



N NICOLA WEALTH MANAGEMENT

The Pool

NWM High Yield Bonds primary objective is to provide unit-holders with a high level of interest income with a secondary emphasis on capital preservation and appreciation by investing in non-investment-grade fixed income securities. A U.S. dollar series of this fund is also available.

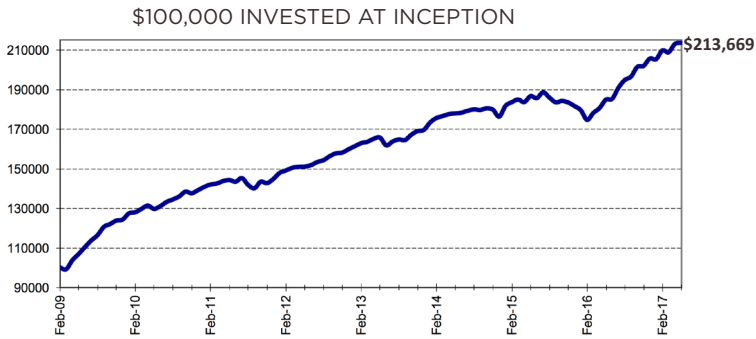
The Strategy

The fund primarily invests in higher yielding bonds, debentures, and convertible debentures issued by Canadian, U.S. and foreign governments and corporations denominated in Canadian dollars and/or foreign currencies. The underlying investments may use a long/short strategy and derivatives such as options, futures, forward contracts, swaps and other similar instruments for hedging and non-hedging purposes. Diversification of the fund is enhanced by utilizing funds and managers of different investment styles.

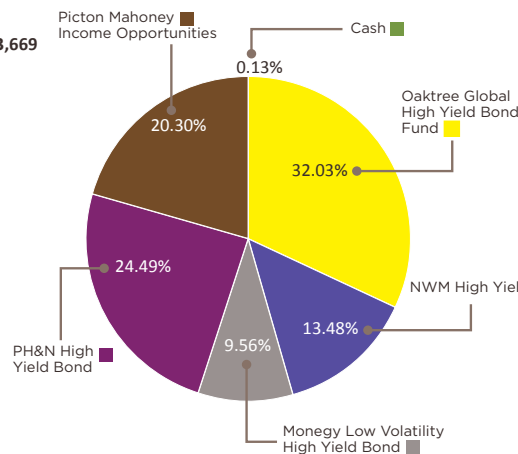
The Manager

Nicola Wealth Management Ltd. (NWM), the "Fund Manager," is a wealth management and planning firm established in 1994. With a philosophy built on cash flow and diversification, our growing series of funds is managed by members of NWM's Portfolio Management Team.

PERFORMANCE (cumulative return) Canadian \$ Series, Class O



Asset Mix as of March 31, 2017



Total Assets¹	(millions) \$311.2
12-Month Trailing Cash Flow Distribution²	5.5%
Returns for the period ENDING MAY 31, 2017	
1 month	0.3%
3 month	1.9%
6 month	5.8%
1 year	15.5%
2 year	7.0%
3 year	6.3%
4 year	6.5%
5 year	7.2%
6 year	6.7%
7 year	7.4%
8 year	9.0%
Since Inception*	9.6%

* February 13, 2009
¹ All classes & series
² Canadian \$ Series, Class O

PERFORMANCE (monthly returns) As of MAY 31, 2017 Canadian \$ Series, Class O

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	TOTAL
2017	-0.1%	2.1%	-0.4%	2.0%	0.3%								3.9%
2016	-1.2%	-2.7%	2.0%	1.4%	2.3%	0.3%	3.0%	2.0%	0.9%	2.5%	0.3%	1.8%	13.2%
2015	3.1%	1.0%	0.7%	-0.7%	1.6%	-0.5%	1.6%	-1.4%	-1.3%	0.4%	-0.5%	-1.0%	3.0%
2014	2.2%	1.3%	0.6%	0.6%	0.2%	0.2%	0.5%	0.4%	-0.2%	0.5%	-0.4%	-1.9%	3.9%
2013	1.0%	0.9%	0.5%	0.9%	0.4%	-2.4%	1.2%	0.7%	-0.2%	1.6%	1.1%	0.4%	6.1%
2012	2.1%	0.9%	0.9%	0.4%	0.1%	0.5%	1.0%	0.6%	1.3%	0.9%	0.2%	1.1%	10.4%
2011	1.2%	0.9%	0.3%	0.9%	0.4%	-0.6%	1.3%	-2.4%	-1.2%	2.4%	-0.5%	1.5%	4.1%
2010	2.5%	0.4%	1.3%	1.3%	-1.3%	1.1%	1.6%	0.9%	1.1%	1.8%	-0.6%	1.1%	11.9%
2009		0.3%	-0.9%	4.6%	3.0%	3.3%	3.0%	2.3%	3.6%	1.2%	1.4%	0.4%	24.5%

Top Holdings (excluding cash)

Picton Mahoney Income Opportunities Fund	Mar 31/17
Lloyds Bank PLC	5.13%
Credit Agricole SA	4.78%
Royal Bank of Scotland Group	4.46%
Crew Energy Inc.	4.22%
National Australia Bank	4.03%
ARD Finance SA	3.91%
Canexus Corp.	3.71%
AerCap Global Aviation Trust	3.28%
Legg Mason INC.	3.13%
Land O Lakes Cap Trust I	2.99%

Top Holdings (excluding cash)

Oaktree Global High Yield Bond Fund	Mar 31/17
Sprint Corp.	1.80%
First Data Corp.	1.70%
HCA Holdings Inc.	1.70%
Valeant Pharmaceuticals	1.50%
Telecom Italia	1.30%
Tenet Healthcare Corp.	1.20%
T-Mobile USA Inc.	1.20%
Ardagh Packaging	1.20%
Wind Acquisition Finance	1.10%
Chs/Community Health Systems Inc.	1.10%

Top Holdings (excluding cash)

PH&N High Yield Bond	Mar 31/17
NGPL PipeCo LLC	6.80%
Seven Generations Energy Ltd.	6.30%
Quebecor Media Inc.	5.40%
Baytex Energy Corp.	4.00%
Trilogy Energy Corp.	3.70%
Northern Blizzard Resources Inc.	3.20%
Teine Energy Ltd.	2.60%
Canadian Energy Services & Technology Corp.	2.40%
Baytex Energy Corp.	2.30%
Western Energy Services Corp.	2.30%

Top Holdings (excluding cash)

Moneyey Low Volatility U.S. High Yield	Dec 31/16
Sprint Corp.	1.27%
QEP Resources Inc.	1.00%
Cheniere Corp Christi	0.91%
Vector Group Ltd.	0.83%
Gulfport Energy Corp.	0.76%
Cenovus Energy Inc.	0.76%
Murphy Oil Corp	0.76%
Sabine Pass Liquefaction	0.75%
Freeport-McMoRan	0.74%
Northern Tier Energy LLC	0.71%

Top Holdings (excluding cash)

NWM High Yield	Mar 31/17
Navistar International Corp.	4.65%
Jc Penney Corp. Inc	3.53%
Nxp Bv/Nxp Funding LLC	3.37%
Tenet Healthcare Corp.	3.28%
Emc Corp.	3.25%
DH Corp	3.15%
Element Fleet Management	2.73%
Just Energy Group Inc.	2.46%
Ruby Tuesday Inc.	2.45%
Videotron Ltd.	2.36%

Disclosure

- Past performance is not indicative of future results.
- Returns are net of fund expenses.
- Please refer to the NWM Funds Offering Memorandum for additional details and important disclosure information.

NWM is registered as a Portfolio Manager, Exempt Market Dealer and Investment Fund Manager with the required provincial securities' commissions.