for a year may exceed the income and capital gains earned by the Portfolio in that year. This excess amount will be treated as a return of capital to the unitholders and will not be taxable to you in the year of receipt, but will reduce the adjusted cost base of the units and may, in certain circumstances, result in a capital gain. See "*Income Tax Considerations for Investors*" for more information. Any net income not distributed previously in the year and any capital gains will be distributed by the Portfolio in a special distribution at the end of the year. This special year-end distribution must be reinvested in additional Portfolio units of the same series.

Portfolio Expenses Indirectly Borne by Investors

A mutual fund generally pays some expenses out of its assets. The table below shows the costs you pay indirectly for each $1,000 that you have invested in the Portfolio. To make it easy for you to compare these costs to the costs of other Portfolios, this table assumes:

- the total annual return of the Portfolio is 5% a year;
- the management expense ratio of the Portfolio was the same throughout the ten-year period as it was in the last financial year of the Portfolio.

Based on these assumptions, the cumulative costs of investing in this Portfolio would be:

	One year	Three years	Five years	Ten years
Advisor Series	$22.59	$71.22	$124.84	$284.16
F Series	$13.97	$44.03	$77.17	$175.67
F5 Series	$13.92	$43.89	$76.93	$175.10
T5 Series	$22.74	$71.67	$125.63	$285.96

To compare the costs you pay indirectly for this Portfolio to those of other Portfolios, please see the other Portfolio descriptions. *Please note these figures are for comparative purposes only, based on the above-mentioned assumptions. Actual expenses will vary from what we have indicated here.*

See "*Fees and charges payable directly by you*" for the fees and charges that you pay directly.

Meritage Moderate Portfolio

Portfolio Details

Type of Portfolio:	Canadian Fixed Income Balanced
Date the Portfolio Was Started:	September 25, 2006
Securities Offered:*	Trust units – Advisor Series, F Series, F5 Series and T5 Series
Date Operations Commenced:	Advisor Series – September 25, 2006 F Series – September 25, 2006 F5 Series – September 5, 2014 T5 Series – September 5, 2014
Eligibility for Registered Plans:	The Portfolio securities are eligible investments for registered plans.
Maximum Annual Management Fees:	Advisor Series and T5 Series: 1.75% F Series and F5 Series: 0.90%

** The Portfolio also offers a series by way of private placement.*

What Does the Portfolio Invest in?

Investment Objective

The Portfolio's investment objective is to achieve a steady rate of return and long-term capital appreciation by investing primarily in a diverse mix of fixed-income and equity mutual funds.

Unitholders must approve any change to this objective at a meeting specifically held for that purpose.

Investment Strategies

The target weighting for each asset class in which the Portfolio invests under normal market conditions is the following:

- 55%-75% of net assets in Canadian and global fixed-income securities;
- 25%-45% of net assets in Canadian and global equity securities.

The Portfolio Manager may, at its sole discretion, review and adjust the target weighting of each asset class depending on economic and market conditions.

The Portfolio achieves exposure to the above asset classes by investing up to 100% of its net assets in underlying funds (that may include exchange-traded funds) managed by third parties ("Underlying Funds"). The Portfolio Manager may, at its sole discretion, select the Underlying Funds, allocate assets to the Underlying Funds, change the percentage holding of any Underlying Fund, remove any Underlying Fund or add other Underlying Funds.

When selecting an Underlying Fund in which to invest, the Portfolio Manager will consider the degree of exposure to the asset class that the Underlying Fund will provide to the Portfolio, the performance of the Underlying Fund, and the expenses (if any) payable by the Portfolio which may be associated with the investment. There will be no duplication of fees, particularly sales charges, between the Portfolio and any Underlying Fund.

The Portfolio may from time to time make direct investments in Canadian and foreign equity and fixed-income securities. The Portfolio may also invest in mutual funds that hold shares of small-cap corporations.

The Portfolio may hold a portion of its assets in cash, money market securities or money market funds while seeking investment opportunities, for cash management purposes, for defensive purposes depending on market conditions or for purposes of an amalgamation or other transaction. As a result, the Portfolio may temporarily not be fully invested in accordance with its investment objective.

The Portfolio may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest or exchange rates. The Portfolio may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies provided that the use of the derivative is consistent with the Portfolio's investment objective.

The Portfolio may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the Portfolio's other investment strategies in the most appropriate manner to allow the Portfolio to meet its investment objective and improve its performance. See "*Repurchase and reverse repurchase agreements risk*" and "*Securities lending risk*" for a description of these transactions and the strategies to be used by the Portfolio to reduce the risks related to these transactions. At the current time, the Portfolio does not intend to engage in repurchase and reverse repurchase transactions.

What Are the Risks of Investing in the Portfolio?

The Portfolio indirectly has the same risks as the Underlying Funds it holds. The Portfolio takes on the risks of an Underlying Fund in proportion to its investment in that fund. The direct and indirect risks of the Portfolio are:

- Capital erosion risk
- Commodity risk

- Concentration risk
- Counterparty risk
- Credit risk
- Currency risk
- Depositary receipt risk
- Derivative risk
- Emerging market investment risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Income trust risk
- Inflation risk
- Interest rate risk
- Large investment risk
- Legal, tax and regulatory risks
- Liquidity risk
- Repurchase and reverse repurchase agreements risk
- Securities lending risk
- Series risk
- Short selling risk
- Smaller companies risk
- Specialization risk
- Substantial securityholder risk
- Underlying fund risk
- U.S. tax risk

These risks are described in more detail beginning on page 2 of this Simplified Prospectus.

During the last 12 months, the Portfolio invested as much as 10.31% of its net assets in the RBC Global High Yield Bond Fund, as much as 26.55% of its net assets in the Signature Canadian Bond Fund, as much as 26.61% of its net assets in the TD Canadian Core Plus Bond Fund and as much as 10.18% of its net assets in the Manulife Strategic Income Fund. See "*Concentration risk*" on page 3 for a description of this risk.

Who Should Invest in This Portfolio?

The Portfolio is suitable if you:

- are willing to tolerate a low level of risk;
- are looking to invest for the medium term to long term (at least three years);
- are looking for an investment solution that allows you to invest in a wide variety of securities in order to create a fully diversified portfolio;
- want to receive a distribution regularly (F5 Series and T5 Series only).

Distribution Policy

For Advisor and F Series units, the Portfolio distributes its net income at the end of each quarter. It distributes its net income for the last quarter and net realized capital gains for the year between December 14 and December 31 of each year. These distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash.

For F5 and T5 Series units, the Portfolio makes distributions at the end of each month. These monthly distributions are composed of a return of capital and/or net income. The amount of the monthly distribution per unit is reset at the beginning of each calendar year. The amount of the monthly distribution per unit is set by multiplying the net asset value per unit at the end of the previous calendar year (or if no units were offered at the end of the previous calendar year, the date when units were first offered in the current year) by 5% and dividing the result by 12. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio. These monthly distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash. The total amount of distributions for a year may exceed the income and capital gains earned by the Portfolio in that year. This excess amount will be treated as a return of capital to the unitholders and will not be taxable to you in the year of receipt, but will reduce the adjusted cost base of the units and may, in certain circumstances, result in a capital gain. See "*Income Tax Considerations for Investors*" for more information. Any net income not distributed previously in the year and any capital gains will be distributed by the Portfolio in a special distribution at the end of the year. This special year-end distribution must be reinvested in additional Portfolio units of the same series.

Meritage Moderate Portfolio

Portfolio Expenses Indirectly Borne by Investors

A mutual fund generally pays some expenses out of its assets. The table below shows the costs you pay indirectly for each $1,000 that you have invested in the Portfolio. To make it easy for you to compare these costs to the costs of other Portfolios, this table assumes:

- the total annual return of the Portfolio is 5% a year;
- the management expense ratio of the Portfolio was the same throughout the ten-year period as it was in the last financial year of the Portfolio.

Based on these assumptions, the cumulative costs of investing in this Portfolio would be:

	One year	**Three years**	**Five years**	**Ten years**
Advisor Series	$22.60	$71.24	$124.86	$284.22
F Series	$13.88	$43.77	$76.72	$174.64
F5 Series	$14.07	$44.36	$77.76	$177.00
T5 Series	$22.45	$70.77	$124.04	$282.36

To compare the costs you pay indirectly for this Portfolio to those of other Portfolios, please see the other Portfolio descriptions. *Please note these figures are for comparative purposes only, based on the above-mentioned assumptions. Actual expenses will vary from what we have indicated here.*

See "*Fees and charges payable directly by you*" for the fees and charges that you pay directly.

Meritage Balanced Portfolio

Portfolio Details

Type of Portfolio:	Canadian Neutral Balanced
Date the Portfolio Was Started:	September 25, 2006
Securities Offered:*	Trust units – Advisor Series, F Series, F5 Series and T5 Series
Date Operations Commenced:	Advisor Series – September 25, 2006 F Series – September 25, 2006 F5 Series – September 5, 2014 T5 Series – September 5, 2014
Eligibility for Registered Plans:	The Portfolio securities are eligible investments for registered plans.
Maximum Annual Management Fees:	Advisor Series and T5 Series: 2.00% F Series and F5 Series: 1.00%

** The Portfolio also offers a series by way of private placement.*

What Does the Portfolio Invest in?

Investment Objective

The Portfolio's investment objective is to achieve a combination of income and long-term capital appreciation by investing primarily in a diverse mix of fixed-income and equity mutual funds.

Unitholders must approve any change to this objective at a meeting specifically held for that purpose.

Investment Strategies

The target weighting for each asset class in which the Portfolio invests under normal market conditions is the following:

- 40%-60% of net assets in Canadian and global fixed-income securities;
- 40%-60% of net assets in Canadian and global equity securities.

The Portfolio Manager may, at its sole discretion, review and adjust the target weighting of each asset class depending on economic and market conditions.

The Portfolio achieves exposure to the above asset classes by investing up to 100% of its net assets in underlying funds (that may include exchange-traded funds) managed by third parties ("Underlying Funds"). The Portfolio Manager may, at its sole discretion, select the Underlying Funds, allocate assets to the Underlying Funds, change the percentage holding of any Underlying Fund, remove any Underlying Fund or add other Underlying Funds.

When selecting an Underlying Fund in which to invest, the Portfolio Manager will consider the degree of exposure to the asset class that the Underlying Fund will provide to the Portfolio, the performance of the Underlying Fund, and the expenses (if any) payable by the Portfolio which may be associated with the investment. There will be no duplication of fees, particularly sales charges, between the Portfolio and any Underlying Fund.

The Portfolio may from time to time make direct investments in Canadian and foreign equity and fixed-income securities. The Portfolio may also invest in mutual funds that hold shares of small-cap corporations.

The Portfolio may hold a portion of its assets in cash, money market securities or money market funds while seeking investment opportunities, for cash management purposes, for defensive purposes depending on market conditions or for purposes of an amalgamation or other transaction. As a result, the Portfolio may temporarily not be fully invested in accordance with its investment objective.

The Portfolio may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest or exchange rates. The Portfolio may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies provided that the use of the derivative is consistent with the Portfolio's investment objective.

The Portfolio may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the Portfolio's other investment strategies in the most appropriate manner to allow the Portfolio to meet its investment objective and improve its performance. See "*Repurchase and reverse repurchase agreements risk*" and "*Securities lending risk*" for a description of these transactions and the strategies to be used by the Portfolio to reduce the risks related to these transactions. At the current time, the Portfolio does not intend to engage in repurchase and reverse repurchase transactions.

What Are the Risks of Investing in the Portfolio?

The Portfolio indirectly has the same risks as the Underlying Funds it holds. The Portfolio takes on the risks of an Underlying Fund in proportion to its investment in that fund. The direct and indirect risks of the Portfolio are:

- Capital erosion risk

- Commodity risk
- Concentration risk
- Counterparty risk
- Credit risk
- Currency risk
- Depositary receipt risk
- Derivative risk
- Emerging market investment risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Income trust risk
- Inflation risk
- Interest rate risk
- Large investment risk
- Legal, tax and regulatory risks
- Liquidity risk
- Repurchase and reverse repurchase agreements risk
- Securities lending risk
- Series risk
- Short selling risk
- Smaller companies risk
- Specialization risk
- Substantial securityholder risk
- Underlying fund risk
- U.S. tax risk

These risks are described in more detail beginning on page 2 of this Simplified Prospectus.

During the last 12 months, the Portfolio invested as much as 10.37% of its net assets in the RBC Global High Yield Bond Fund, as much as 20.06% of its net assets in the Signature Canadian Bond Fund, as much as 20.11% of its net assets in the TD Canadian Core Plus Bond Fund, as much as 10.26% of its net assets in the Manulife Strategic Income Fund, as much as 12.55% of its net assets in the Beutel Goodman Canadian Equity Fund and as much as 12.60% of its net assets in the Fidelity Canadian Disciplined Equity® Fund. See "*Concentration risk*" on page 3 for a description of this risk.

Who Should Invest in This Portfolio?

The Portfolio is suitable if you:

- are willing to tolerate a low to medium level of risk;
- are looking to invest for the medium term to long term (at least three years);
- are looking for an investment solution that allows you to invest in a wide variety of securities in order to create a fully diversified portfolio;
- want to receive a distribution regularly (F5 Series and T5 Series only).

Distribution Policy

For Advisor and F Series units, the Portfolio distributes its net income at the end of each quarter. It distributes its net income for the last quarter and net realized capital gains for the year between December 14 and December 31 of each year. These distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash.

For F5 and T5 Series units, the Portfolio makes distributions at the end of each month. These monthly distributions are composed of a return of capital and/or net income. The amount of the monthly distribution per unit is reset at the beginning of each calendar year. The amount of the monthly distribution per unit is set by multiplying the net asset value per unit at the end of the previous calendar year (or if no units were offered at the end of the previous calendar year, the date when units were first offered in the current year) by 5% and dividing the result by 12. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio. These monthly distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash. The total amount of distributions for a year may exceed the income and capital gains earned by the Portfolio in that year. This excess amount will be treated as a return of capital to the unitholders and will not be taxable to you in the year of receipt, but will reduce the adjusted cost base of the units and may, in certain circumstances, result in a capital gain. See "*Income Tax Considerations for Investors*" for more information. Any net income not distributed previously in the year and any capital gains will be distributed by the Portfolio in a special distribution at the end of the year. This special year-end distribution must be reinvested in additional Portfolio units of the same series.

Portfolio Expenses Indirectly Borne by Investors

A mutual fund generally pays some expenses out of its assets. The table below shows the costs you pay indirectly for each $1,000 that you have invested in the Portfolio. To make it easy for you to compare these costs to the costs of other Portfolios, this table assumes:

- the total annual return of the Portfolio is 5% a year;
- the management expense ratio of the Portfolio was the same throughout the ten-year period as it was in the last financial year of the Portfolio.

Based on these assumptions, the cumulative costs of investing in this Portfolio would be:

	One year	Three years	Five years	Ten years
Advisor Series	$24.85	$78.33	$137.30	$312.52
F Series	$13.27	$41.85	$73.35	$166.96
F5 Series	$13.39	$42.22	$74.01	$168.46
T5 Series	$23.85	$75.19	$131.80	$300.00

To compare the costs you pay indirectly for this Portfolio to those of other Portfolios, please see the other Portfolio descriptions. *Please note these figures are for comparative purposes only, based on the above-mentioned assumptions. Actual expenses will vary from what we have indicated here.*

See “*Fees and charges payable directly by you*” for the fees and charges that you pay directly.

Meritage Growth Portfolio

Portfolio Details

Type of Portfolio:	Canadian Neutral Balanced
Date the Portfolio Was Started:	September 25, 2006
Securities Offered:*	Trust units – Advisor Series, F Series, F5 Series, O Series and T5 Series
Date Operations Commenced:	Advisor Series – September 25, 2006 F Series – September 25, 2006 F5 Series – September 5, 2014 O Series – October 31, 2013 T5 Series – September 5, 2014
Eligibility for Registered Plans:	The Portfolio securities are eligible investments for registered plans.
Maximum Annual Management Fees:	Advisor Series and T5 Series: 2.00% F Series and F5 Series: 1.00%

** The Portfolio also offers a series by way of private placement.*

What Does the Portfolio Invest in?

Investment Objective

The Portfolio's investment objective is to achieve long-term capital appreciation by investing primarily in a diverse mix of fixed-income and equity mutual funds.

Unitholders must approve any change to this objective at a meeting specifically held for that purpose.

Investment Strategies

The target weighting for each asset class in which the Portfolio invests under normal market conditions is the following:

- 25%-45% of net assets in Canadian and global fixed-income securities;
- 55%-75% of net assets in Canadian and global equity securities.

The Portfolio Manager may, at its sole discretion, review and adjust the target weighting of each asset class depending on economic and market conditions.

The Portfolio achieves exposure to the above asset classes by investing up to 100% of its net assets in underlying funds (that may include exchange-traded funds) managed by third parties ("Underlying Funds"). The Portfolio Manager may, at its sole discretion, select the Underlying Funds, allocate assets to the Underlying Funds, change the percentage holding of any Underlying Fund, remove any Underlying Fund or add other Underlying Funds.

When selecting an Underlying Fund in which to invest, the Portfolio Manager will consider the degree of exposure to the asset class that the Underlying Fund will provide to the Portfolio, the performance of the Underlying Fund, and the expenses (if any) payable by the Portfolio which may be associated with the investment. There will be no duplication of fees, particularly sales charges, between the Portfolio and any Underlying Fund.

The Portfolio may from time to time make direct investments in Canadian and foreign equity and fixed-income securities. The Portfolio may also invest in mutual funds that hold shares of small-cap corporations.

The Portfolio may hold a portion of its assets in cash, money market securities or money market funds while seeking investment opportunities, for cash management purposes, for defensive purposes depending on market conditions or for purposes of an amalgamation or other transaction. As a result, the Portfolio may temporarily not be fully invested in accordance with its investment objective.

The Portfolio may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest or exchange rates. The Portfolio may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies provided that the use of the derivative is consistent with the Portfolio's investment objective.

The Portfolio may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the Portfolio's other investment strategies in the most appropriate manner to allow the Portfolio to meet its investment objective and improve its performance. See "*Repurchase and reverse repurchase agreements risk*" and "*Securities lending risk*" for a description of these transactions and the strategies to be used by the Portfolio to reduce the risks related to these transactions. At the current time, the Portfolio does not intend to engage in repurchase and reverse repurchase transactions.

What Are the Risks of Investing in the Portfolio?

The Portfolio indirectly has the same risks as the Underlying Funds it holds. The Portfolio takes on the risks of an Underlying Fund in proportion to its investment in that fund. The direct and indirect risks of the Portfolio are:

- Capital erosion risk

- Commodity risk
- Concentration risk
- Counterparty risk
- Credit risk
- Currency risk
- Depositary receipt risk
- Derivative risk
- Emerging market investment risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Income trust risk
- Inflation risk
- Interest rate risk
- Large investment risk
- Legal, tax and regulatory risks
- Liquidity risk
- Repurchase and reverse repurchase agreements risk
- Securities lending risk
- Series risk
- Short selling risk
- Smaller companies risk
- Specialization risk
- Substantial securityholder risk
- Underlying fund risk
- U.S. tax risk

These risks are described in more detail beginning on page 2 of this Simplified Prospectus.

During the last 12 months, the Portfolio invested as much as 11.18% of its net assets in the Edgepoint Global Portfolio, as much as 13.56% of its net assets in the Capital Group Global Equity Fund (Canada), as much as 14.05% of its net assets in the Signature Canadian Bond Fund, as much as 14.08% of its net assets in the TD Canadian Core Plus Bond Fund, as much as 16.25% of its net assets in the Fidelity Canadian Disciplined Equity® Fund and as much as 16.18% of its net assets in the Beutel Goodman Canadian Equity Fund. See "*Concentration risk*" on page 3 for a description of this risk.

Who Should Invest in This Portfolio?

The Portfolio is suitable if you:

- are willing to tolerate a low to medium level of risk;
- are looking to invest for the medium term to long term (at least three years);
- are looking for an investment solution that allows you to invest in a wide variety of securities in order to create a fully diversified portfolio;
- want to receive a distribution regularly (F5 Series and T5 Series only).

Distribution Policy

For Advisor, F and O Series units, the Portfolio distributes its net income at the end of each quarter. It distributes its net income for the last quarter and net realized capital gains for the year between December 14 and December 31 of each year. These distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash.

For F5 and T5 Series units, the Portfolio makes distributions at the end of each month. These monthly distributions are composed of a return of capital and/or net income. The amount of the monthly distribution per unit is reset at the beginning of each calendar year. The amount of the monthly distribution per unit is set by multiplying the net asset value per unit at the end of the previous calendar year (or if no units were offered at the end of the previous calendar year, the date when units were first offered in the current year) by 5% and dividing the result by 12. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio. These monthly distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash. The total amount of distributions for a year may exceed the income and capital gains earned by the Portfolio in that year. This excess amount will be treated as a return of capital to the unitholders and will not be taxable to you in the year of receipt, but will reduce the adjusted cost base of the units and may, in certain circumstances, result in a capital gain. See "*Income Tax Considerations for Investors*" for more information. Any net income not distributed previously in the year and any capital gains will be distributed by the Portfolio in a special distribution at the end of the year. This special year-end distribution must be reinvested in additional Portfolio units of the same series.

Portfolio Expenses Indirectly Borne by Investors

A mutual fund generally pays some expenses out of its assets. The table below shows the costs you pay indirectly for each $1,000 that you have invested in the Portfolio. To make it easy for you to compare these costs to the costs of other Portfolios, this table assumes:

- the total annual return of the Portfolio is 5% a year;
- the management expense ratio of the Portfolio was the same throughout the ten-year period as it was in the last financial year of the Portfolio.

Based on these assumptions, the cumulative costs of investing in this fund would be:

	One year	**Three years**	**Five years**	**Ten years**
Advisor Series	$24.96	$78.68	$137.91	$313.93
F Series	$13.48	$42.50	$74.50	$169.57
F5 Series	$13.51	$42.59	$74.65	$169.93
O Series	$0.61	$1.92	$3.36	$7.65
T5 Series	$24.40	$76.91	$134.80	$306.84

To compare the costs you pay indirectly for this Portfolio to those of other Portfolios, please see the other Portfolio descriptions. *Please note these figures are for comparative purposes only, based on the above-mentioned assumptions. Actual expenses will vary from what we have indicated here.*

See "*Fees and charges payable directly by you*" for the fees and charges that you pay directly.

Meritage Growth Class Portfolio

Portfolio Details

Type of Portfolio:	Global Neutral Balanced
Date the Portfolio Was Started:	March 23, 2011
Securities Offered:	Shares – Advisor Series, F Series, F5 Series and T Series
Date Operations Commenced:	Advisor Series – March 23, 2011 F Series – March 23, 2011 F5 Series – September 5, 2014 T Series – March 23, 2011
Eligibility for Registered Plans:	The Portfolio shares are eligible investments for registered plans.
Maximum Annual Management Fees:	Advisor Series and T Series: 2.00% F Series and F5 Series: 1.00%

What Does the Portfolio Invest in?

Investment Objective

The Portfolio's investment objective is to obtain a comparable return to that of the Meritage Growth Portfolio (the "Underlying Fund").

The Portfolio invests mainly in units of the Underlying Fund and/or in securities of the mutual funds held by the Underlying Fund and/or in mutual funds similar to those funds, based on a similar weighting to that used by the Underlying Fund.

Shareholders must approve any change to this objective at a meeting specifically held for that purpose.

Investment Strategies

To achieve its investment objective, the Portfolio invests substantially all of its net assets in O Series units of the Underlying Fund. The investment objective of the Underlying Fund is to achieve long-term capital appreciation by investing primarily in a diverse mix of fixed-income and equity mutual funds.

Under normal market conditions, the Underlying Fund invests all of its net assets in fixed-income and equity funds managed by third parties (that may include exchange-traded funds). The Portfolio Manager of the Underlying Fund may, however, in its sole discretion, review and adjust this target weighting based on economic and market conditions.

The Portfolio Manager of the Underlying Fund may, at its sole discretion, select the mutual funds, allocate assets to the mutual funds, change the percentage holding of any mutual fund, remove any mutual fund from the Portfolio or add other mutual funds.

When selecting a mutual fund in which to invest, the Portfolio Manager of the Underlying Fund will consider the degree of exposure to the asset class that the mutual fund will provide to the Underlying Fund, the performance of the mutual fund, and the expenses (if any) payable by the Underlying Fund which may be associated with the investment.

The Portfolio has obtained from the Canadian Securities Administrators an exemption from the application of certain rules applicable to funds-of-funds set out in Regulation 81-102. The exemption allows the Portfolio to invest in securities of the Underlying Fund even if the Underlying Fund holds, directly or indirectly, more than 10% of its net assets in the securities of other mutual funds.

There will be no duplication of management fees between the Portfolio, the Underlying Fund and the Underlying Fund's Underlying Funds.

If the Portfolio Manager is of the opinion that it is no longer in the best interests of the Portfolio to invest in O Series units of the Underlying Fund, it may invest in securities of the mutual funds held by the Underlying Fund and/or in mutual funds similar to those funds, based on a similar weighting to that used by the Underlying Fund.

The Underlying Fund may from time to time make direct investments in Canadian and foreign equity and fixed-income securities. The Underlying Fund may also invest in mutual funds that hold shares of small-cap corporations.

The Portfolio and the Underlying Fund may hold a portion of their assets in cash, money market securities or money market funds while seeking investment opportunities, for cash management purposes, for defensive purposes depending on market conditions or for purposes of an amalgamation or other transaction. As a result, the Portfolio and the Underlying Fund may temporarily not be fully invested in accordance with their investment objective.

The Portfolio and the Underlying Fund may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest or exchange rates. The Portfolio and the Underlying Fund may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies provided that the use of the derivative is consistent with the Portfolio's investment objective.

Meritage Growth Class Portfolio

The Portfolio and the Underlying Fund may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the Portfolio's other investment strategies in the most appropriate manner to allow the Portfolio to meet its investment objectives and improve its performance. See "*Repurchase and reverse repurchase agreements risk*" and "*Securities lending risk*" for a description of these transactions and the strategies to be used by the Portfolio to reduce the risks related to these transactions. At the current time, the Portfolio and the Underlying Fund do not intend to engage in repurchase and reverse repurchase transactions.

For more information on the Meritage Growth Portfolio, please see page 57 of this Prospectus.

What Are the Risks of Investing in the Portfolio?

The Portfolio indirectly has the same risks as the Underlying Funds it holds. The Portfolio takes on the risks of an Underlying Fund in proportion to its investment in that fund. The direct and indirect risks of the Portfolio are:

- Capital erosion risk
- Class risk
- Commodity risk
- Concentration risk
- Counterparty risk
- Credit risk
- Currency risk
- Depositary receipt risk
- Derivative risk
- Emerging market investment risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Income trust risk
- Inflation risk
- Interest rate risk
- Large investment risk
- Legal, tax and regulatory risks
- Liquidity risk
- Repurchase and reverse repurchase agreements risk
- Securities lending risk
- Series risk
- Short selling risk
- Smaller companies risk
- Specialization risk
- Substantial securityholder risk
- Underlying fund risk
- U.S. tax risk

These risks are described in more detail beginning on page 2 of this Simplified Prospectus.

During the last 12 months, the Portfolio invested as much as 14.09% of its net assets in the TD Canadian Core Plus Bond Fund, as much as 14.00% of its net assets in the Signature Canadian Bond Fund, as much as 13.62% of its net assets in the Capital Group Global Equity Fund (Canada), as much as 16.21% of its net assets in the Beutel Goodman Canadian Equity Fund, as much as 16.28% of its net assets in the Fidelity Canadian Disciplined Equity® Fund and as much as 11.29% of its net assets in the Edgepoint Global Portfolio. See "*Concentration risk*" on page 3 for a description of this risk.

Who Should Invest in This Portfolio?

The Portfolio is suitable if you:

- are willing to tolerate a low to medium level of risk;
- are looking to invest for the medium term to long term (at least three years);
- are looking for an investment solution that allows you to invest in a wide variety of securities in order to create a fully diversified portfolio;
- wish to make investments outside your registered plan;
- want to receive a distribution regularly (F5 Series and T Series only).

Distribution Policy

Ordinary dividends may be paid in December of each year and capital gains dividends may be paid at the end of the year or in January or February of each year. Dividends may also be paid at other times during the year. Dividends will be paid to the extent necessary to minimize National Bank Funds Corporation's tax liability.

For T Series shares, monthly distributions will also be paid. They will generally be composed of a return of capital and/or dividends. The amount of the monthly distribution per share is reset at the beginning of each calendar year. It is a factor of the Portfolio's payout rate, the net asset value per share at the end of the previous calendar year and the number of shares of the Portfolio you own at the time of the distribution. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio.

For F5 Series shares, monthly distributions will also be paid. They will be composed of a return of capital and/or dividends. The amount of the monthly distribution per share is reset at the beginning of each calendar year. The amount of the monthly distribution is set by multiplying the net asset value per share at the end of the previous calendar year (or if no shares were offered at the end of the previous calendar year, the date when shares were first offered in the current year) by 5% and dividing the result by 12. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio.

The return of capital distributed for F5 Series and T Series shares will be treated as a return of capital in the shareholder's hands and will not be taxable in the year of receipt, but will reduce the adjusted cost base of the shares and may, in certain situations, give rise to a capital gain. See "*Income Tax Considerations for Investors*" for more information.

In addition to the monthly distributions, a special year-end distribution may be made to F5 Series and T Series investors. This distribution will consist of taxable ordinary dividends and/or capital gains dividends and will be automatically reinvested in additional shares of the same series of the Portfolio.

All dividends payable to Advisor Series and F Series investors will be reinvested in additional Portfolio shares of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum dividend amount of $25 may be required for a dividend to be paid to you in cash.

Monthly distributions payable to F5 Series and T Series investors will be reinvested in additional Portfolio shares of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash.

Portfolio Expenses Indirectly Borne by Investors

A mutual fund generally pays some expenses out of its assets. The table below shows the costs you pay indirectly for each $1,000 that you have invested in the Portfolio. To make it easy for you to compare these costs to the costs of other Portfolios, this table assumes:

- the total annual return of the Portfolio is 5% a year;
- the management expense ratio of the Portfolio was the same throughout the ten-year period as it was in the last financial year of the Portfolio.

Based on these assumptions, the cumulative costs of investing in this Portfolio would be:

	One year	Three years	Five years	Ten years
Advisor Series	$25.03	$78.89	$138.28	$314.77
F Series	$13.65	$43.03	$75.42	$171.67
F5 Series	$13.98	$44.06	$77.23	$175.80
T Series	$25.01	$78.85	$138.20	$314.59

To compare the costs you pay indirectly for this Portfolio to those of other Portfolios, please see the other Portfolio descriptions. *Please note these figures are for comparative purposes only, based on the above-mentioned assumptions. Actual expenses will vary from what we have indicated here.*

See "*Fees and charges payable directly by you*" for the fees and charges that you pay directly.

Meritage Dynamic Growth Portfolio (formerly Meritage Aggressive Growth Portfolio)

Portfolio Details

Type of Portfolio:	Canadian Equity Balanced
Date the Portfolio Was Started:	September 25, 2006
Securities Offered:*	Trust units – Advisor Series, F Series, F5 Series, O Series and T5 Series
Date Operations Commenced:	Advisor Series – September 25, 2006 F Series – September 25, 2006 F5 Series – September 5, 2014 O Series – October 31, 2013 T5 Series – September 5, 2014
Eligibility for Registered Plans:	The Portfolio securities are eligible investments for registered plans.
Maximum Annual Management Fees:	Advisor Series and T5 Series: 2.00% F Series and F5 Series: 1.00%

** The Portfolio also offers a series by way of private placement.*

What Does the Portfolio Invest in?

Investment Objective

The Portfolio's investment objective is to achieve long-term capital appreciation by investing primarily in a diverse mix of fixed-income and equity mutual funds.

Unitholders must approve any change to this objective at a meeting specifically held for that purpose.

Investment Strategies

The target weighting for each asset class in which the Portfolio invests under normal market conditions is the following:

- 10%-30% of net assets in Canadian and global fixed-income securities;
- 70%-90% of net assets in Canadian and global equity securities.

The Portfolio Manager may, at its sole discretion, review and adjust the target weighting of each asset class depending on economic and market conditions.

The Portfolio achieves exposure to the above asset classes by investing up to 100% of its net assets in underlying funds (that may include exchange-traded funds) managed by third parties ("Underlying Funds"). The Portfolio Manager may, at its sole discretion, select the Underlying Funds, allocate assets to the Underlying Funds, change the percentage holding of any Underlying Fund, remove any Underlying Fund or add other Underlying Funds.

When selecting an Underlying Fund in which to invest, the Portfolio Manager will consider the degree of exposure to the asset class that the Underlying Fund will provide to the Portfolio, the performance of the Underlying Fund, and the expenses (if any) payable by the Portfolio which may be associated with the investment. There will be no duplication of fees, particularly sales charges, between the Portfolio and any Underlying Fund.

The Portfolio may from time to time make direct investments in Canadian and foreign equity and fixed-income securities. The Portfolio may also invest in mutual funds that hold shares of small-cap corporations.

The Portfolio may hold a portion of its assets in cash, money market securities or money market funds while seeking investment opportunities, for cash management purposes, for defensive purposes depending on market conditions or for purposes of an amalgamation or other transaction. As a result, the Portfolio may temporarily not be fully invested in accordance with its investment objective.

The Portfolio may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest or exchange rates. The Portfolio may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies provided that the use of the derivative is consistent with the Portfolio's investment objective.

The Portfolio may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the Portfolio's other investment strategies in the most appropriate manner to allow the Portfolio to meet its investment objective and improve its performance. See "*Repurchase and reverse repurchase agreements risk*" and "*Securities lending risk*" for a description of these transactions and the strategies to be used by the Portfolio to reduce the risks related to these transactions. At the current time, the Portfolio does not intend to engage in repurchase and reverse repurchase transactions.

What Are the Risks of Investing in the Portfolio?

The Portfolio indirectly has the same risks as the Underlying Funds it holds. The Portfolio takes on the risks of an Underlying Fund in proportion to its investment in that fund. The direct and indirect risks of the Portfolio are:

- Capital erosion risk
- Commodity risk
- Concentration risk
- Counterparty risk
- Credit risk
- Currency risk
- Depositary receipt risk
- Derivative risk
- Emerging market investment risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Income trust risk
- Inflation risk
- Interest rate risk
- Large investment risk
- Legal, tax and regulatory risks
- Liquidity risk
- Repurchase and reverse repurchase agreements risk
- Securities lending risk
- Series risk
- Short selling risk
- Smaller companies risk
- Specialization risk
- Substantial securityholder risk
- Underlying fund risk
- U.S. tax risk

These risks are described in more detail beginning on page 2 of this Simplified Prospectus.

During the last 12 months, the Portfolio invested as much as 18.87% of its net assets in the Capital Group Global Equity Fund (Canada), as much as 14.03% of its net assets in the Edgepoint Global Equity Fund, as much as 10.05% of its net assets in the TD Canadian Core Plus Bond Fund, as much as 17.55% of its net assets in the Fidelity Canadian Disciplined Equity® Fund, as much as 17.47% of its net assets in the Beutel Goodman Canadian Equity Fund, as much as 10.12% of its net assets in the Manulife Canadian Investment Fund and as much as 10.33% of its net assets in the Dynamic Power Small Cap Fund. See "*Concentration risk*" on page 3 for a description of this risk.

Who Should Invest in This Portfolio?

The Portfolio is suitable if you:

- are willing to tolerate a low to medium level of risk;
- are looking to invest for the long term (at least five years);
- are looking for an investment solution that allows you to invest in a wide range of securities in order to create a fully diversified portfolio;
- want to receive a distribution regularly (F5 Series and T5 Series only).

Distribution Policy

For Advisor, F and O Series units, the Portfolio distributes its net income at the end of each quarter. It distributes its net income for the last quarter and net realized capital gains for the year between December 14 and December 31 of each year. These distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash.

For F5 and T5 Series units, the Portfolio makes distributions at the end of each month. These monthly distributions are composed of a return of capital and/or net income. The amount of the monthly distribution per unit is reset at the beginning of each calendar year. The amount of the monthly distribution per unit is set by multiplying the net asset value per unit at the end of the previous calendar year (or if no units were offered at the end of the previous calendar year, the date when units were first offered in the current year) by 5% and dividing the result by 12. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio. These monthly distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash. The total amount of distributions for a year may exceed the income and capital gains earned by the Portfolio in that year. This excess amount will be treated as a return of capital to the unitholders and will not be taxable to you in the year of receipt, but will reduce the adjusted cost base of the units and may, in certain circumstances, result in a capital gain. See "*Income Tax Considerations for Investors*" for more information. Any net income not distributed previously in the year and any capital gains will be distributed by the Portfolio in a special distribution at the end of the year. This special year-end distribution must be reinvested in additional Portfolio units of the same series.

Portfolio Expenses Indirectly Borne by Investors

A mutual fund generally pays some expenses out of its assets. The table below shows the costs you pay indirectly for each $1,000 that you have invested in the Portfolio. To make it easy for you to compare these costs to the costs of other Portfolios, this table assumes:

- the total annual return of the Portfolio is 5% a year;
- the management expense ratio of the Portfolio was the same throughout the ten-year period as it was in the last financial year of the Portfolio.

Based on these assumptions, the cumulative costs of investing in this Portfolio would be:

	One year	**Three years**	**Five years**	**Ten years**
Advisor Series	$28.23	$88.99	$155.97	$355.04
F Series	$14.09	$44.40	$77.83	$177.17
F5 Series	$14.08	$44.38	$77.79	$177.08
O Series	$0.45	$1.42	$2.48	$5.65
T5 Series	$26.96	$84.98	$148.95	$339.04

To compare the costs you pay indirectly for this Portfolio to those of other Portfolios, please see the other Portfolio descriptions. *Please note these figures are for comparative purposes only, based on the above-mentioned assumptions. Actual expenses will vary from what we have indicated here.*

See "*Fees and charges payable directly by you*" for the fees and charges that you pay directly.

Meritage Dynamic Growth Class Portfolio (formerly Meritage Aggressive Growth Class Portfolio)

Portfolio Details

Type of Portfolio:	Global Equity Balanced
Date the Portfolio Was Started:	March 23, 2011
Securities Offered:	Shares – Advisor Series, F Series, F5 Series and T Series
Date Operations Commenced:	Advisor Series – March 23, 2011 F Series – March 23, 2011 F5 Series – September 5, 2014 T Series – March 23, 2011
Eligibility for Registered Plans:	The Portfolio shares are eligible investments for registered plans.
Maximum Annual Management Fees:	Advisor Series and T Series: 2.00% F Series and F5 Series: 1.00%

What Does the Portfolio Invest in?

Investment Objective

The Portfolio's investment objective is to obtain a comparable return to that of the Meritage Dynamic Growth Portfolio (the "Underlying Fund").

The Portfolio invests mainly in units of the Underlying Fund and/or in securities of the mutual funds held by the Underlying Fund and/or in mutual funds similar to those funds, based on a similar weighting to that used by the Underlying Fund.

Shareholders must approve any change to this objective at a meeting specifically held for that purpose.

Investment Strategies

To achieve its investment objective, the Portfolio invests substantially all of its net assets in O Series units of the Underlying Fund. The investment objective of the Underlying Fund is to achieve long-term capital appreciation by investing primarily in a diverse mix of fixed-income and equity mutual funds.

Under normal market conditions, the Underlying Fund invests all of its net assets in fixed-income and equity funds managed by third parties (that may include exchange-traded funds). The Portfolio Manager of the Underlying Fund may, however, in its sole discretion, review and adjust this target weighting based on economic and market conditions.

The Portfolio Manager of the Underlying Fund may, at its sole discretion, select the mutual funds, allocate assets to the mutual funds, change the percentage holding of any mutual fund, remove any mutual fund from the Portfolio or add other mutual funds.

When selecting a mutual fund in which to invest, the Portfolio Manager of the Underlying Fund will consider the degree of exposure to the asset class that the mutual fund will provide to the Underlying Fund, the performance of the mutual fund, and the expenses (if any) payable by the Underlying Fund which may be associated with the investment.

The Portfolio has obtained from the Canadian Securities Administrators an exemption from the application of certain rules applicable to funds-of-funds set out in Regulation 81-102. The exemption allows the Portfolio to invest in securities of the Underlying Fund even if the Underlying Fund holds, directly or indirectly, more than 10% of its net assets in the securities of other mutual funds.

There will be no duplication of management fees between the Portfolio, the Underlying Fund and the Underlying Fund's Underlying Funds.

If the Portfolio Manager is of the opinion that it is no longer in the best interests of the Portfolio to invest in O Series units of the Underlying Fund, it may invest in securities of the mutual funds held by the Underlying Fund and/or in mutual funds similar to those funds, based on a similar weighting to that used by the Underlying Fund.

The Underlying Fund may from time to time make direct investments in Canadian and foreign equity and fixed-income securities. The Underlying Fund may also invest in mutual funds that hold shares of small-cap corporations.

The Portfolio and the Underlying Fund may hold a portion of their assets in cash, money market securities or money market funds while seeking investment opportunities, for cash management purposes, for defensive purposes depending on market conditions or for purposes of an amalgamation or other transaction. As a result, the Portfolio and the Underlying Fund may temporarily not be fully invested in accordance with their investment objective.

The Portfolio and the Underlying Fund may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest or exchange rates. The Portfolio and the Underlying Fund may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies provided that the use of the derivative is consistent with the Portfolio's investment objective.

The Portfolio and the Underlying Fund may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the Portfolio's other investment strategies in the most appropriate manner to allow the Portfolio to meet its investment objectives and improve its performance. See "*Repurchase and reverse repurchase agreements risk*" and "*Securities lending risk*" for a description of these transactions and the strategies to be used by the Portfolio to reduce the risks related to these transactions. At the current time, the Portfolio and the Underlying Fund do not intend to engage in repurchase and reverse repurchase transactions.

For more information on the Meritage Dynamic Growth Portfolio, please see page 63 of this Prospectus.

What Are the Risks of Investing in the Portfolio?

The Portfolio indirectly has the same risks as the Underlying Funds it holds. The Portfolio takes on the risks of an Underlying Fund in proportion to its investment in that fund. The direct and indirect risks of the Portfolio are:

- Capital erosion risk
- Class risk
- Commodity risk
- Concentration risk
- Counterparty risk
- Credit risk
- Currency risk
- Depositary receipt risk
- Derivative risk
- Emerging market investment risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Income trust risk
- Inflation risk
- Interest rate risk
- Large investment risk
- Legal, tax and regulatory risks
- Liquidity risk
- Repurchase and reverse repurchase agreements risk
- Securities lending risk
- Series risk
- Short selling risk
- Smaller companies risk
- Specialization risk
- Substantial securityholder risk
- Underlying fund risk
- U.S. tax risk

These risks are described in more detail beginning on page 2 of this Simplified Prospectus.

During the last 12 months, the Portfolio invested as much as 17.40% of its net assets in the Beutel Goodman Canadian Equity Fund, as much as 10.08% of its net assets in the Manulife Canadian Investment Fund, as much as 18.70% of its net assets in the Capital Group Global Equity Fund (Canada), as much as 13.91% of its net assets in the Edgepoint Global Portfolio, as much as 10.25% of its net assets in the Dynamic Power Small Cap Fund, as much as 17.48% of its net assets in the Fidelity Canadian Disciplined Equity® Fund and as much as 10.02% of its net assets in the TD Canadian Core Plus Bond Fund. See "*Concentration risk*" on page 3 for a description of this risk.

Who Should Invest in This Portfolio?

The Portfolio is suitable if you:

- are willing to tolerate a low to medium level of risk;
- are looking to invest for the long term (at least five years);
- are looking for an investment solution that allows you to invest in a wide variety of securities in order to create a fully diversified portfolio;
- wish to make investments outside your registered plan;
- want to receive a distribution regularly (F5 Series and T Series only).

Meritage Dynamic Growth Class Portfolio (formerly Meritage Aggressive Growth Class Portfolio)

Distribution Policy

Ordinary dividends may be paid in December of each year and capital gains dividends may be paid at the end of the year or in January or February of each year. Dividends may also be paid at other times during the year. Dividends will be paid to the extent necessary to minimize National Bank Funds Corporation's tax liability.

For T Series shares, monthly distributions will also be paid. They will generally be composed of a return of capital and/or dividends. The amount of the monthly distribution per share is reset at the beginning of each calendar year. It is a factor of the Portfolio's payout rate, the net asset value per share at the end of the previous calendar year and the number of shares of the Portfolio you own at the time of the distribution. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio.

For F5 Series shares, monthly distributions will also be paid. They will be composed of a return of capital and/or dividends. The amount of the monthly distribution per share is reset at the beginning of each calendar year. The amount of the monthly distribution is set by multiplying the net asset value per share at the end of the previous calendar year (or if no shares were offered at the end of the previous calendar year, the date when shares were first offered in the current year) by 5% and dividing the result by 12. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio.

The return of capital distributed for F5 Series and T Series shares will be treated as a return of capital in the shareholder's hands and will not be taxable in the year of receipt, but will reduce the adjusted cost base of the shares and may, in certain situations, give rise to a capital gain. See "*Income Tax Considerations for Investors*" for more information.

In addition to the monthly distributions, a special year-end distribution may be made to F5 Series and T Series investors. This distribution will consist of ordinary dividends and/or capital gains dividends and will be automatically reinvested in additional shares of the same series of the Portfolio.

All dividends payable to Advisor Series and F Series investors will be reinvested in additional Portfolio shares of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum dividend amount of $25 may be required for a dividend to be paid to you in cash.

Monthly distributions payable to F5 Series and T Series investors will be reinvested in additional Portfolio shares of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash.

Portfolio Expenses Indirectly Borne by Investors

A mutual fund generally pays some expenses out of its assets. The table below shows the costs you pay indirectly for each $1,000 that you have invested in the Portfolio. To make it easy for you to compare these costs to the costs of other Portfolios, this table assumes:

- the total annual return of the Portfolio is 5% a year;
- the management expense ratio of the Portfolio was the same throughout the ten-year period as it was in the last financial year of the Portfolio.

Based on these assumptions, the cumulative costs of investing in this Portfolio would be:

	One year	Three years	Five years	Ten years
Advisor Series	$27.77	$87.53	$153.42	$349.23
F Series	$13.93	$43.92	$76.99	$175.25
F5 Series	$14.03	$44.23	$77.52	$176.46
T Series	$28.56	$90.03	$157.80	$359.21

To compare the costs you pay indirectly for this Portfolio to those of other Portfolios, please see the other Portfolio descriptions. *Please note these figures are for comparative purposes only, based on the above-mentioned assumptions. Actual expenses will vary from what we have indicated here.*

See "*Fees and charges payable directly by you*" for the fees and charges that you pay directly.

Meritage Diversified Fixed Income Portfolio

Portfolio Details

Type of Portfolio:	Global Fixed Income
Date the Portfolio Was Started:	October 29, 2013
Securities Offered:*	Trust units – Advisor Series, F Series and O Series
Date Operations Commenced:	Advisor Series – October 29, 2013 F Series – October 29, 2013 O Series – September 11, 2014
Eligibility for Registered Plans:	The Portfolio securities are eligible investments for registered plans.
Maximum Annual Management Fees:	Advisor Series: 1.50% F Series: 0.75%

** The Portfolio also offers a series by way of private placement.*

What Does the Portfolio Invest in?

Investment Objective

The Portfolio's investment objective is to achieve a current income by investing primarily in a diverse mix of fixed-income mutual funds.

Unitholders must approve any change to this objective at a meeting specifically held for that purpose.

Investment Strategies

The target weighting for each asset class in which the Portfolio invests under normal market conditions is the following:

- 100% of net assets in securities of Canadian and global fixed-income funds.

The Portfolio Manager may, at its sole discretion, review and adjust the target weighting of each asset class depending on economic and market conditions.

The Portfolio achieves exposure to the above asset class by investing up to 100% of its net assets in underlying funds (that may include exchange-traded funds) managed by third parties ("Underlying Funds"). The Portfolio Manager may, at its sole discretion, select the Underlying Funds, allocate assets to the Underlying Funds, change the percentage holding of any Underlying Fund, remove any Underlying Fund or add other Underlying Funds.

When selecting an Underlying Fund in which to invest, the Portfolio Manager will consider the degree of exposure to the asset class that the Underlying Fund will provide to the Portfolio, the performance of the Underlying Fund, and the expenses (if any) payable by the Portfolio which may be associated with the investment. There will be no duplication of fees, particularly sales charges, between the Portfolio and any Underlying Fund.

The Portfolio may from time to time make direct investments in Canadian and foreign fixed-income securities.

The Portfolio may hold a portion of its assets in cash, money market securities or money market funds while seeking investment opportunities, for cash management purposes, for defensive purposes depending on market conditions or for purposes of an amalgamation or other transaction. As a result, the Portfolio may temporarily not be fully invested in accordance with its investment objective.

The Portfolio may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest or exchange rates. The Portfolio may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies provided that the use of the derivative is consistent with the Portfolio's investment objective.

The Portfolio may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the Portfolio's other investment strategies in the most appropriate manner to allow the Portfolio to meet its investment objective and improve its performance. See *"Repurchase and reverse repurchase agreements risk"* and *"Securities lending risk"* for a description of these transactions and the strategies to be used by the Portfolio to reduce the risks related to these transactions. At the current time, the Portfolio does not intend to engage in repurchase and reverse repurchase transactions.

What Are the Risks of Investing in the Portfolio?

The Portfolio indirectly has the same risks as the Underlying Funds it holds. The Portfolio takes on the risks of an Underlying Fund in proportion to its investment in that fund. The direct and indirect risks of the Portfolio are.

- Asset-backed and mortgage-backed security risk
- Capital erosion risk
- Concentration risk
- Counterparty risk
- Credit risk

- Currency risk
- Derivative risk
- Emerging market investment risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Inflation risk
- Interest rate risk
- Large investment risk
- Legal, tax and regulatory risks
- Liquidity risk
- Repurchase and reverse repurchase agreements risk
- Securities lending risk
- Series risk
- Short selling risk
- Specialization risk
- Substantial securityholder risk
- Underlying fund risk
- U.S. tax risk

These risks are described in more detail on page 3 of this Simplified Prospectus.

The Portfolio's level of risk is low. Because the historical performance of the Portfolio is less than 10 years, to calculate the level of risk, the Manager used a reference index similar to the Portfolio's strategy, in addition to the actual return history of the Portfolio. The index used by the Manager is the FTSE TMX Canada Universe Bond Index. This index is designed to represent a measure of the Canadian market of fixed-income investments whose maturity is greater than one year, including Government of Canada, provincial and corporate bonds. For more information, see "*Investment risk classification methodology*" in the section "*Specific Information About Each of the Mutual Funds Described in This Document*".

During the last 12 months, the Portfolio invested as much as 10.77% of its net assets in the RBC Global High Yield Bond Fund, as much as 31.07% of its net assets in the Manulife Strategic Income Fund, as much as 27.34% of its net assets in the Signature Canadian Bond Fund and as much as 27.21% of its net assets in the TD Canadian Core Plus Bond Fund. See "*Concentration risk*" on page 3 for a description of this risk.

Who Should Invest in This Portfolio?

The Portfolio is suitable if you:

- are willing to tolerate a low level of risk;
- are looking to invest for the short to medium term (at least one year);
- want to receive a distribution regularly;
- are looking for an investment solution that allows you to invest in a wide variety of securities in order to create a fully diversified portfolio.

Distribution Policy

The Portfolio makes distributions at the end of each month. These monthly distributions are composed of net income and/or return of capital. The amount of the monthly distribution per unit is reset at the beginning of each calendar year. It is a factor of the Portfolio's payout rate, the net asset value per unit at the end of the previous calendar year and the number of units of the Portfolio you own at the time of the distribution. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio. These monthly distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash.

Any net income not distributed previously in the year and any capital gains will be distributed by the Portfolio in a special distribution at the end of the year. This special year-end distribution must be reinvested in additional Portfolio units of the same series.

The total amount of distributions for a year may exceed the income and capital gains earned by the Portfolio in that year. This excess amount will be treated as a return of capital to the unitholders and will not be taxable to you in the year of receipt, but will reduce the adjusted cost base of the units and may, in certain circumstances, result in a capital gain. See "*Income Tax Considerations for Investors*" for more information.

Portfolio Expenses Indirectly Borne by Investors

A mutual fund generally pays some expenses out of its assets. The table below shows the costs you pay indirectly for each $1,000 that you have invested in the Portfolio. To make it easy for you to compare these costs to the costs of other Portfolios, this table assumes:

- the total annual return of the Portfolio is 5% a year;

- the management expense ratio of the Portfolio was the same throughout the ten-year period as it was in the last financial year of the Portfolio.

Based on these assumptions, the cumulative cost of investing in this Portfolio would be:

	One year	**Three years**	**Five years**	**Ten years**
Advisor Series	$19.14	$60.35	$105.78	$240.78
F Series	$10.43	$32.88	$57.62	$131.17
O Series	$0.49	$1.55	$2.71	$6.18

To compare the costs you pay indirectly for this Portfolio to other Portfolios, please see the other Portfolio descriptions. *Please note these figures are for comparative purposes only, based on the above assumptions. Actual costs will vary from what we have indicated here.*

See "*Fees and charges payable directly by you*" for the fees and charges that you pay directly.

Meritage Conservative Income Portfolio

Portfolio Details

Type of Portfolio:	Canadian Fixed Income Balanced
Date the Portfolio Was Started:	September 25, 2006
Securities Offered:	Trust units – Advisor Series, F Series and O Series
Date Operations Commenced:	Advisor Series – September 25, 2006 F Series – September 25, 2006 O Series – October 31, 2013
Eligibility for Registered Plans:	The Portfolio securities are eligible investments for registered plans.
Maximum Annual Management Fees:	Advisor Series: 1.75% F Series: 0.90%

What Does the Portfolio Invest in?

Investment Objective

The Portfolio's investment objective is to achieve a current income and some capital appreciation over the medium-term by investing primarily in a diverse mix of fixed-income and equity mutual funds.

Unitholders must approve any change to this objective at a meeting specifically held for that purpose.

Investment Strategies

The target weighting for each asset class in which the Portfolio invests under normal market conditions is the following:

- 70%-90% of net assets in Canadian and global fixed-income securities;
- 10%-30% of net assets in Canadian and global equity securities.

The Portfolio Manager may, at its sole discretion, review and adjust the target weighting of each asset class depending on economic and market conditions.

The Portfolio achieves exposure to the above asset classes by investing up to 100% of its net assets in underlying funds (that may include exchange-traded funds) managed by third parties ("Underlying Funds"). The Portfolio Manager may, at its sole discretion, select the Underlying Funds, allocate assets to the Underlying Funds, change the percentage holding of any Underlying Fund, remove any Underlying Fund or add other Underlying Funds.

When selecting an Underlying Fund in which to invest, the Portfolio Manager will consider the degree of exposure to the asset class that the Underlying Fund will provide to the Portfolio, the performance of the Underlying Fund, and the expenses (if any) payable by the Portfolio which may be associated with the investment. There will be no duplication of fees, particularly sales charges, between the Portfolio and any Underlying Fund.

The Portfolio may from time to time make direct investments in Canadian and foreign equity and fixed-income securities. The Portfolio may also invest in mutual funds that hold shares of small-cap corporations.

The Portfolio may hold a portion of its assets in cash, money market securities or money market funds while seeking investment opportunities, for cash management purposes, for defensive purposes depending on market conditions or for purposes of an amalgamation or other transaction. As a result, the Portfolio may temporarily not be fully invested in accordance with its investment objective.

The Portfolio may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest or exchange rates. The Portfolio may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies provided that the use of the derivative is consistent with the Portfolio's investment objective.

The Portfolio may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the Portfolio's other investment strategies in the most appropriate manner to allow the Portfolio to meet its investment objective and improve its performance. See "*Repurchase and reverse repurchase agreements risk*" and "*Securities lending risk*" for a description of these transactions and the strategies to be used by the Portfolio to reduce the risks related to these transactions. At the current time, the Portfolio does not intend to engage in repurchase and reverse repurchase transactions.

What Are the Risks of Investing in the Portfolio?

The Portfolio indirectly has the same risks as the Underlying Funds it holds. The Portfolio takes on the risks of an Underlying Fund in proportion to its investment in that fund. The direct and indirect risks of the Portfolio are:

- Capital erosion risk

- Commodity risk
- Concentration risk
- Counterparty risk
- Credit risk
- Currency risk
- Derivative risk
- Emerging market investment risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Income trust risk
- Inflation risk
- Interest rate risk
- Large investment risk
- Legal, tax and regulatory risks
- Liquidity risk
- Repurchase and reverse repurchase agreements risk
- Securities lending risk
- Series risk
- Short selling risk
- Smaller companies risk
- Specialization risk
- Substantial securityholder risk
- Underlying fund risk
- U.S. tax risk

These risks are described in more detail beginning on page 2 of this Simplified Prospectus.

During the last 12 months, the Portfolio invested as much as 10.46% of its net assets in the RBC Global High Yield Bond Fund, as much as 11.07% of its net assets in the Dynamic Equity Income Fund, as much as 31.20% of its net assets in the TD Canadian Core Plus Bond Fund, as much as 31.12% of its net assets in the Signature Canadian Bond Fund and as much as 10.31% of its net assets in the Manulife Strategic Income Fund. See "*Concentration risk*" on page 3 for a description of this risk.

Who Should Invest in This Portfolio?

The Portfolio is suitable if you:

- are willing to tolerate a low level of risk;
- are looking to invest for the short term to medium term (at least one year);
- want to receive a distribution regularly;
- are looking for an investment solution that allows you to invest in a wide variety of securities in order to create a fully diversified portfolio.

Distribution Policy

The Portfolio makes distributions at the end of each month. These monthly distributions are composed of net income and/or return of capital. The amount of the monthly distribution per unit is reset at the beginning of each calendar year. It is a factor of the Portfolio's payout rate, the net asset value per unit at the end of the previous calendar year and the number of units of the Portfolio you own at the time of the distribution. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio. These monthly distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash.

Any net income not distributed previously in the year and any capital gains will be distributed by the Portfolio in a special distribution at the end of the year. This special year-end distribution must be reinvested in additional Portfolio units of the same series.

The total amount of distributions for a year may exceed the income and capital gains earned by the Portfolio in that year. This excess amount will be treated as a return of capital to the unitholders and will not be taxable to you in the year of receipt, but will reduce the adjusted cost base of the units and may, in certain circumstances, result in a capital gain. See "*Income Tax Considerations for Investors*" for more information.

Portfolio Expenses Indirectly Borne by Investors

A mutual fund generally pays some expenses out of its assets. The table below shows the costs you pay indirectly for each $1,000 that you have invested in the Portfolio. To make it easy for you to compare these costs to the costs of other Portfolios, this table assumes:

- the total annual return of the Portfolio is 5% a year;
- the management expense ratio of the Portfolio was the same throughout the ten-year period as it was in the last financial year of the Portfolio.

Based on these assumptions, the cumulative costs of investing in this Portfolio would be:

	One year	Three years	Five years	Ten years
Advisor Series	$21.57	$68.00	$119.19	$271.31
F Series	$12.79	$40.31	$70.66	$160.83
O Series	$0.46	$1.44	$2.52	$5.74

To compare the costs you pay indirectly for this Portfolio to those of other Portfolios, please see the other Portfolio descriptions. *Please note these figures are for comparative purposes only, based on the above-mentioned assumptions. Actual expenses will vary from what we have indicated here*.

See "*Fees and charges payable directly by you*" for the fees and charges that you pay directly.

Meritage Moderate Income Portfolio

Portfolio Details

Type of Portfolio:	Canadian Fixed Income Balanced
Date the Portfolio Was Started:	September 25, 2006
Securities Offered:	Trust units – Advisor Series, F Series and O Series
Date Operations Commenced:	Advisor Series – September 25, 2006 F Series – September 25, 2006 O Series – October 31, 2013
Eligibility for Registered Plans:	The Portfolio securities are eligible investments for registered plans.
Maximum Annual Management Fees:	Advisor Series: 1.75% F Series: 0.90%

What Does the Portfolio Invest in?

Investment Objective

The Portfolio's investment objective is to achieve a current income and long-term capital appreciation by investing primarily in a diverse mix of fixed-income and equity mutual funds.

Unitholders must approve any change to this objective at a meeting specifically held for that purpose.

Investment Strategies

The target weighting for each asset class in which the Portfolio invests under normal market conditions is the following:

- 55%-75% of net assets in Canadian and global fixed-income securities;
- 25%-45% of net assets in Canadian and global equity securities.

The Portfolio Manager may, at its sole discretion, review and adjust the target weighting of each asset class depending on economic and market conditions.

The Portfolio achieves exposure to the above asset classes by investing up to 100% of its net assets in underlying funds (that may include exchange-traded funds) managed by third parties ("Underlying Funds"). The Portfolio Manager may, at its sole discretion, select the Underlying Funds, allocate assets to the Underlying Funds, change the percentage holding of any Underlying Fund, remove any Underlying Fund or add other Underlying Funds.

When selecting an Underlying Fund in which to invest, the Portfolio Manager will consider the degree of exposure to the asset class that the Underlying Fund will provide to the Portfolio, the performance of the Underlying Fund, and the expenses (if any) payable by the Portfolio which may be associated with the investment. There will be no duplication of fees, particularly sales charges, between the Portfolio and any Underlying Fund.

The Portfolio may from time to time make direct investments in Canadian and foreign equity and fixed-income securities. The Portfolio may also invest in mutual funds that hold shares of small-cap corporations.

The Portfolio may hold a portion of its assets in cash, money market securities or money market funds while seeking investment opportunities, for cash management purposes, for defensive purposes depending on market conditions or for purposes of an amalgamation or other transaction. As a result, the Portfolio may temporarily not be fully invested in accordance with its investment objective.

The Portfolio may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest or exchange rates. The Portfolio may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies provided that the use of the derivative is consistent with the Portfolio's investment objective.

The Portfolio may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the Portfolio's other investment strategies in the most appropriate manner to allow the Portfolio to meet its investment objective and improve its performance. See "*Repurchase and reverse repurchase agreements risk*" and "*Securities lending risk*" for a description of these transactions and the strategies to be used by the Portfolio to reduce the risks related to these transactions. At the current time, the Portfolio does not intend to engage in repurchase and reverse repurchase transactions.

What Are the Risks of Investing in the Portfolio?

The Portfolio indirectly has the same risks as the Underlying Funds it holds. The Portfolio takes on the risks of an Underlying Fund in proportion to its investment in that fund. The direct and indirect risks of the Portfolio are:

- Capital erosion risk
- Commodity risk

Meritage Moderate Income Portfolio

- Concentration risk
- Counterparty risk
- Credit risk
- Currency risk
- Derivative risk
- Emerging market investment risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Income trust risk
- Inflation risk
- Interest rate risk
- Large investment risk
- Legal, tax and regulatory risks
- Liquidity risk
- Repurchase and reverse repurchase agreements risk
- Securities lending risk
- Series risk
- Short selling risk
- Smaller companies risk
- Specialization risk
- Substantial securityholder risk
- Underlying fund risk
- U.S. tax risk

These risks are described in more detail beginning on page 2 of this Simplified Prospectus.

During the last 12 months, the Portfolio invested as much as 10.89% of its net assets in the Dynamic Equity Income Fund, as much as 10.30% of its net assets in the RBC Global High Yield Bond Fund, as much as 26.51% of its net assets in the TD Canadian Core Plus Bond Fund, as much as 26.45% of its net assets in the Signature Canadian Bond Fund, as much as 10.30% of its net assets in the Manulife Strategic Income Fund, as much as 15.01% of its net assets in the RBC Canadian Dividend Fund and as much as 10.19% of its net assets in the Signature Dividend Fund. See "*Concentration risk*" on page 3 for a description of this risk.

As at July 31, 2017, La Capitale Civil Service Insurer Inc. held 15.57% of the securities of the Meritage Moderate Income Portfolio. The Portfolio may be forced to sell its investments at unfavourable prices to meet redemption requests of these securityholders. See "*Substantial securityholder risk*" on page 9 for a description of this risk.

Who Should Invest in This Portfolio?

The Portfolio is suitable if you:

- are willing to tolerate a low level of risk;
- are looking to invest for the medium term to long term (at least three years);
- want to receive a distribution regularly;
- are looking for an investment solution that allows you to invest in a wide variety of securities in order to create a fully diversified portfolio.

Distribution Policy

The Portfolio makes distributions at the end of each month. These monthly distributions are composed of net income and/or return of capital. The amount of the monthly distribution per unit is reset at the beginning of each calendar year. It is a factor of the Portfolio's payout rate, the net asset value per unit at the end of the previous calendar year and the number of units of the Portfolio you own at the time of the distribution. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio. These monthly distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash.

Any net income not distributed previously in the year and any capital gains will be distributed by the Portfolio in a special distribution at the end of the year. This special year-end distribution must be reinvested in additional Portfolio units of the same series.

The total amount of distributions for a year may exceed the income and capital gains earned by the Portfolio in that year. This excess amount will be treated as a return of capital to the unitholders and will not be taxable to you in the year of receipt, but will reduce the adjusted cost base of the units and may, in certain circumstances, result in a capital gain. See "*Income Tax Considerations for Investors*" for more information.

Meritage Moderate Income Portfolio

Portfolio Expenses Indirectly Borne by Investors

A mutual fund generally pays some expenses out of its assets. The table below shows the costs you pay indirectly for each $1,000 that you have invested in the Portfolio. To make it easy for you to compare these costs to the costs of other Portfolios, this table assumes:

- the total annual return of the Portfolio is 5% a year;
- the management expense ratio of the Portfolio was the same throughout the ten-year period as it was in the last financial year of the Portfolio.

Based on these assumptions, the cumulative costs of investing in this Portfolio would be:

	One year	Three years	Five years	Ten years
Advisor Series	$22.41	$70.65	$123.83	$281.87
F Series	$13.42	$42.30	$74.14	$168.76
O Series	$0.49	$1.54	$2.70	$6.14

To compare the costs you pay indirectly for this Portfolio to those of other Portfolios, please see the other Portfolio descriptions. *Please note these figures are for comparative purposes only, based on the above-mentioned assumptions. Actual expenses will vary from what we have indicated here*.

See "*Fees and charges payable directly by you*" for the fees and charges that you pay directly.

Meritage Balanced Income Portfolio

Portfolio Details

Type of Portfolio:	Canadian Neutral Balanced
Date the Portfolio Was Started:	September 25, 2006
Securities Offered:	Trust units – Advisor Series, F Series and O Series
Date Operations Commenced:	Advisor Series – September 25, 2006 F Series – September 25, 2006 O Series – October 31, 2013
Eligibility for Registered Plans:	The Portfolio securities are eligible investments for registered plans.
Maximum Annual Management Fees:	Advisor Series: 2.00% F Series: 1.00%

What Does the Portfolio Invest in?

Investment Objective

The Portfolio's investment objective is to achieve a high current income by investing primarily in a diverse mix of fixed-income and equity mutual funds.

Unitholders must approve any change to this objective at a meeting specifically held for that purpose.

Investment Strategies

The target weighting for each asset class in which the Portfolio invests under normal market conditions is the following:

- 40%-60% of net assets in Canadian and global fixed-income securities;
- 40%-60% of net assets in Canadian and global equity securities.

The Portfolio Manager may, at its sole discretion, review and adjust the target weighting of each asset class depending on economic and market conditions.

The Portfolio achieves exposure to the above asset classes by investing up to 100% of its net assets in underlying funds (that may include exchange-traded funds) managed by third parties ("Underlying Funds"). The Portfolio Manager may, at its sole discretion, select the Underlying Funds, allocate assets to the Underlying Funds, change the percentage holding of any Underlying Fund, remove any Underlying Fund or add other Underlying Funds.

When selecting an Underlying Fund in which to invest, the Portfolio Manager will consider the degree of exposure to the asset class that the Underlying Fund will provide to the Portfolio, the performance of the Underlying Fund, and the expenses (if any) payable by the Portfolio which may be associated with the investment. There will be no duplication of fees, particularly sales charges, between the Portfolio and any Underlying Fund.

The Portfolio may from time to time make direct investments in Canadian and foreign equity and fixed-income securities. The Portfolio may also invest in mutual funds that hold shares of small-cap corporations.

The Portfolio may hold a portion of its assets in cash, money market securities or money market funds while seeking investment opportunities, for cash management purposes, for defensive purposes depending on market conditions or for purposes of an amalgamation or other transaction. As a result, the Portfolio may temporarily not be fully invested in accordance with its investment objective.

The Portfolio may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest or exchange rates. The Portfolio may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies provided that the use of the derivative is consistent with the Portfolio's investment objective.

The Portfolio may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the Portfolio's other investment strategies in the most appropriate manner to allow the Portfolio to meet its investment objective and improve its performance. See "*Repurchase and reverse repurchase agreements risk*" and "*Securities lending risk*" for a description of these transactions and the strategies to be used by the Portfolio to reduce the risks related to these transactions. At the current time, the Portfolio does not intend to engage in repurchase and reverse repurchase transactions.

What Are the Risks of Investing in the Portfolio?

The Portfolio indirectly has the same risks as the Underlying Funds it holds. The Portfolio takes on the risks of an Underlying Fund in proportion to its investment in that fund. The direct and indirect risks of the Portfolio are:

- Capital erosion risk
- Commodity risk
- Concentration risk

- Counterparty risk
- Credit risk
- Currency risk
- Derivative risk
- Emerging market investment risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Income trust risk
- Inflation risk
- Interest rate risk
- Large investment risk
- Legal, tax and regulatory risks
- Liquidity risk
- Repurchase and reverse repurchase agreements risk
- Securities lending risk
- Series risk
- Short selling risk
- Smaller companies risk
- Specialization risk
- Substantial securityholder risk
- Underlying fund risk
- U.S. tax risk

These risks are described in more detail beginning on page 2 of this Simplified Prospectus.

During the last 12 months, the Portfolio invested as much as 10.25% of its net assets in the RBC Global High Yield Bond Fund, as much as 14.97% of its net assets in the Dynamic Equity Income Fund, as much as 20.09% of its net assets in the TD Canadian Core Plus Bond Fund, as much as 20.04% of its net assets in the Signature Canadian Bond Fund, as much as 10.26% of its net assets in the Manulife Strategic Income Fund and as much as 20.05% of its net assets in the RBC Canadian Dividend Fund. See "*Concentration risk*" on page 3 for a description of this risk.

As at July 31, 2017, La Capitale Civil Service Insurer Inc. held 16.27% of the securities of the Meritage Balanced Income Portfolio. The Portfolio may be forced to sell its investments at unfavourable prices to meet redemption requests of these securityholders. See "*Substantial securityholder risk*" on page 9 for a description of this risk.

Who Should Invest in This Portfolio?

The Portfolio is suitable if you:

- are willing to tolerate a low to medium level of risk;
- are looking to invest for the medium term to long term (at least three years);
- want to receive a distribution regularly;
- are looking for an investment solution that allows you to invest in a wide variety of securities in order to create a fully diversified portfolio.

Distribution Policy

The Portfolio makes distributions at the end of each month. These monthly distributions are composed of net income and/or return of capital. The amount of the monthly distribution per unit is reset at the beginning of each calendar year. It is a factor of the Portfolio's payout rate, the net asset value per unit at the end of the previous calendar year and the number of units of the Portfolio you own at the time of the distribution. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio. These monthly distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash.

Any net income not distributed previously in the year and any capital gains will be distributed by the Portfolio in a special distribution at the end of the year. This special year-end distribution must be reinvested in additional Portfolio units of the same series.

The total amount of distributions for a year may exceed the income and capital gains earned by the Portfolio in that year. This excess amount will be treated as a return of capital to the unitholders and will not be taxable to you in the year of receipt, but will reduce the adjusted cost base of the units and may, in certain circumstances, result in a capital gain. See "*Income Tax Considerations for Investors*" for more information.

Portfolio Expenses Indirectly Borne by Investors

A mutual fund generally pays some expenses out of its assets. The table below shows the costs you pay indirectly for each $1,000 that you have invested in the Portfolio. To make it easy for you to compare these costs to the costs of other Portfolios, this table assumes:

- the total annual return of the Portfolio is 5% a year;
- the management expense ratio of the Portfolio was the same throughout the ten-year period as it was in the last financial year of the Portfolio.

Based on these assumptions, the cumulative costs of investing in this Portfolio would be:

	One year	Three years	Five years	Ten years
Advisor Series	$24.44	$77.05	$135.06	$307.43
F Series	$12.68	$39.96	$70.05	$159.45
O Series	$0.49	$1.53	$2.69	$6.12

To compare the costs you pay indirectly for this Portfolio to those of other Portfolios, please see the other Portfolio descriptions. *Please note these figures are for comparative purposes only, based on the above-mentioned assumptions. Actual expenses will vary from what we have indicated here*.

See "*Fees and charges payable directly by you*" for the fees and charges that you pay directly.

Meritage Growth Income Portfolio

Portfolio Details

Type of Portfolio:	Canadian Neutral Balanced
Date the Portfolio Was Started:	September 25, 2006
Securities Offered:	Trust units – Advisor Series, F Series and O Series
Date Operations Commenced:	Advisor Series – September 25, 2006 F Series – September 25, 2006 O Series – October 31, 2013
Eligibility for Registered Plans:	The Portfolio securities are eligible investments for registered plans.
Maximum Annual Management Fees:	Advisor Series: 2.00% F Series: 1.00%

What Does the Portfolio Invest in?

Investment Objective

The Portfolio's investment objective is to achieve a high current income and long-term capital appreciation by investing primarily in a diverse mix of fixed-income and equity mutual funds.

Unitholders must approve any change to this objective at a meeting specifically held for that purpose.

Investment Strategies

The target weighting for each asset class in which the Portfolio invests under normal market conditions is the following:

- 25%-45% of net assets in Canadian and global fixed-income securities;
- 55%-75% of net assets in Canadian and global equity securities.

The Portfolio Manager may, at its sole discretion, review and adjust the target weighting of each asset class depending on economic and market conditions.

The Portfolio achieves exposure to the above asset classes by investing up to 100% of its net assets in underlying funds (that may include exchange-traded funds) managed by third parties ("Underlying Funds"). The Portfolio Manager may, at its sole discretion, select the Underlying Funds, allocate assets to the Underlying Funds, change the percentage holding of any Underlying Fund, remove any Underlying Fund or add other Underlying Funds.

When selecting an Underlying Fund in which to invest, the Portfolio Manager will consider the degree of exposure to the asset class that the Underlying Fund will provide to the Portfolio, the performance of the Underlying Fund, and the expenses (if any) payable by the Portfolio which may be associated with the investment. There will be no duplication of fees, particularly sales charges, between the Portfolio and any Underlying Fund.

The Portfolio may from time to time make direct investments in Canadian and foreign equity and fixed-income securities. The Portfolio may also invest in mutual funds that hold shares of small-cap corporations.

The Portfolio may hold a portion of its assets in cash, money market securities or money market funds while seeking investment opportunities, for cash management purposes, for defensive purposes depending on market conditions or for purposes of an amalgamation or other transaction. As a result, the Portfolio may temporarily not be fully invested in accordance with its investment objective.

The Portfolio may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest or exchange rates. The Portfolio may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies provided that the use of the derivative is consistent with the Portfolio's investment objective.

The Portfolio may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the Portfolio's other investment strategies in the most appropriate manner to allow the Portfolio to meet its investment objective and improve its performance. See "*Repurchase and reverse repurchase agreements risk*" and "*Securities lending risk*" for a description of these transactions and the strategies to be used by the Portfolio to reduce the risks related to these transactions. At the current time, the Portfolio does not intend to engage in repurchase and reverse repurchase transactions.

What Are the Risks of Investing in the Portfolio?

The Portfolio indirectly has the same risks as the Underlying Funds it holds. The Portfolio takes on the risks of an Underlying Fund in proportion to its investment in that fund. The direct and indirect risks of the Portfolio are:

- Capital erosion risk
- Commodity risk

- Concentration risk
- Counterparty risk
- Credit risk
- Currency risk
- Derivative risk
- Emerging market investment risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Income trust risk
- Inflation risk
- Interest rate risk
- Large investment risk
- Legal, tax and regulatory risks
- Liquidity risk
- Repurchase and reverse repurchase agreements risk
- Securities lending risk
- Series risk
- Short selling risk
- Smaller companies risk
- Specialization risk
- Substantial securityholder risk
- Underlying fund risk
- U.S. tax risk

These risks are described in more detail beginning on page 2 of this Simplified Prospectus.

During the last 12 months, the Portfolio invested as much as 25.02% of its net assets in the RBC Canadian Dividend Fund, as much as 21.08% of its net assets in the Dynamic Equity Income Fund, as much as 14.06% of its net assets in the TD Canadian Core Plus Bond Fund, as much as 14.03% of its net assets in the Signature Canadian Bond Fund, as much as 14.86% of its net assets in the Signature Dividend Fund and as much as 15.02% of its net assets in the Beutel Goodman Canadian Dividend Fund. See "*Concentration risk*" on page 3 for a description of this risk.

As at July 31, 2017, La Capitale Civil Service Insurer Inc. held 14.36% of the securities of the Meritage Growth Income Portfolio. The Portfolio may be forced to sell its investments at unfavourable prices to meet redemption requests of these securityholders. See "*Substantial securityholder risk*" on page 9 for a description of this risk.

Who Should Invest in This Portfolio?

The Portfolio is suitable if you:

- are willing to tolerate a low to medium level of risk;
- are looking to invest for the medium term to long term (at least three years);
- want to receive a distribution regularly;
- are looking for an investment solution that allows you to invest in a wide variety of securities in order to create a fully diversified portfolio.

Distribution Policy

The Portfolio makes distributions at the end of each month. These monthly distributions are composed of net income and/or return of capital. The amount of the monthly distribution per unit is reset at the beginning of each calendar year. It is a factor of the Portfolio's payout rate, the net asset value per unit at the end of the previous calendar year and the number of units of the Portfolio you own at the time of the distribution. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio. These monthly distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash.

Any net income not distributed previously in the year and any capital gains will be distributed by the Portfolio in a special distribution at the end of the year. This special year-end distribution must be reinvested in additional Portfolio units of the same series.

The total amount of distributions for a year may exceed the income and capital gains earned by the Portfolio in that year. This excess amount will be treated as a return of capital to the unitholders and will not be taxable to you in the year of receipt, but will reduce the adjusted cost base of the units and may, in certain circumstances, result in a capital gain. See "*Income Tax Considerations for Investors*" for more information.

Meritage Growth Income Portfolio

Portfolio Expenses Indirectly Borne by Investors

A mutual fund generally pays some expenses out of its assets. The table below shows the costs you pay indirectly for each $1,000 that you have invested in the Portfolio. To make it easy for you to compare these costs to the costs of other Portfolios, this table assumes:

- the total annual return of the Portfolio is 5% a year;
- the management expense ratio of the Portfolio was the same throughout the ten-year period as it was in the last financial year of the Portfolio.

Based on these assumptions, the cumulative costs of investing in this Portfolio would be:

	One year	Three years	Five years	Ten years
Advisor Series	$24.76	$78.07	$136.84	$311.48
F Series	$13.17	$41.52	$72.77	$165.65
O Series	$0.49	$1.54	$2.70	$6.15

To compare the costs you pay indirectly for this Portfolio to those of other Portfolios, please see the other Portfolio descriptions.

Please note these figures are for comparative purposes only, based on the above-mentioned assumptions. Actual expenses will vary from what we have indicated here.

See "*Fees and charges payable directly by you*" for the fees and charges that you pay directly.

Meritage Dynamic Growth Income Portfolio (formerly Meritage Aggressive Growth Income Portfolio)

Portfolio Details

Type of Portfolio:	Canadian Equity Balanced
Date the Portfolio Was Started:	September 25, 2006
Securities Offered:	Trust units – Advisor Series, F Series and O Series
Date Operations Commenced:	Advisor Series – September 25, 2006 F Series – September 25, 2006 O Series – October 31, 2013
Eligibility for Registered Plans:	The Portfolio securities are eligible investments for registered plans.
Maximum Annual Management Fees:	Advisor Series: 2.00% F Series: 1.00%

What Does the Portfolio Invest in?

Investment Objective

The Portfolio's investment objective is to achieve high current income and long-term capital appreciation by investing primarily in a diverse mix of fixed-income and equity mutual funds.

Unitholders must approve any change to this objective at a meeting specifically held for that purpose.

Investment Strategies

The target weighting for each asset class in which the Portfolio invests under normal market conditions is the following:

- 10%-30% of net assets in Canadian and global fixed-income securities;
- 70%-90% of net assets in Canadian and global equity securities.

The Portfolio Manager may, at its sole discretion, review and adjust the target weighting of each asset class depending on economic and market conditions.

The Portfolio achieves exposure to the above asset classes by investing up to 100% of its net assets in underlying funds (that may include exchange-traded funds) managed by third parties ("Underlying Funds"). The Portfolio Manager may, at its sole discretion, select the Underlying Funds, allocate assets to the Underlying Funds, change the percentage holding of any Underlying Fund, remove any Underlying Fund or add other Underlying Funds.

When selecting an Underlying Fund in which to invest, the Portfolio Manager will consider the degree of exposure to the asset class that the Underlying Fund will provide to the Portfolio, the performance of the Underlying Fund, and the expenses (if any) payable by the Portfolio which may be associated with the investment. There will be no duplication of fees, particularly sales charges, between the Portfolio and any Underlying Fund.

The Portfolio may from time to time make direct investments in Canadian and foreign equity and fixed-income securities. The Portfolio may also invest in mutual funds that hold shares of small-cap corporations.

The Portfolio may hold a portion of its assets in cash, money market securities or money market funds while seeking investment opportunities, for cash management purposes, for defensive purposes depending on market conditions or for purposes of an amalgamation or other transaction. As a result, the Portfolio may temporarily not be fully invested in accordance with its investment objective.

The Portfolio may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest or exchange rates. The Portfolio may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies provided that the use of the derivative is consistent with the Portfolio's investment objective.

The Portfolio may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the Portfolio's other investment strategies in the most appropriate manner to allow the Portfolio to meet its investment objective and improve its performance. See "*Repurchase and reverse repurchase agreements risk*" and "*Securities lending risk*" for a description of these transactions and the strategies to be used by the Portfolio to reduce the risks related to these transactions. At the current time, the Portfolio does not intend to engage in repurchase and reverse repurchase transactions.

What Are the Risks of Investing in the Portfolio?

The Portfolio indirectly has the same risks as the Underlying Funds it holds. The Portfolio takes on the risks of an Underlying Fund in proportion to its investment in that fund. The direct and indirect risks of the Portfolio are:

- Capital erosion risk
- Commodity risk

- Concentration risk
- Counterparty risk
- Credit risk
- Currency risk
- Derivative risk
- Emerging market investment risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Income trust risk
- Inflation risk
- Interest rate risk
- Large investment risk
- Legal, tax and regulatory risks
- Liquidity risk
- Repurchase and reverse repurchase agreements risk
- Securities lending risk
- Series risk
- Short selling risk
- Smaller companies risk
- Specialization risk
- Substantial securityholder risk
- Underlying fund risk
- U.S. tax risk

These risks are described in more detail beginning on page 2 of this Simplified Prospectus.

The Portfolio's level of risk is low to medium. Because the historical performance of the Portfolio is less than 10 years, to calculate the level of risk, the Manager used a reference index similar to the Portfolio's strategy, in addition to the actual return history of the Portfolio. This reference index is comprised of 15% Bloomberg Barclays Global Aggregate currency hedged bond index, 70% MCSI World Index and 15% S&P/TSX Composite Index.

The Bloomberg Barclays Global Aggregate currency hedged bond index reflects the performance of an overall measure of high-quality, fixed-rate debt markets. The MSCI World Index is a global equity index that represents large and mid-cap equity performance across 23 developed market countries. The S&P/TSX Composite Index is the headline index and the principal measure for Canadian Equity markets. For more information, see "*Investment risk classification methodology*" in the section "*Specific Information About Each of the Mutual Funds Described in This Document*".

During the last 12 months, the Portfolio invested as much as 30.17% of its net assets in the RBC Canadian Dividend Fund, as much as 21.06% of its net assets in the Dynamic Equity Income Fund, as much as 17.62% of its net assets in the Beutel Goodman Canadian Dividend Fund and as much as 19.61% of its net assets in the Signature Dividend Fund. See "*Concentration risk*" on page 3 for a description of this risk.

Who Should Invest in This Portfolio?

The Portfolio is suitable if you:

- are willing to tolerate a low to medium level of risk;
- are looking to invest for the long term (at least five years);
- want to receive a distribution regularly;
- are looking for an investment solution that allows you to invest in a wide range of income-generating securities in order to create a fully diversified portfolio.

Distribution Policy

The Portfolio makes distributions at the end of each month. These monthly distributions are composed of net income and/or return of capital. The amount of the monthly distribution per unit is reset at the beginning of each calendar year. It is a factor of the Portfolio's payout rate, the net asset value per unit at the end of the previous calendar year and the number of units of the Portfolio you own at the time of the distribution. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio. These monthly distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash.

Any net income not distributed previously in the year and any capital gains will be distributed by the Portfolio in a special distribution at the end of the year. This special year-end distribution must be reinvested in additional Portfolio units of the same series.

Meritage Dynamic Growth Income Portfolio (formerly Meritage Aggressive Growth Income Portfolio)

The total amount of distributions for a year may exceed the income and capital gains earned by the Portfolio in that year. This excess amount will be treated as a return of capital to the unitholders and will not be taxable to you in the year of receipt, but will reduce the adjusted cost base of the units and may, in certain circumstances, result in a capital gain. See "*Income Tax Considerations for Investors*" for more information.

Portfolio Expenses Indirectly Borne by Investors

A mutual fund generally pays some expenses out of its assets. The table below shows the costs you pay indirectly for each $1,000 that you have invested in the Portfolio. To make it easy for you to compare these costs to the costs of other Portfolios, this table assumes:

- the total annual return of the Portfolio is 5% a year;
- the management expense ratio of the Portfolio was the same throughout the ten-year period as it was in the last financial year of the Portfolio.

Based on these assumptions, the cumulative costs of investing in this Portfolio would be:

	One year	Three years	Five years	Ten years
Advisor Series	$27.94	$88.07	$154.37	$351.39
F Series	$13.30	$41.92	$73.48	$167.27
O Series	$0.45	$1.41	$2.47	$5.62

To compare the costs you pay indirectly for this Portfolio to those of other Portfolios, please see the other Portfolio descriptions.

Please note these figures are for comparative purposes only, based on the above-mentioned assumptions. Actual expenses will vary from what we have indicated here.

See "*Fees and charges payable directly by you*" for the fees and charges that you pay directly.

Meritage Global Conservative Portfolio

Portfolio Details

Type of Portfolio:	Global Fixed Income Balanced
Date the Portfolio Was Started:	February 22, 2016
Securities Offered:	Trust units – Advisor Series, F Series, F5 Series and T5 Series
Date Operations Commenced:	Advisor Series – March 1, 2016 F Series – March 1, 2016 F5 Series – March 1, 2016 T5 Series – March 1, 2016
Eligibility for Registered Plans:	The Portfolio units are expected to be eligible investments for registered plans.
Maximum Annual Management Fees:	Advisor Series and T5 Series: 1.75% F Series and F5 Series: 0.95%

What Does the Portfolio Invest in?

Investment Objective

The Portfolio's investment objective is to achieve a steady rate of return and some long-term capital appreciation by investing primarily in a diverse mix of mutual funds (that may include exchange-traded funds ("ETFs")) that are global fixed-income funds and global equity funds.

Unitholders must approve any change to this objective at a meeting specifically held for that purpose.

Investment Strategies

The target weighting for each asset class in which the Portfolio invests under normal market conditions is the following:

- 65%-85% of the net assets in global fixed-income securities;
- 15%-35% of the net assets in global equity securities.

The Portfolio Manager may, in its sole discretion, review and adjust the target weighting of each asset class depending on economic and market conditions.

The Portfolio achieves exposure to the above asset classes by investing up to 100% of its net assets in underlying funds (that may include ETFs) managed by third parties (the "Underlying Funds"). The Portfolio Manager may, in its sole discretion, select the Underlying Funds, allocate assets to the Underlying Funds, change the percentage holding of any Underlying Fund, remove any Underlying Fund or add other Underlying Funds.

When selecting an Underlying Fund in which to invest, the Portfolio Manager will consider the degree of exposure to the asset class that the Underlying Fund will provide to the Portfolio, the performance of the Underlying Fund, and the expenses (if any) payable by the Portfolio which may be associated with the investment. There will be no duplication of fees, particularly sales charges, between the Portfolio and any Underlying Fund.

Investments in Canadian fixed-income and equity funds should not exceed approximately 45% of the net assets of the Portfolio.

The Portfolio may from time to time make direct investments in Canadian and foreign equity and fixed-income securities. The Portfolio may also invest in Underlying Funds that hold shares of small-cap corporations and or in Underlying Funds that hold emerging market fixed-income and equity securities.

The Portfolio may hold a portion of its assets in cash, money market securities or money market funds while seeking investment opportunities, for cash management purposes, for defensive purposes depending on market conditions or for purposes of an amalgamation or other transaction. As a result, the Portfolio may temporarily not be fully invested in accordance with its investment objective.

The Portfolio may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest or exchange rates. The Portfolio may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies provided that the use of the derivative is consistent with the Portfolio's investment objective.

The Portfolio may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the Portfolio's other investment strategies in the most appropriate manner to allow the Portfolio to meet its investment objective and improve its performance. See "*Repurchase and reverse repurchase agreements risk*" and "*Securities lending risk*" for a description of these transactions and the strategies to be used by the Portfolio to reduce the risks related to these transactions. At the current time, the Portfolio does not intend to engage in repurchase and reverse repurchase transactions.

Meritage Global Conservative Portfolio

What Are the Risks of Investing in the Portfolio?

The Portfolio indirectly has the same risks as the Underlying Funds it holds. The Portfolio takes on the risks of an Underlying Fund in proportion to its investment in that fund. The direct and indirect risks of the Portfolio are:

- Asset-backed and mortgage-backed security risk
- Capital erosion risk
- Commodity risk
- Concentration risk
- Counterparty risk
- Credit risk
- Currency risk
- Derivative risk
- Emerging market investment risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Income trust risk
- Interest rate risk
- Large investment risk
- Legal, tax and regulatory risk
- Liquidity risk
- Repurchase and reverse repurchase agreements risk
- Securities lending risk
- Series risk
- Short selling risk
- Smaller companies risk
- Specialization risk
- Substantial securityholder risk
- Underlying fund risk
- U.S. tax risk

These risks are described in more detail beginning on page 2 of this Simplified Prospectus.

The Portfolio's level of risk is low. Because the historical performance of the Portfolio is less than 10 years, to calculate the level of risk, the Manager used a reference index similar to the Portfolio's strategy, in addition to the actual return history of the Portfolio. This reference index is comprised of 75% Bloomberg Barclays Global Aggregate currency hedged bond index and 25% MCSI World Index.

The Bloomberg Barclays Global Aggregate currency hedged bond index reflects the performance of an overall measure of high-quality, fixed-rate debt markets. The MSCI World Index is a global equity index that represents large and mid-cap equity performance across 23 developed market countries. For more information, see "*Investment risk classification methodology*" in the section "*Specific Information About Each of the Mutual Funds Described in This Document*".

During the last 12 months, the Portfolio invested as much as 20.61% of its net assets in the Signature Canadian Bond Fund, as much as 10.50% of its net assets in the Manulife Strategic Income Fund, as much as 36.17% of its net assets in the RBC Global Bond Fund and as much as 10.79% of its net assets in the RBC Global High Yield Bond Fund. See "*Concentration risk*" on page 3 for a description of this risk.

Who Should Invest in This Portfolio?

The Portfolio is suitable if you:

- are willing to tolerate a low level of risk;
- are looking to invest for the medium or long term (at least three years);
- are looking for an investment solution that allows you to invest in a wide range of securities in order to create a fully diversified global portfolio;
- want to receive a distribution regularly (F5 Series and T5 Series only).

Distribution Policy

For Advisor Series and F Series units, the Portfolio distributes its net income at the end of each quarter. It distributes the net income for the last quarter and the net realized capital gains for the year between December 14 and December 31 of each year. These distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash.

For F5 Series and T5 Series units, the Portfolio makes distributions at the end of each month. These monthly distributions are composed of a return of capital and/or net income. The amount of the monthly distribution per unit is reset at the beginning of each calendar year. The amount of the monthly distribution per unit is set by multiplying the net asset value per unit at the end of the previous calendar year (or if no units were offered at the end of the previous calendar year, the date when units were first offered in the current year) by 5% and dividing the result by 12. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio. These monthly distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash. The total amount of distributions for a year may exceed the income and capital gains earned by the Portfolio in that year. This excess amount will be treated as a return of capital to the unitholders and will not be taxable in the year of receipt, but will reduce the adjusted cost base of the units and may, in certain circumstances, result in a capital gain. See "*Income Tax Considerations for Investors*" for more information. Any net income not distributed previously in the year and any capital gains will be distributed by the Portfolio in a special distribution at the end of the year. This special year-end distribution must be reinvested in additional Portfolio units of the same series.

Portfolio Expenses Indirectly Borne by Investors

A mutual fund generally pays some expenses out of its assets. The table below shows the costs you pay indirectly for each $1,000 that you have invested in the Portfolio. To make it easy for you to compare these costs to the costs of other Portfolios, this table assumes:

- the total annual return of the fund is 5% a year;
- the management expense ratio of the fund was the same throughout the ten-year period as it was in the last financial year of the fund.

Based on these assumptions, the cumulative costs of investing in this Portfolio would be:

	One year	Three years	Five years	Ten years
Advisor Series	$22.48	$70.86	$124.20	$282.72
F Series	$13.34	$42.07	$73.73	$167.83
F5 Series	$13.32	$42.00	$73.62	$167.59
T5 Series	$21.27	$67.05	$117.52	$267.50

To compare the costs you pay indirectly for this Portfolio to other Portfolios, please see the other Portfolio descriptions.

Please note these figures are for comparative purposes only, based on the above assumptions. Actual costs will vary from what we have indicated here.

See "*Fees and charges payable directly by you*" for the fees you pay directly.

Meritage Global Moderate Portfolio

Portfolio Details

Type of Portfolio:	Global Fixed Income Balanced
Date the Portfolio Was Started:	February 22, 2016
Securities Offered:	Trust units – Advisor Series, F Series, F5 Series and T5 Series
Date Operations Commenced:	Advisor Series – March 1, 2016 F Series – March 1, 2016 F5 Series – March 1, 2016 T5 Series – March 1, 2016
Eligibility for Registered Plans:	The Portfolio units are expected to be eligible investments for registered plans.
Maximum Annual Management Fees:	Advisor Series and T5 Series: 1.75% F Series and F5 Series: 0.95%

What Does the Portfolio Invest in?

Investment Objective

The Portfolio's investment objective is to achieve interest income and long-term capital appreciation by investing primarily in a diverse mix of mutual funds (that may include exchange-traded funds ("ETFs")) that are global fixed-income funds and global equity funds. The weighting assigned to fixed-income securities will generally be greater than the weighting assigned to equity securities.

Unitholders must approve any change to this objective at a meeting specifically held for that purpose.

Investment Strategies

The target weighting for each asset class in which the Portfolio invests under normal market conditions is the following:

- 50%-70% of the net assets in global fixed-income securities;
- 30%-50% of the net assets in global equity securities.

The Portfolio Manager may, in its sole discretion, review and adjust the target weighting of each asset class depending on economic and market conditions.

The Portfolio achieves exposure to the above asset classes by investing up to 100% of its net assets in underlying funds (that may include ETFs) managed by third parties (the "Underlying Funds"). The Portfolio Manager may, in its sole discretion, select the Underlying Funds, allocate assets to the Underlying Funds, change the percentage holding of any Underlying Fund, remove any Underlying Fund or add other Underlying Funds.

When selecting an Underlying Fund in which to invest, the Portfolio Manager will consider the degree of exposure to the asset class that the Underlying Fund will provide to the Portfolio, the performance of the Underlying Fund, and the expenses (if any) payable by the Portfolio which may be associated with the investment. There will be no duplication of fees, particularly sales charges, between the Portfolio and any Underlying Fund.

Investments in Canadian fixed-income and equity funds should not exceed approximately 45% of the net assets of the Portfolio.

The Portfolio may from time to time make direct investments in Canadian and foreign equity and fixed-income securities. The Portfolio may also invest in Underlying Funds that hold shares of small-cap corporations and/or in Underlying Funds that hold emerging market fixed-income and equity securities.

The Portfolio may hold a portion of its assets in cash, money market securities or money market funds while seeking investment opportunities, for cash management purposes, for defensive purposes depending on market conditions or for purposes of an amalgamation or other transaction. As a result, the Portfolio may temporarily not be fully invested in accordance with its investment objective.

The Portfolio may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest or exchange rates. The Portfolio may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies provided that the use of the derivative is consistent with the Portfolio's investment objective.

The Portfolio may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the Portfolio's other investment strategies in the most appropriate manner to allow the Portfolio to meet its investment objective and improve its performance. See "*Repurchase and reverse repurchase agreements risk*" and "*Securities lending risk*" for a description of these transactions and the strategies to be used by the Portfolio to reduce the risks related to these transactions. At the current time, the Portfolio does not intend to engage in repurchase and reverse repurchase transactions.

Meritage Global Moderate Portfolio

What Are the Risks of Investing in the Portfolio?

The Portfolio indirectly has the same risks as the Underlying Funds it holds. The Portfolio takes on the risks of an Underlying Fund in proportion to its investment in that fund. The direct and indirect risks of the Portfolio are:

- Asset-backed and mortgage-backed security risk
- Capital erosion risk
- Commodity risk
- Concentration risk
- Counterparty risk
- Credit risk
- Currency risk
- Derivative risk
- Emerging market investment risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Income trust risk
- Interest rate risk
- Large investment risk
- Legal, tax and regulatory risk
- Liquidity risk
- Repurchase and reverse repurchase agreements risk
- Securities lending risk
- Series risk
- Short selling risk
- Smaller companies risk
- Specialization risk
- Substantial securityholder risk
- Underlying fund risk
- U.S. tax risk

These risks are described in more detail beginning on page 2 of this Simplified Prospectus.

The Portfolio's level of risk is low to medium. Because the historical performance of the Portfolio is less than 10 years, to calculate the level of risk, the Manager used a reference index similar to the Portfolio's strategy, in addition to the actual return history of the Portfolio. This reference index is comprised of 60% Bloomberg Barclays Global Aggregate currency hedged bond index, 35% MCSI World Index and 5% S&P/TSX Composite Index.

The Bloomberg Barclays Global Aggregate currency hedged bond index reflects the performance of an overall measure of high-quality, fixed-rate debt markets. The MSCI World Index is a global equity index that represents large and mid-cap equity performance across 23 developed market countries. The S&P/TSX Composite Index is the headline index and the principal measure for Canadian Equity markets. For more information, see "*Investment risk classification methodology*" in the section "*Specific Information About Each of the Mutual Funds Described in This Document*".

During the last 12 months, the Portfolio invested as much as 10.47% of its net assets in the RBC Global High Yield Bond Fund, as much as 13.97% of its net assets in the Edgepoint Global Portfolio, as much as 29.53% of its net assets in the RBC Global Bond Fund and as much as 12.80% of its net assets in the Epoch Global Shareholder Yield Fund. See "*Concentration risk*" on page 3 for a description of this risk.

Who Should Invest in This Portfolio?

The Portfolio is suitable if you:

- are willing to tolerate a low to medium level of risk;
- are looking to invest for the medium or long term (at least three years);
- are looking for an investment solution that allows you to invest in a wide range of securities in order to create a fully diversified global portfolio;
- want to receive a distribution regularly (F5 Series and T5 Series only).

Distribution Policy

For Advisor Series and F Series units, the Portfolio distributes its net income at the end of each quarter. It distributes the net income for the last quarter and the net realized capital gains for the year between December 14 and December 31 of each year. These distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash.

For F5 Series and T5 Series units, the Portfolio makes distributions at the end of each month. These monthly distributions are composed of a return of capital and/or net income. The amount of the monthly distribution per unit is reset at the beginning of each calendar year. The amount of the monthly distribution per unit is set by multiplying the net asset value per unit at the end of the previous calendar year (or if no units were offered at the end of the previous calendar year, the date when units were first offered in the current year) by 5% and dividing the result by 12. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio. These monthly distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash. The total amount of distributions for a year may exceed the income and capital gains earned by the Portfolio in that year. This excess amount will be treated as a return of capital to the unitholders and will not be taxable in the year of receipt, but will reduce the adjusted cost base of the units and may, in certain circumstances, result in a capital gain. See "*Income Tax Considerations for Investors*" for more information. Any net income not distributed previously in the year and any capital gains will be distributed by the Portfolio in a special distribution at the end of the year. This special year-end distribution must be reinvested in additional Portfolio units of the same series.

Portfolio Expenses Indirectly Borne by Investors

A mutual fund generally pays some expenses out of its assets. The table below shows the costs you pay indirectly for each $1,000 that you have invested in the Portfolio. To make it easy for you to compare these costs to the costs of other Portfolios, this table assumes:

- the total annual return of the Portfolio is 5% a year;
- the management expense ratio of the Portfolio was the same throughout the ten-year period as it was in the last financial year of the Portfolio.

Based on these assumptions, the cumulative costs of investing in this Portfolio would be:

	One year	**Three years**	**Five years**	**Ten years**
Advisor Series	$21.84	$68.84	$120.66	$274.66
F Series	$12.77	$40.25	$70.54	$160.57
F5 Series	$11.94	$37.63	$65.95	$150.12
T5 Series	$20.69	$65.21	$114.31	$260.19

To compare the costs you pay indirectly for this Portfolio to other Portfolios, please see the other Portfolio descriptions. *Please note these figures are for comparative purposes only, based on the above assumptions. Actual costs will vary from what we have indicated here.*

See "*Fees and charges payable directly by you"* for the fees you pay directly.

Meritage Global Balanced Portfolio

Portfolio Details

Type of Portfolio:	Global Neutral Balanced
Date the Portfolio Was Started:	August 28, 2014
Securities Offered:	Trust units – Advisor Series, F Series, F5 Series and T5 Series
Date Operations Commenced:	Advisor Series – August 28, 2014 F Series – August 28, 2014 F5 Series – August 28, 2014 T5 Series – August 28, 2014
Eligibility for Registered Plans:	The Portfolio securities are eligible investments for registered plans.
Maximum Annual Management Fees:	Advisor Series and T5 Series: 2.00% F Series and F5 Series: 1.00%

What Does the Portfolio Invest in?

Investment Objective

The Portfolio's investment objective is to achieve a combination of income and long-term capital appreciation by investing primarily in a diverse mix of global fixed-income and global equity mutual funds.

Unitholders must approve any change to this objective at a meeting specifically held for that purpose.

Investment strategies

The target weighting for each asset class in which the Portfolio invests under normal market conditions is the following:

- 35%-55% of net assets in global fixed-income securities;
- 45%-65% of net assets in global equity securities.

The Portfolio Manager may, at its sole discretion, review and adjust the target weighting of each asset class depending on economic and market conditions.

The Portfolio achieves exposure to the above asset classes by investing up to 100% of its net assets in underlying funds (that may include exchange-traded funds) managed by third parties (the "Underlying Funds"). The Portfolio may also invest in Underlying Funds that hold shares of small-cap corporations and/or in Underlying Funds that hold emerging market fixed-income and equity securities. The Portfolio Manager may, at its sole discretion, select the Underlying Funds, allocate assets to the Underlying Funds, change the percentage holding of any Underlying Fund, remove any Underlying Fund or add other Underlying Funds.

When selecting an Underlying Fund in which to invest, the Portfolio Manager will consider the degree of exposure to the asset class that the Underlying Fund will provide to the Portfolio, the performance of the Underlying Fund, and the expenses (if any) payable by the Portfolio that may be associated with the investment. There will be no duplication of fees, particularly sales charges, between the Portfolio and any Underlying Fund.

Investments in Canadian fixed-income and equity security funds should not exceed approximately 45% of the net assets of the Portfolio.

The Portfolio may hold a portion of its assets in cash, money market securities or money market funds while seeking investment opportunities, for cash management purposes, for defensive purposes depending on market conditions or for purposes of an amalgamation or other transaction. As a result, the Portfolio may temporarily not be fully invested in accordance with its investment objective.

The Portfolio may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest or exchange rates. The Portfolio may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies provided that the use of the derivative is consistent with the Portfolio's investment objective.

The Portfolio may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the Portfolio's other investment strategies in the most appropriate manner to allow the Portfolio to meet its investment objective and improve its performance. See "*Repurchase and reverse repurchase agreements risk*" and "*Securities lending risk*" for a description of these transactions and the strategies to be used by the Portfolio to reduce the risks related to these transactions. At the current time, the Portfolio does not intend to engage in repurchase and reverse repurchase transactions.

Meritage Global Balanced Portfolio

What are the risks of investing in the Portfolio?

The Portfolio indirectly has the same risks as the Underlying Funds it holds. The Portfolio takes on the risks of an Underlying Fund in proportion to its investment in that fund. The direct and indirect risks of the Portfolio are:

- Asset-backed and mortgage-backed security risk
- Capital erosion risk
- Commodity risk
- Concentration risk
- Counterparty risk
- Credit risk
- Currency risk
- Derivative risk
- Emerging market investment risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Income trust risk
- Interest rate risk
- Large investment risk
- Legal, tax and regulatory risks
- Liquidity risk
- Repurchase and reverse repurchase agreements risk
- Securities lending risk
- Series risk
- Short selling risk
- Smaller companies risk
- Specialization risk
- Substantial securityholder risk
- Underlying fund risk
- U.S. tax risk

These risks are described in more detail beginning on page 2 of this Simplified Prospectus.

The Portfolio's level of risk is low to medium. Because the historical performance of the Portfolio is less than 10 years, to calculate the level of risk, the Manager used a reference index similar to the Portfolio's strategy, in addition to the actual return history of the Portfolio. This reference index is comprised of 45% Bloomberg Barclays Global Aggregate currency hedged bond index, 40% MCSI World Index and 15% S&P/TSX Composite Index.

The Bloomberg Barclays Global Aggregate currency hedged bond index reflects the performance of an overall measure of high-quality, fixed-rate debt markets. The MSCI World Index is a global equity index that represents large and mid-cap equity performance across 23 developed market countries. The S&P/TSX Composite Index is the headline index and the principal measure for Canadian Equity markets. For more information, see "*Investment risk classification methodology*" in the section "*Specific Information About Each of the Mutual Funds Described in This Document*".

During the last 12 months, the Portfolio invested as much as 12.57% of its net assets in the Epoch Global Shareholder Yield Fund, as much as 14.08% of its net assets in the Edgepoint Global Portfolio, as much as 24.43% of its net assets in the RBC Global Corporate Bond Fund, as much as 10.31% of its net assets in the RBC Global High Yield Bond Fund and as much as 10.59% of its net assets in the Fidelity Canadian Disciplined Equity® Fund. See "*Concentration risk*" on page 3 for a description of this risk.

Who Should Invest in This Portfolio?

The Portfolio is suitable if you:

- are willing to tolerate a low to medium level of risk;
- are looking to invest for the medium term to long term (at least three years);
- are looking for an investment solution that allows you to invest in a wide variety of foreign securities in order to create a fully diversified global portfolio;
- want to receive a distribution regularly (F5 and T5 Series only).

Distribution Policy

For Advisor and F Series units, the Portfolio distributes its net income at the end of each quarter. It distributes its net income for the last quarter and its net realized capital gains for the year between December 14 and December 31 each year. These distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash.

For F5 and T5 Series units, the Portfolio makes distributions at the end of each month. These monthly distributions are composed of a return of capital and/or net income. The amount of the monthly distribution per unit is reset at the beginning of each calendar year. The amount of the monthly distribution per unit is set by multiplying the net asset value per unit at the end of the previous calendar year (or if no units were offered at the end of the previous calendar year, the date when units were offered in the current year) by 5% and dividing the result by 12. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio. These monthly distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash. The total amount of distributions for a year may exceed the income and capital gains earned by the Portfolio in that year. This excess amount will be treated as a return of capital to the unitholders and will not be taxable to you in the year of receipt, but will reduce the adjusted cost base of the units and may, in certain circumstances, result in a capital gain. See "*Income Tax Considerations for Investors*" for more information. Any net income not distributed previously in the year and any capital gains will be distributed by the Portfolio in a special distribution at the end of the year. This special year-end distribution must be reinvested in additional Portfolio units of the same series.

Portfolio Expenses Indirectly Borne by Investors

A mutual fund generally pays some expenses out of its assets. The table below shows the costs you pay indirectly for each $1,000 that you have invested in the Portfolio. To make it easy for you to compare these costs to the costs of other Portfolios, this table assumes:

- the total annual return of the Portfolio is 5% a year;
- the management expense ratio of the Portfolio was the same throughout the ten-year period as it was in the last financial year of the Portfolio.

Based on these assumptions, the cumulative costs of investing in this Portfolio would be:

	One year	Three years	Five years	Ten years
Advisor Series	$24.54	$77.36	$135.60	$308.67
F Series	$12.71	$40.07	$70.23	$159.85
F5 Series	$12.37	$39.00	$68.36	$155.61
T5 Series	$23.90	$75.36	$132.08	$300.66

To compare the costs you pay indirectly for this Portfolio to those of other Portfolios, please see the other Portfolio descriptions.

Please note these figures are for comparative purposes only, based on the above-mentioned assumptions. Actual expenses will vary from what we have indicated here.

See "*Fees and charges payable directly by you*" for the fees and charges that you pay directly.

Meritage Global Growth Portfolio

Portfolio Details

Type of Portfolio:	Global Equity Balanced
Date the Portfolio Was Started:	February 22, 2016
Securities Offered:	Trust units – Advisor Series, F Series, F5 Series, O Series and T5 Series
Date Operations Commenced:	Advisor Series – March 1, 2016 F Series – March 1, 2016 F5 Series – March 1, 2016 O Series – March 1, 2016 T5 Series – March 1, 2016
Eligibility for Registered Plans:	The Portfolio units are eligible investments for registered plans.
Maximum Annual Management Fees:	Advisor Series and T5 Series: 2.00% F Series and F5 Series: 1.00%

What Does the Portfolio Invest in?

Investment Objective

The Portfolio's investment objective is to achieve long-term capital appreciation and provide some income by investing primarily in a diverse mix of mutual funds (that may include exchange-traded funds ("ETFs")) that are global fixed-income funds and global equity funds.

Unitholders must approve any change to this objective at a meeting specifically held for that purpose.

Investment Strategies

The target weighting for each asset class in which the Portfolio invests under normal market conditions is the following:

- 20%-40% of the net assets in global fixed-income securities;
- 60%-80% of the net assets in global equity securities.

The Portfolio Manager may, in its sole discretion, review and adjust the target weighting of each asset class depending on economic and market conditions.

The Portfolio achieves exposure to the above asset classes by investing up to 100% of its net assets in underlying funds (that may include ETFs) managed by third parties (the "Underlying Funds"). The Portfolio Manager may, in its sole discretion, select the Underlying Funds, allocate assets to the Underlying Funds, change the percentage holding of any Underlying Fund, remove any Underlying Fund or add other Underlying Funds.

When selecting an Underlying Fund in which to invest, the Portfolio Manager will consider the degree of exposure to the asset class that the Underlying Fund will provide to the Portfolio, the performance of the Underlying Fund, and the expenses (if any) payable by the Portfolio which may be associated with the investment. There will be no duplication of fees, particularly sales charges, between the Portfolio and any Underlying Fund.

Investments in Canadian fixed-income and equity funds should not exceed approximately 45% of the net assets of the Portfolio.

The Portfolio may from time to time make direct investments in Canadian and foreign equity and fixed-income securities. The Portfolio may also invest in Underlying Funds that hold shares of small-cap corporations and or in Underlying Funds that hold emerging market fixed-income and equity securities.

The Portfolio may hold a portion of its assets in cash, money market securities or money market funds while seeking investment opportunities, for cash management purposes, for defensive purposes depending on market conditions or for purposes of an amalgamation or other transaction. As a result, the Portfolio may temporarily not be fully invested in accordance with its investment objective.

The Portfolio may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest or exchange rates. The Portfolio may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies provided that the use of the derivative is consistent with the Portfolio's investment objective.

The Portfolio may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the Portfolio's other investment strategies in the most appropriate manner to allow the Portfolio to meet its investment objective and improve its performance. See "*Repurchase and reverse repurchase agreements risk*" and "*Securities lending risk*" for a description of these transactions and the strategies to be used by the Portfolio to reduce the risks related to these transactions. At the current time, the Portfolio does not intend to engage in repurchase and reverse repurchase transactions.

Meritage Global Growth Portfolio

What Are the Risks of Investing in the Portfolio?

The Portfolio indirectly has the same risks as the Underlying Funds it holds. The Portfolio takes on the risks of an Underlying Fund in proportion to its investment in that fund. The direct and indirect risks of the Portfolio are:

- Asset-backed and mortgage-backed security risk
- Capital erosion risk
- Commodity risk
- Concentration risk
- Counterparty risk
- Credit risk
- Currency risk
- Depositary receipt risk
- Derivative risk
- Emerging market investment risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Income trust risk
- Interest rate risk
- Large investment risk
- Legal, tax and regulatory risks
- Liquidity risk
- Repurchase and reverse repurchase agreements risk
- Securities lending risk
- Series risk
- Short selling risk
- Smaller companies risk
- Specialization risk
- Substantial securityholder risk
- Underlying fund risk
- U.S. tax risk

These risks are described in more detail beginning on page 2 of this Simplified Prospectus.

The Portfolio's level of risk is low to medium. Because the historical performance of the Portfolio is less than 10 years, to calculate the level of risk, the Manager used a reference index similar to the Portfolio's strategy, in addition to the actual return history of the Portfolio. This reference index is comprised of 30% Bloomberg Barclays Global Aggregate currency hedged bond index, 55% MCSI World Index and 15% S&P/TSX Composite Index.

The Bloomberg Barclays Global Aggregate currency hedged bond index reflects the performance of an overall measure of high-quality, fixed-rate debt markets. The MSCI World Index is a global equity index that represents large and mid-cap equity performance across 23 developed market countries. The S&P/TSX Composite Index is the headline index and the principal measure for Canadian Equity markets. For more information, see "*Investment risk classification methodology*" in the section "*Specific Information About Each of the Mutual Funds Described in This Document*".

During the last 12 months, the Portfolio invested as much as 10.72% of its net assets in the RBC O'Shaughnessy U.S. Value Fund, as much as 18.90% of its net assets in the Edgepoint Global Portfolio, as much as 14.69% of its net assets in the RBC Global Bond Fund, as much as 17.74% of its net assets in the Epoch Global Shareholder Yield Fund and as much as 10.29% of its net assets in the Fidelity Canadian Disciplined Equity® Fund. See "*Concentration risk*" on page 3 for a description of this risk.

Who Should Invest in This Portfolio?

The Portfolio is suitable if you:

- are willing to tolerate a low to medium level of risk;
- are looking to invest for the medium or long term (at least three years);
- are looking for an investment solution that allows you to invest in a wide range of securities in order to create a fully diversified global portfolio;
- want to receive a distribution regularly (F5 Series and T5 Series only).

Distribution Policy

For Advisor Series, F Series and O Series units, the Portfolio distributes its net income at the end of each quarter. It distributes the net income for the last quarter and the net realized capital gains for the year between December 14 and December 31 of each year. These distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash.

For F5 Series and T5 Series units, the Portfolio makes distributions at the end of each month. These monthly distributions are composed of a return of capital and/or net income. The amount of the monthly distribution per unit is reset at the beginning of each calendar year. The amount of the monthly distribution per unit is set by multiplying the net asset value per unit at the end of the previous calendar year (or if no units were offered at the end of the previous calendar year, the date when units were first offered in the current year) by 5% and dividing the result by 12. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio. These monthly distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash. The total amount of distributions for a year may exceed the income and capital gains earned by the Portfolio in that year. This excess amount will be treated as a return of capital to the unitholders and will not be taxable to you in the year of receipt, but will reduce the adjusted cost base of the units and may, in certain circumstances, result in a capital gain. See "*Income Tax Considerations for Investors*" for more information. Any net income not distributed previously in the year and any capital gains will be distributed by the Portfolio in a special distribution at the end of the year. This special year-end distribution must be reinvested in additional Portfolio units of the same series.

Portfolio Expenses Indirectly Borne by Investors

A mutual fund generally pays some expenses out of its assets. The table below shows the costs you pay indirectly for each $1,000 that you have invested in the Portfolio. To make it easy for you to compare these costs to the costs of other Portfolios, this table assumes:

- the total annual return of the Portfolio is 5% a year;
- the management expense ratio of the Portfolio was the same throughout the ten-year period as it was in the last financial year of the Portfolio.

Based on these assumptions, the cumulative costs of investing in this Portfolio would be:

	One year	Three years	Five years	Ten years
Advisor Series	$25.09	$79.11	$138.65	$315.62
F Series	$13.31	$41.95	$73.53	$167.37
F5 Series	$13.19	$41.59	$72.90	$165.95
O Series	$0.23	$0.71	$1.25	$2.84
T5 Series	$25.09	$79.10	$138.65	$315.60

To compare the costs you pay indirectly for this Portfolio to those of other Portfolios, please see the other Portfolio descriptions. *Please note these figures are for comparative purposes only, based on the above-mentioned assumptions. Actual expenses will vary from what we have indicated here.*

See "*Fees and charges payable directly by you*" for the fees and charges that you pay directly.

Meritage Global Growth Class Portfolio

Portfolio Details

Type of Portfolio:	Global Equity Balanced
Date the Portfolio Was Started:	February 22, 2016
Securities Offered:	Shares – Advisor Series, F Series, F5 Series and T5 Series
Date Operations Commenced:	Advisor Series – March 1, 2016 F Series – March 1, 2016 F5 Series – March 1, 2016 T5 Series – March 1, 2016
Eligibility for Registered Plans:	The Portfolio shares are eligible investments for registered plans.
Maximum Annual Management Fees:	Advisor Series and T5 Series: 2.00% F Series and F5 Series: 1.00%

What Does the Portfolio Invest in?

Investment Objective

The Portfolio's investment objective is to achieve a return comparable to the Meritage Global Growth Portfolio (the "Underlying Fund").

The Portfolio invests principally in units of the Underlying Fund and/or in units of the mutual funds held by the Underlying Fund and/or of similar mutual funds, according to a weighting similar to that adopted by the Underlying Fund.

The investment objective of the Underlying Fund is to achieve long-term capital appreciation and provide some income by investing primarily in a diverse mix of mutual funds (that may include exchange-traded funds ("ETFs")) that are global fixed-income funds and global equity funds.

Shareholders must approve any change to the objective at a meeting specifically held for that purpose.

Investment Strategies

To achieve its investment objective, the Portfolio invests virtually all of its net assets in O Series units of the Underlying Fund.

In normal market conditions, the Underlying Fund invests 100% of its net assets in global fixed-income and global equity funds managed by third parties (that may include ETFs). The portfolio manager of the Underlying Fund may, in its sole discretion, review and adjust the target weighting depending on economic and market conditions.

The portfolio manager of the Underlying Fund may, in its sole discretion, select the mutual funds, allocate assets to the mutual funds, change the percentage holding of any mutual fund, remove any mutual fund or add other mutual funds.

When selecting a mutual fund in which to invest, the portfolio manager of the Underlying Fund will consider the degree of exposure to the asset class that the mutual fund will provide to the Underlying Fund, the performance of the mutual fund, and the expenses (if any) payable by the Underlying Fund which may be associated with the investment. There will be no duplication of management fees between the Portfolio, the Underlying Fund and the Underlying Fund's Underlying Funds.

The Portfolio has obtained from the Canadian Securities Administrators an exemption from the application of certain rules applicable to funds-of-funds set out in Regulation 81-102. The exemption allows the Portfolio to invest in securities of the Underlying Fund even if the Underlying Fund holds, directly or indirectly, more than 10% of its net assets in the securities of other mutual funds.

If the Portfolio Manager is of the opinion that it is no longer in the best interests of the Portfolio to invest in O Series units of the Underlying Fund, it may invest in securities of the mutual funds held by the Underlying Fund and/or in mutual funds similar to those funds, based on a similar weighting to that used by the Underlying Fund.

Investments in Canadian fixed-income and equity funds should not exceed approximately 45% of the net assets of the Underlying Fund. The Underlying Fund may from time to time make direct investments in Canadian and foreign equity and fixed-income securities. The Underlying Fund may also invest in funds that hold shares of small-cap corporations and funds that hold emerging market fixed-income and/or equity securities.

The Portfolio and the Underlying Fund may hold a portion of their assets in cash, money market securities or money market funds while seeking investment opportunities, for cash management purposes, for defensive purposes depending on market conditions or for purposes of an amalgamation or other transaction. As a result, the Portfolio and the Underlying Fund may temporarily not be fully invested in accordance with their investment objective.

The Portfolio and the Underlying Fund may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest or exchange rates. The Portfolio may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies provided that the use of the derivative is consistent with the Portfolio's investment objective.

The Portfolio and the Underlying Fund may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the Portfolio's other investment strategies in the most appropriate manner to allow the Portfolio to meet its investment objective and improve its performance. See "*Repurchase and reverse repurchase agreements risk*" and "*Securities lending risk*" for a description of these transactions and the strategies to be used by the Portfolio to reduce the risks related to these transactions. At the current time, the Portfolio and the Underlying Fund do not intend to engage in repurchase and reverse repurchase transactions.

For more information on the Meritage Global Growth Portfolio, please see page 96 of this Prospectus.

What Are the Risks of Investing in the Portfolio?

The Portfolio indirectly has the same risks as the Underlying Funds it holds. The Portfolio takes on the risks of an Underlying Fund in proportion to its investment in that fund. The direct and indirect risks of the Portfolio are:

- Asset-backed and mortgage-backed security risk
- Capital erosion risk
- Class risk
- Commodity risk
- Concentration risk
- Counterparty risk
- Credit risk
- Currency risk
- Depositary receipt risk
- Derivative risk
- Emerging market investment risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Income trust risk
- Interest rate risk
- Large investment risk
- Legal, tax and regulatory risk
- Liquidity risk
- Repurchase and reverse repurchase agreements risk
- Securities lending risk
- Series risk
- Short selling risk
- Smaller companies risk
- Specialization risk
- Substantial securityholder risk
- Underlying fund risk
- U.S. tax risk

These risks are described in more detail beginning on page 2 of this Simplified Prospectus.

During the last 12 months, the Portfolio invested as much as 10.70% of its net assets in the RBC O'Shaughnessy U.S. Value Fund, as much as 19.25% of its net assets in the Edgepoint Global Portfolio, as much as 18.45% of its net assets in the Epoch Global Shareholder Yield Fund, as much as 11.07% of its net assets in the Fidelity Canadian Disciplined Equity® Fund and as much as 15.73% of its net assets in the RBC Global Bond Fund. See "*Concentration risk*" on page 3 for a description of this risk.

As at July 31, 2017, three investors, including National Bank Investments Inc., held respectively 10.12%, 14.99% and 10.54% of the securities of the Meritage Global Growth Class Portfolio. The Portfolio may be forced to sell its investments at unfavourable prices to meet redemption requests of these securityholders. See "*Substantial securityholder risk*" on page 9 for a description of this risk.

Who Should Invest in This Portfolio?

The Portfolio is suitable if you:

- are willing to tolerate a low to medium level of risk;
- are looking to invest for the medium or long term (at least three years);
- are looking for an investment solution that allows you to invest in a wide range of securities in order to create a fully diversified global portfolio;

- wish to make investments outside your registered plan and have the flexibility needed to rebalance your portfolio without realizing capital gains;
- want to receive a distribution regularly (F5 Series and T5 Series only).

Distribution Policy

Ordinary dividends may be paid in December of each year and capital gains dividends may be paid at the end of the year or in January or February of each year. Dividends may also be paid at other times during the year. Dividends will be paid to the extent necessary to minimize National Bank Funds Corporation's tax liability.

For F5 Series and T5 Series shares, monthly distributions will also be paid. These monthly distributions are composed of a return of capital and/or dividends. The amount of the monthly distribution per share is reset at the beginning of each calendar year. The amount of the monthly distribution per share is set by multiplying the net asset value per share at the end of the previous calendar year (or if no shares were offered at the end of the previous calendar year, the date when shares were first offered in the current year) by 5% and dividing the result by 12. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio. The return of capital distributed for F5 Series and T5 Series shares will be treated as a return of capital in the shareholder's hands and will not be taxable in the year of receipt, but will reduce the adjusted cost base of the shares and may, in certain situations, give rise to a capital gain. See "*Income Tax Considerations for Investors*" for more information.

In addition to the monthly distributions, a special year-end distribution may be made to F5 Series and T5 Series investors. This distribution will consist of ordinary dividends and/or capital gains dividends and will be automatically reinvested in additional shares of the same series of the Portfolio.

All dividends payable to Advisor Series and F Series investors will be reinvested in additional Portfolio shares of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum dividend amount of $25 may be required for a dividend to be paid to you in cash.

Monthly distributions payable to F5 Series and T5 Series investors will be reinvested in additional Portfolio shares of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash.

Portfolio Expenses Indirectly Borne by Investors

A mutual fund generally pays some expenses out of its assets. The table below shows the costs you pay indirectly for each $1,000 that you have invested in the Portfolio. To make it easy for you to compare these costs to the costs of other Portfolios, this table assumes:

- the total annual return of the Portfolio is 5% a year;
- the management expense ratio of the Portfolio was the same throughout the ten-year period as it was in the last financial year of the Portfolio.

Based on these assumptions, the cumulative costs of investing in this Portfolio would be:

	One year	Three years	Five years	Ten years
Advisor Series	$24.94	$78.61	$137.79	$313.66
F Series	$13.17	$41.53	$72.79	$165.68
F5 Series	$13.17	$41.52	$72.78	$165.67
T5 Series	$24.43	$77.03	$135.01	$307.33

To compare the costs you pay indirectly for this Portfolio to those of other Portfolios, please see the other Portfolio descriptions. *Please note these figures are for comparative purposes only, based on the above-mentioned assumptions. Actual expenses will vary from what we have indicated here.*

See "*Fees and charges payable directly by you*" for the fees and charges that you pay directly.

Meritage Global Dynamic Growth Portfolio
(formerly Meritage Global Aggressive Growth Portfolio)

Portfolio Details

Type of Portfolio:	Global Equity Balanced
Date the Portfolio Was Started:	February 22, 2016
Securities Offered:	Trust units – Advisor Series, F Series, F5 Series, O Series and T5 Series
Date Operations Commenced:	Advisor Series – March 1, 2016 F Series – March 1, 2016 F5 Series – March 1, 2016 O Series – March 1, 2016 T5 Series – March 1, 2016
Eligibility for Registered Plans:	The Portfolio units are eligible investments for registered plans.
Maximum Annual Management Fees:	Advisor Series and T5 Series: 2.00% F Series and F5 Series: 1.00%

What Does the Portfolio Invest in?

Investment Objective

The Portfolio's investment objective is to achieve long-term capital appreciation by investing primarily in a diverse mix of mutual funds (that may include exchange-traded funds ("ETFs")) that are global fixed-income funds and global equity funds.

Unitholders must approve any change to this objective at a meeting specifically held for that purpose.

Investment Strategies

The target weighting for each asset class in which the Portfolio invests under normal market conditions is the following:

- 5%-25% of the net assets in global fixed-income securities;
- 75%-95% of the net assets in global equity securities.

The Portfolio Manager may, in its sole discretion, review and adjust the target weighting of each asset class depending on economic and market conditions.

The Portfolio achieves exposure to the above asset classes by investing up to 100% of its net assets in underlying funds (that may include ETFs) managed by third parties (the "Underlying Funds"). The Portfolio Manager may, in its sole discretion, select the Underlying Funds, allocate assets to the Underlying Funds, change the percentage holding of any Underlying Fund, remove any Underlying Fund or add other Underlying Funds.

When selecting an Underlying Fund in which to invest, the Portfolio Manager will consider the degree of exposure to the asset class that the Underlying Fund will provide to the Portfolio, the performance of the Underlying Fund, and the expenses (if any) payable by the Portfolio which may be associated with the investment. There will be no duplication of fees, particularly sales charges, between the Portfolio and any Underlying Fund.

Investments in Canadian fixed-income and equity funds should not exceed approximately 45% of the net assets of the Portfolio.

The Portfolio may from time to time make direct investments in Canadian and foreign equity and fixed-income securities. The Portfolio may also invest in Underlying Funds that hold shares of small-cap corporations and/or in Underlying Funds that hold emerging market fixed-income and equity securities.

The Portfolio may hold a portion of its assets in cash, money market securities or money market funds while seeking investment opportunities, for cash management purposes, for defensive purposes or for purposes of an amalgamation or other transaction. As a result, the Portfolio may temporarily not be fully invested in accordance with its investment objective.

The Portfolio may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest or exchange rates. The Portfolio may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies provided that the use of the derivative is consistent with the Portfolio's investment objective.

The Portfolio may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the Portfolio's other investment strategies in the most appropriate manner to allow the Portfolio to meet its investment objective and improve its performance. See "*Repurchase and reverse repurchase agreements risk*" and "*Securities lending risk*" for a description of these transactions and the strategies to be used by the Portfolio to reduce the risks related to these transactions. At the current time, the Portfolio does not intend to engage in repurchase and reverse repurchase transactions.

Meritage Global Dynamic Growth Portfolio
(formerly Meritage Global Aggressive Growth Portfolio)

What Are the Risks of Investing in the Portfolio?

The Portfolio indirectly has the same risks as the Underlying Funds it holds. The Portfolio takes on the risks of an Underlying Fund in proportion to its investment in that fund. The direct and indirect risks of the Portfolio are:

- Asset-backed and mortgage-backed security risk
- Capital erosion risk
- Commodity risk
- Concentration risk
- Counterparty risk
- Credit risk
- Currency risk
- Depositary receipt risk
- Derivative risk
- Emerging market investment risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Income trust risk
- Interest rate risk
- Large investment risk
- Legal, tax and regulatory risk
- Liquidity risk
- Repurchase and reverse repurchase agreements risk
- Securities lending risk
- Series risk
- Short selling risk
- Smaller companies risk
- Specialization risk
- Substantial securityholder risk
- Underlying fund risk
- U.S. tax risk

These risks are described in more detail beginning on page 2 of this Simplified Prospectus.

During the last 12 months, the Portfolio invested as much as 10.35% of its net assets in the Fidelity Canadian Disciplined Equity® Fund, as much as 16.57% of its net assets in the RBC O'Shaughnessy U.S. Value Fund, as much as 22.47% of its net assets in the Edgepoint Global Portfolio, as much as 20.78% of its net assets in the Epoch Global Shareholder Yield Fund and as much as 11.16% of its net assets in the Black Creek International Equity Corporate Class. See "*Concentration risk*" on page 3 for a description of this risk.

Who Should Invest in This Portfolio?

The Portfolio is suitable if you:

- are willing to tolerate a low to medium level of risk;
- are looking to invest for the long term (at least five years);
- are looking for an investment solution that allows you to invest in a wide range of securities in order to create a fully diversified global portfolio;
- want to receive a distribution regularly (F5 Series and T5 Series only).

Distribution Policy

For Advisor Series, F Series and O Series units, the Portfolio distributes its net income at the end of each quarter. It distributes the net income for the last quarter and the net realized capital gains for the year between December 14 and December 31 of each year. These distributions will be automatically reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash.

For F5 Series and T5 Series units, the Portfolio makes distributions at the end of each month. These monthly distributions are composed of a return of capital and/or dividends. The amount of the monthly distribution per unit is reset at the beginning of each calendar year. The amount of the monthly distribution per unit is set by multiplying the net asset value per unit at the end of the previous calendar year (or if no units were offered at the end of the previous calendar year, the date when units were first offered in the current year) by 5% and dividing the result by 12. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio. These monthly distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash. The total amount of distributions for a year may exceed the income and capital gains earned by the Portfolio in that year. This excess amount will be treated as a return of capital to the unitholders and will not be taxable to you in the year of receipt, but will reduce the adjusted cost base of the units and may, in certain circumstances, result in a capital gain. See "*Income Tax Considerations for Investors*" for more information. Any net income not distributed previously in the year and any capital gains will be distributed by the Portfolio in a special distribution at the end of the year. This special year-end distribution must be reinvested in additional Portfolio units of the same series.

Portfolio Expenses Indirectly Borne by Investors

A mutual fund generally pays some expenses out of its assets. The table below shows the costs you pay indirectly for each $1,000 that you have invested in the Portfolio. To make it easy for you to compare these costs to the costs of other Portfolios, this table assumes:

- the total annual return of the Portfolio is 5% a year;
- the management expense ratio of the Portfolio was the same throughout the ten-year period as it was in the last financial year of the Portfolio.

Based on these assumptions, the cumulative costs of investing in this Portfolio would be:

	One year	**Three years**	**Five years**	**Ten years**
Advisor Series	$28.11	$88.63	$155.34	$353.60
F Series	$13.35	$42.10	$73.79	$167.97
F5 Series	$11.78	$37.14	$65.09	$148.17
O Series	$0.16	$0.51	$0.90	$2.05
T5 Series	$27.31	$86.09	$150.89	$343.46

To compare the costs you pay indirectly for this Portfolio to those of other Portfolios, please see the other Portfolio descriptions. *Please note these figures are for comparative purposes only, based on the above-mentioned assumptions. Actual expenses will vary from what we have indicated here.*

See "*Fees and charges payable directly by you*" for the fees and charges that you pay directly.

Meritage Global Dynamic Growth Class Portfolio
(formerly Meritage Global Aggressive Growth Class Portfolio)

Portfolio Details

Type of Portfolio:	Global Equity Balanced
Date the Portfolio Was Started:	February 22, 2016
Securities Offered:	Shares – Advisor Series, F Series, F5 Series and T5 Series
Date Operations Commenced:	Advisor Series – March 1, 2016 F Series – March 1, 2016 F5 Series – March 1, 2016 T5 Series – March 1, 2016
Eligibility for Registered Plans:	The Portfolio shares are eligible investments for registered plans.
Maximum Annual Management Fees:	Advisor Series and T5 Series: 2.00% F Series and F5 Series: 1.00%

What Does the Portfolio Invest in?

Investment Objective

The Portfolio's investment objective is to achieve a return comparable to the Meritage Global Dynamic Growth Portfolio (the "Underlying Fund").

The Portfolio invests principally in units of the Underlying Fund and/or in securities of the mutual funds held by the Underlying Fund and/or of similar mutual funds, according to a weighting similar to that adopted by the Underlying Fund.

The investment objective of the Underlying Fund is to achieve long-term capital appreciation by investing primarily in a diverse mix of mutual funds (that may include exchange-traded funds ("ETFs")) that are global fixed-income funds and global equity funds.

Shareholders must approve any change to the objective at a meeting specifically held for that purpose.

Investment Strategies

To achieve its investment objective, the Portfolio invests virtually all of its net assets in O Series units of the Underlying Fund.

In normal market conditions, the Underlying Fund invests 100% of its net assets in global fixed-income and global equity funds managed by third parties (that may include ETFs). The portfolio manager of the Underlying Fund may, in its sole discretion, review and adjust the target weighting of each asset class depending on economic and market conditions.

The portfolio manager of the Underlying Fund may, in its sole discretion, select the mutual funds, allocate assets to the mutual funds, change the percentage holding of any mutual fund, remove any mutual fund or add other mutual funds.

When selecting a mutual fund in which to invest, the portfolio manager of the Underlying Fund will consider the degree of exposure to the asset class that the mutual fund will provide to the Underlying Fund, the performance of the mutual fund, and the expenses (if any) payable by the Underlying Fund which may be associated with the investment. There will be no duplication of management fees between the Portfolio, the Underlying Fund and the Underlying Fund's Underlying Funds.

The Portfolio has obtained from the Canadian Securities Administrators an exemption from the application of certain rules applicable to funds-of-funds set out in Regulation 81-102. The exemption allows the Portfolio to invest in securities of the Underlying Fund even if the Underlying Fund holds, directly or indirectly, more than 10% of its net assets in the securities of other mutual funds.

If the Portfolio Manager is of the opinion that it is no longer in the best interests of the Portfolio to invest in O Series units of the Underlying Fund, it may invest in securities of the mutual funds held by the Underlying Fund and/or in mutual funds similar to those funds, based on a similar weighting to that used by the Underlying Fund.

Investments in Canadian fixed-income and equity funds should not exceed approximately 45% of the net assets of the Underlying Fund. The Underlying Fund may from time to time make direct investments in Canadian and foreign equity and fixed-income securities. The Underlying Fund may also invest in Underlying Funds that hold shares of small-cap corporations and/or in Underlying Funds that hold emerging market fixed-income and/or equity securities.

The Portfolio and the Underlying Fund may hold a portion of their assets in cash, money market securities or money market funds while seeking investment opportunities, for cash management purposes, for defensive purposes depending on market conditions or for purposes of an amalgamation or other transaction. As a result, the Portfolio and the Underlying Fund may temporarily not be fully invested in accordance with their investment objective.

The Portfolio and the Underlying Fund may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest or exchange rates. The Portfolio may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies provided that the use of the derivative is consistent with the Portfolio's investment objective.

The Portfolio and the Underlying Fund may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the Portfolio's other investment strategies in the most appropriate manner to allow the Portfolio to meet its investment objective and improve its performance. See "*Repurchase and reverse repurchase agreements risk*" and "*Securities lending risk*" for a description of these transactions and the strategies to be used by the Portfolio to reduce the risks related to these transactions. At the current time, the Portfolio and the Underlying Fund do not intend to engage in repurchase and reverse repurchase transactions.

For more information on the Meritage Global Dynamic Growth Portfolio, please see page 102 of this Prospectus.

What Are the Risks of Investing in the Portfolio?

The Portfolio indirectly has the same risks as the Underlying Funds it holds. The Portfolio takes on the risks of an Underlying Fund in proportion to its investment in that fund. The direct and indirect risks of the Portfolio are:

- Asset-backed and mortgage-backed security risk
- Capital erosion risk
- Class risk
- Commodity risk
- Concentration risk
- Counterparty risk
- Credit risk
- Currency risk
- Depositary receipt risk
- Derivative risk
- Emerging market investment risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Income trust risk
- Interest rate risk
- Large investment risk
- Legal, tax and regulatory risk
- Liquidity risk
- Repurchase and reverse repurchase agreements risk
- Securities lending risk
- Series risk
- Short selling risk
- Smaller companies risk
- Specialization risk
- Substantial securityholder risk
- Underlying fund risk
- U.S. tax risk

These risks are described in more detail beginning on page 2 of this Simplified Prospectus.

During the last 12 months, the Portfolio invested as much as 15.89% of its net assets in the RBC O'Shaughnessy U.S. Value Fund, as much as 21.51% of its net assets in the Edgepoint Global Portfolio, as much as 19.75% of its net assets in the Epoch Global Shareholder Yield Fund, as much as 11.02% of its net assets in the Black Creek International Equity Corporate Class and as much as 10.17% of its net assets in the Fidelity Canadian Disciplined Equity® Fund. See "*Concentration risk*" on page 3 for a description of this risk.

As at July 31, 2017**,** National Bank Investments Inc. held 25.62% of the securities of the Meritage Global Dynamic Growth Class Portfolio. The Portfolio may be forced to sell its investments at unfavourable prices to meet redemption requests of these securityholders. See "*Substantial securityholder risk*" on page 9 for a description of this risk.

Who Should Invest in This Portfolio?

The Portfolio is suitable if you:

- are willing to tolerate a low to medium level of risk;

- are looking to invest for the long term (at least five years);
- are looking for an investment solution that allows you to invest in a wide range of securities in order to create a fully diversified global portfolio;
- wish to make investments outside your registered plan and have the flexibility needed to rebalance your portfolio without realizing capital gains;
- want to receive a distribution regularly (F5 Series and T5 Series only).

Distribution Policy

Ordinary dividends may be paid in December of each year and capital gains dividends may be paid at the end of the year or in January or February of each year. Dividends may also be paid at other times during the year. Dividends will be paid to the extent necessary to minimize National Bank Funds Corporation's tax liability.

For F5 Series and T5 Series shares, monthly distributions will also be paid. These monthly distributions are composed of a return of capital and/or dividends. The amount of the monthly distribution per share is reset at the beginning of each calendar year. The amount of the monthly distribution is set by multiplying the net asset value per share at the end of the previous calendar year (or if no shares were offered at the end of the previous calendar year, the date when shares were first offered in the current year) by 5% and dividing the result by 12. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio. The return of capital distributed for F5 Series and T5 Series shares will be treated as a return of capital in the shareholder's hands and will not be taxable in the year of receipt, but will reduce the adjusted cost base of the shares and may, in certain situations, give rise to a capital gain. See "*Income Tax Considerations for Investors*" for more information.

In addition to the monthly distributions, a special year-end distribution may be made to F5 Series and T5 Series investors. This distribution will consist of ordinary dividends and/or capital gains dividends and will be automatically reinvested in additional shares of the same series of the Portfolio.

All dividends payable to Advisor Series and F Series investors will be reinvested in additional Portfolio shares of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum dividend amount of $25 may be required for a dividend to be paid to you in cash.

Monthly distributions payable to F5 Series and T5 Series investors will be reinvested in additional Portfolio shares of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash.

Portfolio Expenses Indirectly Borne by Investors

A mutual fund generally pays some expenses out of its assets. The table below shows the costs you pay indirectly for each $1,000 that you have invested in the Portfolio. To make it easy for you to compare these costs to the costs of other Portfolios, this table assumes:

- the total annual return of the Portfolio is 5% a year;
- the management expense ratio of the Portfolio was the same throughout the ten-year period as it was in the last financial year of the Portfolio.

Based on these assumptions, the cumulative costs of investing in this Portfolio would be:

	One year	**Three years**	**Five years**	**Ten years**
Advisor Series	$28.12	$88.65	$155.39	$353.70
F Series	$13.37	$42.15	$73.88	$168.17
F5 Series	$11.80	$37.21	$65.22	$148.46
T5 Series	$27.36	$86.26	$151.20	$344.17

To compare the costs you pay indirectly for this Portfolio to those of other Portfolios, please see the other Portfolio descriptions. *Please note these figures are for comparative purposes only, based on the above-mentioned assumptions. Actual expenses will vary from what we have indicated here*.

See "*Fees and charges payable directly by you*" for the fees and charges that you pay directly.

Meritage Tactical ETF Fixed Income Portfolio

Portfolio Details

Type of Portfolio:	Canadian Fixed Income
Date the Portfolio Was Started:	August 18, 2016
Securities Offered:*	Trust units – Advisor Series, F Series, FT Series and T Series
Date Operations Commenced:	Advisor Series – August 26, 2016 F Series – August 26, 2016 FT Series – August 26, 2016 T Series – August 26, 2016
Eligibility for Registered Plans:	The Portfolio units are eligible investments for registered plans.
Maximum Annual Management Fees:	Advisor Series and T Series: 1.10% F Series and FT Series: 0.60%

** The Portfolio also offers a series by way of private placement.*

What Does the Portfolio Invest in?

Investment Objective

The Portfolio's investment objective is to achieve current income by making tactical investments primarily in a diverse mix of exchange-traded funds ("ETFs") that are mainly Canadian fixed-income funds. The Portfolio may also invest in global fixed-income funds.

Unitholders must approve any change to this objective at a meeting specifically held for that purpose.

Investment Strategies

The target weighting for each asset class in which the Portfolio invests under normal market conditions is the following:

- 60%-100% of the net assets in Canadian fixed-income securities;
- 0%-40% of the net assets in global fixed-income securities.

The Portfolio achieves exposure to the above asset classes by investing up to 100% of its net assets in ETFs. The Portfolio may also invest in other types of mutual funds managed by third parties (the ETFs and other types of mutual funds are collectively referred to as "Underlying Funds").

The Portfolio Manager applies a tactical allocation valuation process in which asset allocation and the choice of Underlying Funds are subject to frequent changes (normally on a quarterly basis) depending on economic and market conditions. When the target asset allocation and the choice of Underlying Funds are modified, the Portfolio is generally rebalanced based on the new targets.

The Portfolio Manager may, in its sole discretion, select the Underlying Funds, allocate assets to the Underlying Funds, change the percentage holding of any Underlying Fund, remove any Underlying Fund or add other Underlying Funds.

When selecting an Underlying Fund in which to invest, the Portfolio Manager will consider the degree of exposure to the asset class that the Underlying Fund will provide to the Portfolio, the performance of the Underlying Fund, and the expenses (if any) payable by the Portfolio which may be associated with the investment. There will be no duplication of fees, particularly sales charges, between the Portfolio and any Underlying Fund.

Investments in global fixed-income funds should not exceed approximately 40% of the net assets of the Portfolio.

The Portfolio may from time to time make direct investments in Canadian and foreign fixed-income securities. The Portfolio may also invest in Underlying Funds that hold emerging market fixed-income securities.

The Portfolio may hold a portion of its assets in cash, money market securities or money market funds while seeking investment opportunities, for cash management purposes, for defensive purposes depending on market conditions or for purposes of an amalgamation or other transaction. As a result, the Portfolio may temporarily not be fully invested in accordance with its investment objective. For defensive purposes and in accordance with an exemption obtained from the Canadian Securities Administrators, the Portfolio may invest in ETFs that hold gold, permitted gold certificates or specified derivatives of which the underlying interest is gold or permitted gold certificates ("Gold ETFs"), even though such ETFs are not index participation units under securities laws. Such Gold ETFs seek to replicate the performance of the price of gold.

The Portfolio may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest or exchange rates. The Portfolio may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies provided that the use of the derivative is consistent with the Portfolio's investment objective.

The Portfolio may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the Portfolio's other investment strategies in the most appropriate manner to allow the Portfolio to meet its investment objective and improve its performance. See "*Repurchase and reverse repurchase agreements risk*" and "*Securities lending risk*" for a description of these transactions and the strategies to be used by the Portfolio to reduce the risks related to these transactions. At the current time, the Portfolio does not intend to engage in repurchase and reverse repurchase transactions.

What Are the Risks of Investing in the Portfolio?

The Portfolio indirectly has the same risks as the Underlying Funds it holds. The Portfolio takes on the risks of an Underlying Fund in proportion to its investment in that fund. The direct and indirect risks of the Portfolio are:

- Asset-backed and mortgage-backed security risk
- Capital erosion risk
- Commodity risk
- Concentration risk
- Counterparty risk
- Credit risk
- Currency risk
- Derivative risk
- Emerging market investment risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Inflation risk
- Interest rate risk
- Large investment risk
- Legal, tax and regulatory risks
- Liquidity risk
- Repurchase and reverse repurchase agreements risk
- Securities lending risk
- Series risk
- Specialization risk
- Substantial securityholder risk
- Underlying fund risk
- U.S. tax risk

These risks are described in more detail beginning on page 2 of this Simplified Prospectus.

The Portfolio's level of risk is low. Because the historical performance of the Portfolio is less than 10 years, to calculate the level of risk, the Manager used a reference index similar to the Portfolio's strategy, in addition to the actual return history of the Portfolio. The index used by the Manager is the FTSE TMX Canada Universe Bond Index. This index is designed to represent a measure of the Canadian market of fixed-income investments whose maturity is greater than one year, including Government of Canada, provincial and corporate bonds. For more information, see "*Investment risk classification methodology*" in the section "*Specific Information About Each of the Mutual Funds Described in This Document*".

During the last 12 months, the Portfolio invested as much as 16.86% of its net assets in securities of the BMO Mid Provincial Bond Index ETF, as much as 11.01% of its net assets in securities of the iShares iBoxx $ Investment Grade Corporate Bond ETF, as much as 25.92% of its net assets in securities of the Vanguard Canadian Short-Term Corporate Bond Index ETF and as much as 39.35% of its net assets in securities of the TD Canadian Aggregate Bond Index ETF. See "*Concentration risk*" on page 3 for a description of this risk.

Who Should Invest in This Portfolio?

The Portfolio is suitable if you:

- are willing to tolerate a low level of risk;
- are looking to invest for the short term to medium term (at least one year);
- are looking for an investment solution that allows you to make tactical investments in a wide range of securities in order to create a fully diversified portfolio.

Distribution Policy

For Advisor Series and F Series units, the Portfolio distributes its net income at the end of each month. It distributes its net income for December and the net realized capital gains for the year between December 14 and December 31 of each year. These distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash.

For FT Series and T Series units, the Portfolio makes distributions at the end of each month. These monthly distributions are composed of net income and/or return of capital. The amount of the monthly distribution per unit is reset at the beginning of each calendar year. It is a factor of the Portfolio's payout rate, the net asset value per security at the end of the previous calendar year and the number of securities of the Portfolio you own at the time of the distribution. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio. These monthly distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash. The total amount of distributions for a year may exceed the net income earned by the Portfolio in that year. This excess amount will be treated as a return of capital to the unitholders and will not be taxable to you in the year of receipt, but will reduce the adjusted cost base of the units and may, in certain circumstances, result in a capital gain. See "*Income Tax Considerations for Investors*" for more information. Any net income not distributed previously in the year and any capital gains will be distributed by the Portfolio in a special distribution at the end of the year. This special year-end distribution must be reinvested in additional Portfolio units of the same series.

Portfolio Expenses Indirectly Borne by Investors

A mutual fund generally pays some expenses out of its assets. The table below shows the costs you pay indirectly for each $1,000 that you have invested in the Portfolio. To make it easy for you to compare these costs to the costs of other Portfolios, this table assumes:

- the total annual return of the Portfolio is 5% a year;
- the management expense ratio of the Portfolio was the same throughout the ten-year period as it was in the last financial year of the Portfolio.

Based on these assumptions, the cumulative costs of investing in this Portfolio would be:

	One year	Three years	Five years	Ten years
Advisor Series	$13.51	$42.59	$74.65	$169.93
F Series	$7.60	$23.94	$41.97	$95.53
FT Series	$7.63	$24.05	$42.15	$95.94
T Series	$13.30	$41.92	$73.48	$167.27

To compare the costs you pay indirectly for this Portfolio to those of other Portfolios, please see the other Portfolio descriptions. *Please note these figures are for comparative purposes only, based on the above-mentioned assumptions. Actual expenses will vary from what we have indicated here.*

See "*Fees and charges payable directly by you*" for the fees and charges that you pay directly.

Meritage Tactical ETF Moderate Portfolio

Portfolio Details

Type of Portfolio:	Global Fixed Income Balanced
Date the Portfolio Was Started:	February 22, 2016
Securities Offered:*	Trust units – Advisor Series, F Series, F5 Series and T5 Series
Date Operations Commenced:	Advisor Series – March 1, 2016 F Series – March 1, 2016 F5 Series – March 1, 2016 T5 Series – March 1, 2016
Eligibility for Registered Plans:	The Portfolio securities are eligible investments for registered plans.
Maximum Annual Management Fees:	Advisor Series and T5 Series: 1.35% F Series and F5 Series: 0.60%

** The Portfolio also offers a series by way of private placement.*

What Does the Portfolio Invest in?

Investment Objective

The Portfolio's investment objective is to achieve a steady rate of return and long-term capital appreciation by making tactical investments primarily in a diverse mix of exchange-traded funds ("ETFs") that are fixed-income funds and equity funds.

Unitholders must approve any change to this objective at a meeting specifically held for that purpose.

Investment Strategies

The target weighting for each asset class in which the Portfolio invests under normal market conditions is the following:

- 40%-80% of the net assets in Canadian and global fixed-income securities;
- 20%-60% of the net assets in Canadian and global equity securities.

The Portfolio achieves exposure to the above asset classes by investing up to 100% of its assets in ETFs. The Portfolio may also invest in other types of mutual funds managed by third parties (the ETFs and other types of mutual funds are collectively referred to as "Underlying Funds").

The Portfolio Manager applies a tactical allocation valuation process in which asset allocation and the choice of Underlying Funds are subject to frequent changes (normally on a quarterly basis) depending on economic and market conditions. When the target asset allocation and the choice of Underlying Funds are modified, the Portfolio is generally rebalanced based on the new targets.

The Portfolio Manager may, in its sole discretion, select the Underlying Funds, allocate assets to the Underlying Funds, change the percentage holding of any Underlying Fund, remove any Underlying Fund or add other Underlying Funds.

When selecting an Underlying Fund in which to invest, the Portfolio Manager will consider the degree of exposure to the asset class that the Underlying Fund will provide to the Portfolio, the performance of the Underlying Fund, and the expenses (if any) payable by the Portfolio which may be associated with the investment. There will be no duplication of fees, particularly sales charges, between the Portfolio and any Underlying Fund.

The Portfolio may from time to time make direct investments in Canadian and foreign equity and fixed-income securities. The Portfolio may also invest in Underlying Funds that hold shares of small-cap corporations and/or in Underlying Funds that hold emerging market fixed-income and equity securities.

The Portfolio may hold a portion of its assets in cash, money market securities or money market funds while seeking investment opportunities, for cash management purposes, for defensive purposes depending on market conditions or for purposes of an amalgamation or other transaction. As a result, the Portfolio may temporarily not be fully invested in accordance with its investment objective. For defensive purposes and in accordance with an exemption obtained from the Canadian Securities Administrators, the Portfolio may invest in ETFs that hold gold, permitted gold certificates or specified derivatives of which the underlying interest is gold or permitted gold certificates ("Gold ETFs"), even though such ETFs are not index participation units under securities laws. Such Gold ETFs seek to replicate the performance of the price of gold.

The Portfolio may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest or exchange rates. The Portfolio may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies provided that the use of the derivative is consistent with the Portfolio's investment objective.

The Portfolio may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the Portfolio's other investment strategies in the most appropriate manner to allow the Portfolio to meet its investment objective and improve its performance. See "*Repurchase and reverse* *repurchase agreements risk*" and "*Securities lending risk*" for a description of these transactions and the strategies to be used by the Portfolio to reduce the risks related to these transactions. At the current time, the Portfolio does not intend to engage in repurchase and reverse repurchase transactions.

What Are the Risks of Investing in the Portfolio?

The Portfolio indirectly has the same risks as the Underlying Funds it holds. The Portfolio takes on the risks of an Underlying Fund in proportion to its investment in that fund. The direct and indirect risks of the Portfolio are:

- Asset-backed and mortgage-backed security risk
- Capital erosion risk
- Commodity risk
- Concentration risk
- Counterparty risk
- Credit risk
- Currency risk
- Derivative risk
- Emerging market investment risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Income trust risk
- Interest rate risk
- Large investment risk
- Legal, tax and regulatory risks
- Liquidity risk
- Repurchase and reverse repurchase agreements risk
- Securities lending risk
- Series risk
- Smaller companies risk
- Specialization risk
- Substantial securityholder risk
- Underlying fund risk
- U.S. tax risk

These risks are described in more detail beginning on page 2 of this Simplified Prospectus.

The Portfolio's level of risk is low to medium. Because the historical performance of the Portfolio is less than 10 years, to calculate the level of risk, the Manager used a reference index similar to the Portfolio's strategy, in addition to the actual return history of the Portfolio. This reference index is comprised of 60% Bloomberg Barclays Global Aggregate currency hedged bond index, 27.5% MCSI World Index and 12.5% S&P/TSX Composite Index.

The Bloomberg Barclays Global Aggregate currency hedged bond index reflects the performance of an overall measure of high-quality, fixed-rate debt markets. The MSCI World Index is a global equity index that represents large and mid-cap equity performance across 23 developed market countries. The S&P/TSX Composite Index is the headline index and the principal measure for Canadian Equity markets. For more information, see "*Investment risk classification methodology*" in the section "*Specific Information About Each of the Mutual Funds Described in This Document*".

During the last 12 months, the Portfolio invested as much as 10.86% of its net assets in securities of the Schwab U.S. Broad Market ETF™, as much as 13.94% of its net assets in securities of the BMO S&P/TSX Capped Composite Index ETF, as much as 35.30% of its net assets in securities of the TD Canadian Aggregate Bond Index ETF, as much as 11.47% of its net assets in securities of the Vanguard FTSE Developed Markets ETF and as much as 14.00% of its net assets in securities of the Vanguard Canadian Short-Term Corporate Bond Index ETF. See "*Concentration risk*" on page 3 for a description of this risk.

Who Should Invest in This Portfolio?

The Portfolio is suitable if you:

- are willing to tolerate a low to medium level of risk;
- are looking to invest for the medium or long term (at least three years);
- are looking for an investment solution that allows you to make tactical investments in a wide range of securities in order to create a fully diversified portfolio;
- want to receive a distribution regularly (F5 Series and T5 Series only).

Distribution Policy

For Advisor Series and F Series units, the Portfolio distributes its net income at the end of each quarter. It distributes the net income for the last quarter and the net realized capital gains for the year between December 14 and December 31 of each year. These distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash.

For F5 Series and T5 Series units, the Portfolio makes distributions at the end of each month. These monthly distributions are composed of a return of capital and/or net income. The amount of the monthly distribution per unit is reset at the beginning of each calendar year. The amount of the monthly distribution per unit is set by multiplying the net asset value per unit at the end of the previous calendar year (or if no units were offered at the end of the previous calendar year, the date when units were first offered in the current year) by 5% and dividing the result by 12. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio. These monthly distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash. The total amount of distributions for a year may exceed the income and capital gains earned by the Portfolio in that year. This excess amount will be treated as a return of capital to the unitholders and will not be taxable to you in the year of receipt, but will reduce the adjusted cost base of the units and may, in certain circumstances, result in a capital gain. See "*Income Tax Considerations for Investors*" for more information. Any net income not distributed previously in the year and any capital gains will be distributed by the Portfolio in a special distribution at the end of the year. This special year-end distribution must be reinvested in additional Portfolio units of the same series.

Portfolio Expenses Indirectly Borne by Investors

A mutual fund generally pays some expenses out of its assets. The table below shows the costs you pay indirectly for each $1,000 that you have invested in the Portfolio. To make it easy for you to compare these costs to the costs of other Portfolios, this table assumes:

- the total annual return of the Portfolio is 5% a year;
- the management expense ratio of the Portfolio was the same throughout the ten-year period as it was in the last financial year of the Portfolio.

Based on these assumptions, the cumulative costs of investing in this Portfolio would be:

	One year	Three years	Five years	Ten years
Advisor Series	$16.56	$52.21	$91.52	$208.31
F Series	$7.72	$24.34	$42.67	$97.12
F5 Series	$7.73	$24.36	$42.70	$97.21
T5 Series	$16.57	$52.22	$91.53	$208.35

To compare the costs you pay indirectly for this Portfolio to those of other Portfolios, please see the other Portfolio descriptions. *Please note these figures are for comparative purposes only, based on the above-mentioned assumptions. Actual expenses will vary from what we have indicated here.*

See "*Fees and charges payable directly by you*" for the fees and charges that you pay directly.

Meritage Tactical ETF Balanced Portfolio

Portfolio Details

Type of Portfolio:	Global Neutral Balanced
Date the Portfolio Was Started:	February 22, 2016
Securities Offered:*	Trust units – Advisor Series, F Series, F5 Series and T5 Series
Date Operations Commenced:	Advisor Series – March 1, 2016 F Series – March 1, 2016 F5 Series – March 1, 2016 T5 Series – March 1, 2016
Eligibility for Registered Plans:	The Portfolio units are eligible investments for registered plans.
Maximum Annual Management Fees:	Advisor Series and T5 Series: 1.60% F Series and F5 Series: 0.60%

** The Portfolio also offers a series by way of private placement.*

What Does the Portfolio Invest in?

Investment Objective

The Portfolio's investment objective is to achieve a combination of income and long-term capital appreciation by making tactical investments primarily in a diverse mix of exchange-traded funds ("ETFs") that are fixed-income funds and equity funds.

Unitholders must approve any change to this objective at a meeting specifically held for that purpose.

Investment Strategies

The target weighting for each asset class in which the Portfolio invests under normal market conditions is the following:

- 25%-65% of the net assets in Canadian and global fixed-income securities;
- 35%-75% of the net assets in Canadian and global equity securities.

The Portfolio achieves exposure to the above asset classes by investing up to 100% of its assets in ETFs. The Portfolio may also invest in other types of mutual funds managed by third parties (the ETFs and other types of mutual funds are collectively referred to as "Underlying Funds").

The Portfolio Manager applies a tactical allocation valuation process in which asset allocation and the choice of Underlying Funds are subject to frequent changes (normally on a quarterly basis) depending on economic and market conditions. When the target asset allocation and the choice of Underlying Funds are modified, the Portfolio is generally rebalanced based on the new targets.

The Portfolio Manager may, in its sole discretion, select the Underlying Funds, allocate assets to the Underlying Funds, change the percentage holding of any Underlying Fund, remove any Underlying Fund or add other Underlying Funds.

When selecting an Underlying Fund in which to invest, the Portfolio Manager will consider the degree of exposure to the asset class that the Underlying Fund will provide to the Portfolio, the performance of the Underlying Fund, and the expenses (if any) payable by the Portfolio which may be associated with the investment. There will be no duplication of fees, particularly sales charges, between the Portfolio and any Underlying Fund.

The Portfolio may from time to time make direct investments in Canadian and foreign equity and fixed-income securities. The Portfolio may also invest in Underlying Funds that hold shares of small-cap corporations and/or in Underlying Funds that hold emerging market fixed-income and equity securities.

The Portfolio may hold a portion of its assets in cash, money market securities or money market funds while seeking investment opportunities, for cash management purposes, for defensive purposes depending on market conditions or for purposes of an amalgamation or other transaction. As a result, the Portfolio may temporarily not be fully invested in accordance with its investment objective. For defensive purposes and in accordance with an exemption obtained from the Canadian Securities Administrators, the Portfolio may invest in ETFs that hold gold, permitted gold certificates or specified derivatives of which the underlying interest is gold or permitted gold certificates ("Gold ETFs"), even though such ETFs are not index participation units under securities laws. Such Gold ETFs seek to replicate the performance of the price of gold.

The Portfolio may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest or exchange rates. The Portfolio may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies provided that the use of the derivative is consistent with the Portfolio's investment objective.

The Portfolio may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the Portfolio's other investment strategies in the most appropriate manner to allow the Portfolio to meet its investment objective and improve its performance. See "*Repurchase and reverse* *repurchase agreements risk*" and "*Securities lending risk*" for a description of these transactions and the strategies to be used by the Portfolio to reduce the risks related to these transactions. At the current time, the Portfolio does not intend to engage in repurchase and reverse repurchase transactions.

What Are the Risks of Investing in the Portfolio?

The Portfolio indirectly has the same risks as the Underlying Funds it holds. The Portfolio takes on the risks of an Underlying Fund in proportion to its investment in that fund. The direct and indirect risks of the Portfolio are:

- Asset-backed and mortgage-backed security risk
- Capital erosion risk
- Commodity risk
- Concentration risk
- Counterparty risk
- Credit risk
- Currency risk
- Derivative risk
- Emerging market investment risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Income trust risk
- Interest rate risk
- Large investment risk
- Legal, tax and regulatory risk
- Liquidity risk
- Repurchase and reverse repurchase agreements risk
- Securities lending risk
- Series risk
- Smaller companies risk
- Specialization risk
- Substantial securityholder risk
- Underlying fund risk
- U.S. tax risk

These risks are described in more detail beginning on page 2 of this Simplified Prospectus.

The Portfolio's level of risk is low to medium. Because the historical performance of the Portfolio is less than 10 years, to calculate the level of risk, the Manager used a reference index similar to the Portfolio's strategy, in addition to the actual return history of the Portfolio. This reference index is comprised of 45% Bloomberg Barclays Global Aggregate currency hedged bond index, 40% MCSI World Index and 15% S&P/TSX Composite Index.

The Bloomberg Barclays Global Aggregate currency hedged bond index reflects the performance of an overall measure of high-quality, fixed-rate debt markets. The MSCI World Index is a global equity index that represents large and mid-cap equity performance across 23 developed market countries. The S&P/TSX Composite Index is the headline index and the principal measure for Canadian Equity markets. For more information, see "*Investment risk classification methodology*" in the section "*Specific Information About Each of the Mutual Funds Described in This Document*".

As at July 31, 2017, National Bank Financial Inc. held 11.90% of the units of the Meritage Tactical ETF Balanced Portfolio. The Portfolio may be forced to sell its investments at unfavourable prices to meet the redemption requests of these securityholders. See "*Substantial securityholder risk*" on page 9 for a description of this risk.

During the last 12 months, the Portfolio invested as much as 12.83% of its net assets in securities of the Schwab U.S. Broad Market ETF™, as much as 16.53% of its net assets in securities of the BMO S&P/TSX Capped Composite Index ETF, as much as 13.98% of its net assets in securities of the Vanguard FTSE Developed Markets ETF, as much as 11.42% of its net assets in securities of the Vanguard Canadian Short-Term Corporate Bond Index ETF and as much as 27.58% of its net assets in securities of the TD Canadian Aggregate Bond Index ETF. See "*Concentration risk*" on page 3 for a description of this risk.

Who Should Invest in This Portfolio?

The Portfolio is suitable if you:

- are willing to tolerate a low to medium level of risk;
- are looking to invest for the medium or long term (at least three years);
- are looking for an investment solution that allows you to make tactical investments in a wide range of securities in order to create a fully diversified portfolio;

- want to receive a distribution regularly (F5 Series and T5 Series only).

Distribution Policy

For Advisor Series and F Series units, the Portfolio distributes its net income at the end of each quarter. It distributes the net income for the last quarter and the net realized capital gains for the year between December 14 and December 31 of each year. These distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash.

For F5 Series and T5 Series units, the Portfolio makes distributions at the end of each month. These monthly distributions are composed of a return of capital and/or net income. The amount of the monthly distribution per unit is reset at the beginning of each calendar year. The amount of the monthly distribution per unit is set by multiplying the net asset value per unit at the end of the previous calendar year (or if no units were offered at the end of the previous calendar year, the date when units were first offered in the current year) by 5% and dividing the result by 12. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio. These monthly distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash. The total amount of distributions for a year may exceed the income and capital gains earned by the Portfolio in that year. This excess amount will be treated as a return of capital to the unitholders and will not be taxable to you in the year of receipt, but will reduce the adjusted cost base of the units and may, in certain circumstances, result in a capital gain. See "*Income Tax Considerations for Investors*" for more information. Any net income not distributed previously in the year and any capital gains will be distributed by the Portfolio in a special distribution at the end of the year. This special year-end distribution must be reinvested in additional Portfolio units of the same series.

Portfolio Expenses Indirectly Borne by Investors

A mutual fund generally pays some expenses out of its assets. The table below shows the costs you pay indirectly for each $1,000 that you have invested in the Portfolio. To make it easy for you to compare these costs to the costs of other Portfolios, this table assumes:

- the total annual return of the Portfolio is 5% a year;
- the management expense ratio of the Portfolio was the same throughout the ten-year period as it was in the last financial year of the Portfolio.

Based on these assumptions, the cumulative costs of investing in this Portfolio would be:

	One year	Three years	Five years	Ten years
Advisor Series	$19.54	$61.61	$107.99	$245.82
F Series	$7.76	$24.45	$42.86	$97.56
F5 Series	$7.75	$24.44	$42.84	$97.52
T5 Series	$19.55	$61.62	$108.00	$245.84

To compare the costs you pay indirectly for this Portfolio to those of other Portfolios, please see the other Portfolio descriptions. *Please note these figures are for comparative purposes only, based on the above-mentioned assumptions. Actual expenses will vary from what we have indicated here.*

See "*Fees and charges payable directly by you*" for the fees and charges that you pay directly.

Meritage Tactical ETF Growth Portfolio

Portfolio Details

Type of Portfolio:	Global Equity Balanced
Date the Portfolio Was Started:	February 22, 2016
Securities Offered:*	Trust units – Advisor Series, F Series, F5 Series and T5 Series
Date Operations Commenced:	Advisor Series – March 1, 2016 F Series – March 1, 2016 F5 Series – March 1, 2016 T5 Series – March 1, 2016
Eligibility for Registered Plans:	The Portfolio units are eligible investments for registered plans.
Maximum Annual Management Fees:	Advisor Series and T5 Series: 1.60% F Series and F5 Series: 0.60%

** The Portfolio also offers a series by way of private placement.*

What Does the Portfolio Invest in?

Investment Objective

The Portfolio's investment objective is to achieve a combination of income and long-term capital appreciation by making tactical investments primarily in a diverse mix of exchange-traded funds ("ETFs") that are fixed-income funds and equity funds. The weighting assigned to equity securities will generally be greater than the weighting assigned to fixed-income securities.

Unitholders must approve any change to this objective at a meeting specifically held for that purpose.

Investment Strategies

The target weighting for each asset class in which the Portfolio invests under normal market conditions is the following:

- 10%-50% of the net assets in Canadian and global fixed-income securities;
- 50%-90% of the net assets in Canadian and global equity securities.

The Portfolio achieves exposure to the above asset classes by investing up to 100% of its net assets in ETFs. The Portfolio may also invest in other types of mutual funds managed by third parties (the ETFs and other types of mutual funds are collectively referred to as "Underlying Funds").

The Portfolio Manager applies a tactical allocation valuation process in which asset allocation and the choice of Underlying Funds are subject to frequent changes (normally on a quarterly basis) depending on economic and market conditions. When the target asset allocation and the choice of Underlying Funds are modified, the Portfolio is generally rebalanced based on the new targets.

The Portfolio Manager may, in its sole discretion, select the Underlying Funds, allocate assets to the Underlying Funds, change the percentage holding of any Underlying Fund, remove any Underlying Fund or add other Underlying Funds.

When selecting an Underlying Fund in which to invest, the Portfolio Manager will consider the degree of exposure to the asset class that the Underlying Fund will provide to the Portfolio, the performance of the Underlying Fund, and the expenses (if any) payable by the Portfolio which may be associated with the investment. There will be no duplication of fees, particularly sales charges, between the Portfolio and any Underlying Fund.

The Portfolio may from time to time make direct investments in Canadian and foreign equity and fixed-income securities. The Portfolio may also invest in Underlying Funds that hold shares of small-cap corporations and/or in Underlying Funds that hold emerging market fixed-income and equity securities.

The Portfolio may hold a portion of its assets in cash, money market securities or money market funds while seeking investment opportunities, for cash management purposes, for defensive purposes depending on market conditions or for purposes of an amalgamation or other transaction. As a result, the Portfolio may temporarily not be fully invested in accordance with its investment objective. For defensive purposes and in accordance with an exemption obtained from the Canadian Securities Administrators, the Portfolio may invest in ETFs that hold gold, permitted gold certificates or specified derivatives of which the underlying interest is gold or permitted gold certificates ("Gold ETFs"), even though such ETFs are not index participation units under securities laws. Such Gold ETFs seek to replicate the performance of the price of gold.

The Portfolio may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest or exchange rates. The Portfolio may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies provided that the use of the derivative is consistent with the Portfolio's investment objective.

The Portfolio may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the Portfolio's other investment strategies in the most appropriate manner to allow the Portfolio to meet its investment objective and improve its performance. See "*Repurchase and reverse repurchase agreements risk*" and "*Securities lending risk*" for a description of these transactions and the strategies to be used by the Portfolio to reduce the risks related to these transactions. At the current time, the Portfolio does not intend to engage in repurchase and reverse repurchase transactions.

What Are the Risks of Investing in the Portfolio?

The Portfolio indirectly has the same risks as the Underlying Funds it holds. The Portfolio takes on the risks of an Underlying Fund in proportion to its investment in that fund. The direct and indirect risks of the Portfolio are:

- Asset-backed and mortgage-backed security risk
- Capital erosion risk
- Commodity risk
- Concentration risk
- Counterparty risk
- Credit risk
- Currency risk
- Derivative risk
- Emerging market investment risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Income trust risk
- Interest rate risk
- Large investment risk
- Legal, tax and regulatory risk
- Liquidity risk
- Repurchase and reverse repurchase agreements risk
- Securities lending risk
- Series risk
- Smaller companies risk
- Specialization risk
- Substantial securityholder risk
- Underlying fund risk
- U.S. tax risk

These risks are described in more detail beginning on page 2 of this Simplified Prospectus.

The Portfolio's level of risk is low to medium. Because the historical performance of the Portfolio is less than 10 years, to calculate the level of risk, the Manager used a reference index similar to the Portfolio's strategy, in addition to the actual return history of the Portfolio. This reference index is comprised of 30% Bloomberg Barclays Global Aggregate currency hedged bond index, 50% MCSI World Index and 20% S&P/TSX Composite Index.

The Bloomberg Barclays Global Aggregate currency hedged bond index reflects the performance of an overall measure of high-quality, fixed-rate debt markets. The MSCI World Index is a global equity index that represents large and mid-cap equity performance across 23 developed market countries. The S&P/TSX Composite Index is the headline index and the principal measure for Canadian Equity markets. For more information, see "*Investment risk classification methodology*" in the section "*Specific Information About Each of the Mutual Funds Described in This Document*".

As at July 31, 2017, National Bank Financial Inc. held 16.22% of the securities of the Meritage Tactical ETF Growth Portfolio. The Portfolio may be forced to sell its investments at unfavourable prices to meet redemption requests of these securityholders. See "*Substantial securityholder risk*" on page 9 for a description of this risk.

During the last 12 months, the Portfolio invested as much as 17.40% of its net assets in the Schwab U.S. Broad Market ETF™, as much as 21.45% of its net assets in securities of the BMO S&P/TSX Capped Composite Index ETF, as much as 16.53% of its net assets in securities of the Vanguard FTSE Developed Markets ETF and as much as 15.39% of its net assets in securities of the TD Canadian Aggregate Bond Index ETF. See "*Concentration risk*" on page 3 for a description of this risk.

Who Should Invest in This Portfolio?

The Portfolio is suitable if you:

- are willing to tolerate a low to medium level of risk;
- are looking to invest for the medium or long term (at least three years);
- are looking for an investment solution that allows you to make tactical investments in a wide range of securities in order to create a fully diversified portfolio;
- want to receive a distribution regularly (F5 Series and T5 Series only).

Distribution Policy

For Advisor Series and F Series units, the Portfolio distributes its net income at the end of each quarter. It distributes the net income for the last quarter and the net realized capital gains for the year between December 14 and December 31 of each year. These distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash.

For F5 Series and T5 Series units, the Portfolio makes distributions at the end of each month. These monthly distributions are composed of a return of capital and/or net income. The amount of the monthly distribution per unit is reset at the beginning of each calendar year. The amount of the monthly distribution per unit is set by multiplying the net asset value per unit at the end of the previous calendar year (or if no units were offered at the end of the previous calendar year, the date when units were first offered in the current year) by 5% and dividing the result by 12. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio. These monthly distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash. The total amount of distributions for a year may exceed the income and capital gains earned by the Portfolio in that year. This excess amount will be treated as a return of capital to the unitholders and will not be taxable in the year of receipt, but will reduce the adjusted cost base of the units and may, in certain circumstances, result in a capital gain. See "*Income Tax Considerations for Investors*" for more information. Any net income not distributed previously in the year and any capital gains will be distributed by the Portfolio in a special distribution at the end of the year. This special year-end distribution must be reinvested in additional Portfolio units of the same series.

Portfolio Expenses Indirectly Borne by Investors

A mutual fund generally pays some expenses out of its assets. The table below shows the costs you pay indirectly for each $1,000 that you have invested in the Portfolio. To make it easy for you to compare these costs to the costs of other Portfolios, this table assumes:

- the total annual return of the Portfolio is 5% a year;
- the management expense ratio of the Portfolio was the same throughout the ten-year period as it was in the last financial year of the Portfolio.

Based on these assumptions, the cumulative costs of investing in this Portfolio would be:

	One year	Three years	Five years	Ten years
Advisor Series	$19.56	$61.66	$108.07	$246.00
F Series	$7.77	$24.50	$42.95	$97.76
F5 Series	$7.75	$24.44	$42.85	$97.53
T5 Series	$19.49	$61.43	$107.67	$245.10

To compare the costs you pay indirectly for this Portfolio to those of other Portfolios, please see the other Portfolio descriptions. *Please note these figures are for comparative purposes only, based on the above-mentioned assumptions. Actual expenses will vary from what we have indicated here.*

See "*Fees and charges payable directly by you*" for the fees and charges that you pay directly.

Meritage Tactical ETF Equity Portfolio

Portfolio Details

Type of Portfolio:	Global Equity
Date the Portfolio Was Started:	August 18, 2016
Securities Offered:*	Trust units – Advisor Series, F Series, F5 Series and T5 Series
Date Operations Commenced:	Advisor Series – August 26, 2016 F Series – August 26, 2016 F5 Series – August 26, 2016 T5 Series – August 26, 2016
Eligibility for Registered Plans:	The Portfolio units are eligible investments for registered plans.
Maximum Annual Management Fees:	Advisor Series and T5 Series: 1.60% F Series and F5 Series: 0.60%

** The Portfolio also offers a series by way of private placement.*

What Does the Portfolio Invest in?

Investment Objective

The Portfolio's investment objective is to achieve long-term capital appreciation by making tactical investments primarily in a diverse mix of exchange-traded funds ("ETFs") that provide exposure to global equity securities (including Canadian equity securities).

Unitholders must approve any change to this objective at a meeting specifically held for that purpose.

Investment Strategies

Under normal market conditions, the Portfolio invests up to:

- 100% of its net assets in global equity securities (including Canadian equity securities).

The Portfolio invests up to 100% of its net assets in ETFs. The Portfolio may also invest in other types of mutual funds managed by third parties (the ETFs and other types of mutual funds are collectively referred to as "Underlying Funds").

The Portfolio Manager applies a tactical allocation valuation process in which the choice of Underlying Funds is subject to frequent changes (normally on a quarterly basis) depending on economic and market conditions. When the choice of Underlying Funds is modified, the Portfolio is generally rebalanced based on the new selection.

The Portfolio Manager may, in its sole discretion, select the Underlying Funds, allocate assets to the Underlying Funds, change the percentage holding of any Underlying Fund, remove any Underlying Fund or add other Underlying Funds.

When selecting an Underlying Fund in which to invest, the Portfolio Manager will consider the degree of exposure to various geographic regions that the Underlying Fund will provide to the Portfolio, the performance of the Underlying Fund, and the expenses (if any) payable by the Portfolio which may be associated with the investment. There will be no duplication of fees, particularly sales charges, between the Portfolio and any Underlying Fund.

The Portfolio may from time to time make direct investments in Canadian and foreign equity securities. The Portfolio may also invest in Underlying Funds that hold shares of small-cap corporations and/or in Underlying Funds that hold emerging market fixed-income and equity securities.

The Portfolio may hold a portion of its assets in cash, money market securities or money market funds while seeking investment opportunities, for cash management purposes, for defensive purposes depending on market conditions or for purposes of an amalgamation or other transaction. As a result, the Portfolio may temporarily not be fully invested in accordance with its investment objective. For defensive purposes and in accordance with an exemption obtained from the Canadian Securities Administrators, the Portfolio may invest in ETFs that hold gold, permitted gold certificates or specified derivatives of which the underlying interest is gold or permitted gold certificates ("Gold ETFs"), even though such ETFs are not index participation units under securities laws. Such Gold ETFs seek to replicate the performance of the price of gold.

The Portfolio may use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest or exchange rates. The Portfolio may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies provided that the use of the derivative is consistent with the Portfolio's investment objective.

The Portfolio may engage in repurchase and reverse repurchase agreements and carry out securities lending transactions. These transactions will be used in combination with the Portfolio's other investment strategies in the most appropriate manner to allow the Portfolio to meet its investment objective and improve its performance. See "*Repurchase and reverse repurchase agreements risk*" and "*Securities lending risk*" for a description of these transactions and the strategies to be used by the Portfolio to reduce the risks related to these transactions. At the current time, the

Portfolio does not intend to engage in repurchase and reverse repurchase transactions.

What Are the Risks of Investing in the Portfolio?

The Portfolio indirectly has the same risks as the Underlying Funds it holds. The Portfolio takes on the risks of an Underlying Fund in proportion to its investment in that fund. The direct and indirect risks of the Portfolio are:

- Capital erosion risk
- Commodity risk
- Concentration risk
- Counterparty risk
- Credit risk
- Currency risk
- Derivative risk
- Emerging market investment risk
- Equity risk
- Exchange-traded fund risk
- Foreign investment risk
- Income trust risk
- Large investment risk
- Legal, tax and regulatory risk
- Liquidity risk
- Repurchase and reverse repurchase agreements risk
- Securities lending risk
- Series risk
- Smaller companies risk
- Specialization risk
- Substantial securityholder risk
- Underlying fund risk
- U.S. tax risk

These risks are described in more detail beginning on page 2 of this Simplified Prospectus.

The Portfolio's level of risk is medium. Because the historical performance of the Portfolio is less than 10 years, to calculate the level of risk, the Manager used a reference index similar to the Portfolio's strategy, in addition to the actual return history of the Portfolio. This reference index is comprised of 70% MSCI World Index and 30% S&P/TSX Capped Composite Index.

The MSCI World Index is a global equity index that represents large and mid-cap equity performance across 23 developed market countries. The S&P/TSX Capped Composite Index includes all constituents of the S&P/TSX Composite Index with relative weighting of each constituent capped at 10%. For more information, see "*Investment risk classification methodology*" in the section "*Specific Information About Each of the Mutual Funds Described in This Document*".

During the last 12 months, the Portfolio invested as much as 37.54% of its net assets in securities of the BMO S&P/TSX Capped Composite Index ETF, as much as 11.91% of its net assets in securities of the iShares Global Infrastructure ETF, as much as 24.39% of its net assets in securities of the Vanguard FTSE Developed Markets ETF and as much as 26.55% of its net assets in securities of the Schwab U.S. Broad Market ETF™. See "*Concentration risk*" on page 3 for a description of this risk.

Who Should Invest in This Portfolio?

The Portfolio is suitable if you:

- are willing to tolerate a medium level of risk;
- are looking to invest for the long term (at least five years);
- are looking for an investment solution that allows you to make tactical investments in a wide range of securities in order to create a fully diversified portfolio;
- want to receive a distribution regularly (F5 Series and T5 Series only).

Distribution Policy

For Advisor Series and F Series units, the Portfolio distributes the net income and the net realized capital gains for the year between December 14 and December 31 of each year. These distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash.

For F5 Series and T5 Series units, the Portfolio makes distributions at the end of each month. These monthly distributions are composed of a return of capital and/or net income. The amount of the monthly distribution per unit is reset at the beginning of each calendar year. The amount of the monthly distribution per unit is set by multiplying the net asset value per unit at the end of the previous calendar year (or if no units were offered at the end of the previous calendar year, the date when units were first offered in the current year) by 5% and dividing the result by 12. We may adjust the monthly distribution during the year, without prior notification, if market conditions significantly affect the ability to maintain the payout rate for the Portfolio. These monthly distributions will be reinvested in additional Portfolio units of the same series, unless you ask to be paid in cash by direct deposit to your bank account. A minimum distribution amount of $25 may be required for a distribution to be paid to you in cash. The total amount of distributions for a year may exceed the income and capital gains earned by the Portfolio in that year. This excess amount will be treated as a return of capital to the unitholders and will not be taxable in the year of receipt, but will reduce the adjusted cost base of the units and may, in certain circumstances, result in a capital gain. See "*Income Tax Considerations for Investors*" for more information. Any net income not distributed previously in the year and any capital gains will be distributed by the Portfolio in a special distribution at the end of the year. This special year-end distribution must be reinvested in additional Portfolio units of the same series.

Portfolio Expenses Indirectly Borne by Investors

A mutual fund generally pays some expenses out of its assets. The table below shows the costs you pay indirectly for each $1,000 that you have invested in the Portfolio. To make it easy for you to compare these costs to the costs of other Portfolios, this table assumes:

- the total annual return of the Portfolio is 5% a year;
- the management expense ratio of the Portfolio was the same throughout the ten-year period as it was in the last financial year of the Portfolio.

Based on these assumptions, the cumulative costs of investing in this Portfolio would be:

	One year	**Three years**	**Five years**	**Ten years**
Advisor Series	$19.66	$61.98	$108.63	$247.28
F Series	$7.88	$24.84	$43.54	$99.10
F5 Series	$6.81	$21.47	$37.63	$85.66
T5 Series	$18.67	$58.86	$103.17	$234.83

To compare the costs you pay indirectly for this Portfolio to those of other Portfolios, please see the other Portfolio descriptions. *Please note these figures are for comparative purposes only, based on the above-mentioned assumptions. Actual expenses will vary from what we have indicated here.*

See "*Fees and charges payable directly by you*" for the fees and charges that you pay directly.

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PORTFOLIOS®

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Additional information about the Meritage Portfolios is available in the Meritage Portfolio's Annual Information Form, the Fund Facts, management reports of fund performance and financial statements. These documents are incorporated by reference into this Simplified Prospectus, which means that they legally form part of this document just as if they were printed as a part of this document.

You can obtain a copy of these documents at your request, and at no cost, by calling toll-free 1-866-603-3601, or from your dealer. These documents are also available at www.nbcadvisor.com or you may request a copy by emailing us at investments@nbc.ca. These documents (as well as proxy circulars and material contracts) and other information are also available on the SEDAR website at www.sedar.com.

Meritage Canadian Equity Portfolio
Meritage Canadian Equity Class Portfolio
Meritage Global Equity Portfolio
Meritage Global Equity Class Portfolio
Meritage American Equity Portfolio
Meritage International Equity Portfolio
Meritage Conservative Portfolio
Meritage Moderate Portfolio
Meritage Balanced Portfolio
Meritage Growth Portfolio
Meritage Growth Class Portfolio
Meritage Dynamic Growth Portfolio (formerly Meritage Aggressive Growth Portfolio)
Meritage Dynamic Growth Class Portfolio (formerly Meritage Aggressive Growth Class Portfolio)
Meritage Diversified Fixed Income Portfolio
Meritage Conservative Income Portfolio
Meritage Moderate Income Portfolio
Meritage Balanced Income Portfolio
Meritage Growth Income Portfolio
Meritage Dynamic Growth Income Portfolio (formerly Meritage Aggressive Growth Income Portfolio)
Meritage Global Conservative Portfolio
Meritage Global Moderate Portfolio
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