

What is the “GFD - Foyston Care & Maintenance Income Fund”?

The GFD - Foyston Care & Maintenance Income Fund (which we will call the “Fund” for simplicity) was designed specifically for you to invest the money you have set aside to care for your cemetery.

The Fund has three primary investment objectives:

- to ensure long-term capital preservation
- to minimize volatility
- to generate income to enable your cemetery to meet its long-term spending needs

All capital gains are reinvested inside the Fund. All income from interest and dividends generated by the Fund are transferred to the FGP Short Term Income Fund (STIF). Money in the STIF are yours to spend to care and maintain your cemetery as you see fit.

What is the STIF?

STIF is the FGP Short Term Investment Fund. It aims to generate income with low capital risk primarily through investments in a diversified mix of money market securities. The STIF is required to invest a minimum of 50% of its market value in Canadian federal government bonds and federally guaranteed securities.

You do not make deposits in the STIF. Instead, the assets in the STIF comes from the interest and dividends generated by the Fund. The money accumulated in the STIF is deposited in your bank account after each calendar quarter.

Who manages the Fund and the STIF?

Foyston, Gordon & Payne Inc. (Foyston) manages both the Fund and the STIF. Foyston is an investment management company with about 50 employees based in Toronto and Montreal. They manage approximately \$13 billion in assets and have been in business since 1980. They have hundreds of clients, including major Canadian companies and wealthy individuals. They manage the assets of another large Canadian cemetery organization, so they understand your need for stable capital and steady income.

Foyston’s focus is on capital preservation, regardless of which types of stocks and bonds they buy for their clients.

How does Foyston invest your money?

Foyston buys quality securities at a reasonable price. That is what they have been doing since 1980. They look for profitable companies that have been in business for decades and will continue to generate profits. Their research analysts are constantly looking to invest in companies that have high profit potential that are undervalued. The fund manager buys securities that are selling at a discount to their fair market value and over time sells them at or in excess of their value. Foyston also makes sure its investments generate attractive amounts of interest and dividends.

How much income will I receive?

Foyston is targeting to generate an income stream of approximately 3% per year. Example, if you invest \$1 million in the Fund, the target income will be \$30,000 in a year. You will receive the income minus fees.

What's in the Fund?

To achieve its objectives (capital preservation, minimization of volatility, and income generation), the Fund will buy a diversified mix of bonds, preferred shares, and common shares. The Fund invests primarily in three Foyston managed funds, each of which is focused on capital preservation and income generation:

The FGP Corporate Plus Bond Fund

Invests in high-quality bonds and bond-like securities. The interest paid on these securities will generate high income, and the high-quality nature of the bonds will help maintain the Fund's capital stability.

The FGP Preferred Share Fund

Invests in a diversified mix of income-generating and long-term capital appreciation stocks. These dividends will decrease the Fund's volatility and increase the Fund's income to help meet your spending objectives.

The FGP Canadian Equity Dividend Fund

Invests in a diversified mix of dividend-paying stocks with stable and growing dividends. These dividends will decrease the volatility associated with stocks and increase the Fund's income to help meet your objectives. The stocks should also provide some growth, which will help increase your capital.

Why is investing in the Fund good for my cemetery?

This Fund is created specifically to meet your needs in caring for and maintaining your cemetery.

What is the minimum investment?

There is no minimum investment.

What are the fees?

A flat fee of 0.90% per annum will be changed to the GFD - Foyston Care & Maintenance Income Fund and 0.10% per annum to the FGP Short Term Investment Fund. The fees include services rendered by Foyston for investment management and administration of the Fund, Comtech Fire Credit Union for Trust services, and Guaranteed Funeral Deposits of Canada for liaison and administration.

How can I see my account balance?

Foyston will mail you an account statement every month detailing your balance and transactions. You can also set up an online account to see your latest balance and transactions.

How do I get more information?

- You can click [here](#) to access Foyston's website.
- You can send an email to CandMinfo@foyston.com.
- You can speak with someone by phone by dialling toll-free 1-844-FOYSTON (that's 1-844-369-7866) and ask for extension 1990 during business hours.