

### STRATEGY PHILOSOPHY

Given that markets generally operate in silos, the Cross Asset Relative Value strategy (CARV) aims to build a diversified portfolio which benefits from market anomalies that are identified by assessing all the asset classes on a comparable basis. While drawing on high-tech tools for market analyses, our management team follows a rigorous fundamental analysis process and adheres to non-correlated long/short positioning.

### KEY POINTS

<b>Style</b>	Active management, long/short	
<b>Process</b>	- Bottom-up credit focused approach - Consolidated and tactical macro view	
<b>Performance Objective</b>	CDOR +8%	
<b>Source of Value</b>	Security selection	70%
	Active management	30%

### STRATEGY ADVANTAGES

- | Management team specialized in fixed income for the past 16 years and renowned as being a leader in the management of alternative bond products
- | Strategy which focuses on a superior risk/return profile, applicable in any type of environment
- | Access to a broader range of opportunities including high yield bonds, preferred shares and the US market
- | Optimal use of the *Big Data* tool, unique in Canada, dedicated to the selection of bond securities

### PORTFOLIO CONSTRUCTION

<b>1. Security Selection</b>	Quantitative Analysis	Screening of historical and structural anomalies by asset class, market and curve using tools dedicated to the security selection of more than 800 entities and 15,000 issuers in North America
	Fundamental Analysis	Validation of factors linked to anomalies and ongoing review of fundamentals (leverage, assets, strategies, profitability, prospectus)
<b>2. Active Management</b>	Multi-strategies	<ul style="list-style-type: none"> <li>  Long/short Arbitrage positioning on various corporate credits</li> <li>  Subordination Positioning on the capital structure of a same entity</li> <li>  Fixed income Foreign arbitrage or terms of a same credit curve</li> </ul>
	Global Overview of Portfolio	<ul style="list-style-type: none"> <li>  Macro positioning/allocation by asset class and sector</li> <li>  Risk/return optimization</li> <li>  Risk management, exposure to markets and concentration</li> </ul>