

# **AGF ELEMENTS®**

## **PORTFOLIO POLICY STATEMENT**

**PREPARED EXCLUSIVELY FOR:**

**BY:**

## Your Portfolio Policy Statement

This Portfolio Policy Statement is designed to detail your overall investment strategy. In choosing

- ☒ **AGF Elements® Global Portfolio®** (the “Portfolio”),
- ☐ **AGF Elements® Global Class** (the “Portfolio”),

you and I have selected the portfolio that best meets your current financial needs. As your personal financial situation changes over time, we will review your investments and revise these as needed.

## Your investment profile

Your investment profile has been created from a combination of your long-term investment objectives, your risk tolerance and your investment time horizon.

### Investment objectives –

As a **moderate** investor, your primary investment objective is to provide long-term growth through the capital appreciation of equities. You want to achieve this goal over a long-term time horizon.

## Your risk tolerance

Determining the appropriate level of risk in your portfolio is important because your expected rate of return is directly dependent upon the amount of risk you assume. As a general rule for all investments, the higher the risk, the higher the expected rate of return.

You have indicated to me that you are willing to accept a medium level of risk. This level of risk is typically associated with investments in equity portfolios diversified among a number of large-capitalization Canadian or international equity securities.

### Portfolio objectives –

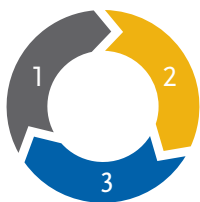
**AGF Elements Global Portfolio/Class** is constructed to provide superior long-term returns with a higher level of risk by investing primarily in a diverse mix of foreign and domestic equity mutual funds and exchange-traded funds (ETFs). The Portfolio’s focus on equities may produce above-average volatility, but it will also provide the greatest potential for long-term capital appreciation.

\*On April 9, 2014, unitholders/ shareholders approved a change in investment objective to provide superior long-term returns by investing primarily in equity mutual funds from around the globe.

**AGF Elements** is an actively managed investment solution that aims to minimize risk and produce consistent results for investors. We do this through:

## Expertise & oversight

Managed by AGF Investments, AGF Elements Portfolios draw on the expertise of the investment teams of the underlying AGF mutual funds and exchange-traded funds (ETFs), as well as the AGF Asset Allocation Committee.



- 1 The Committee formally reviews the Portfolios each quarter, provide their market outlook and tailored recommendations
- 2 AGF Elements Portfolio Manager reviews the recommendations of the Committee, provide oversight and continual monitoring of the Portfolios
- 3 Underlying mutual fund and ETF Portfolio Managers focus on maximizing their specific opportunities and manage in-line with their stated investment objective and strategy

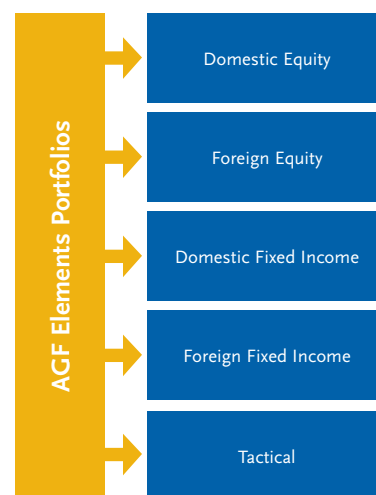
## Multi-layered diversification

Each portfolio is comprised of domestic and global mutual funds and ETFs drawn from AGF's fund lineup with multi-layered diversification across: asset class, geography, sector, securities and more.



## Active management

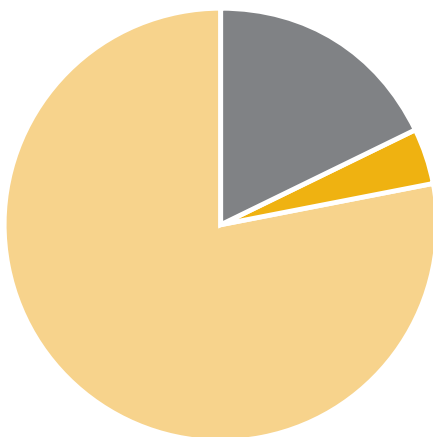
AGF Elements Portfolios are rebalanced regularly to capitalize on long-term, strategic opportunities and through the use of ETFs, the portfolios are able to facilitate a shorter-term, tactical approach to asset allocation.



## AGF ELEMENTS GLOBAL PORTFOLIO/CLASS HOLDINGS

### CURRENT ASSET MIX AS OF APRIL 24, 2017

(Actual percentages may vary)



#### Key benefits:

- a globally diverse mix of equity funds offers maximum long-term capital appreciation
- the Portfolio is diversified by asset class, region and management style, with exposure to **core** holdings and **specialty** funds
- the Portfolio is fine-tuned quarterly to ensure you are always positioned to capitalize on current market trends

#### 4% DOMESTIC EQUITIES

- 2% AGF Canadian Stock Fund
- 2% AGF Canadian Small Cap Fund

#### 78% FOREIGN EQUITIES

- 24% AGF Global Equity Fund<sup>1</sup>
- 15% AGF American Growth Fund
- 10% AGF Global Dividend Fund
- 8% AGF U.S. Risk Managed Fund
- 4% AGF European Equity Fund
- 3% AGF EAFE Equity Fund
- 3% AGF Emerging Markets Fund
- 3% AGF Global Resources Class/Fund
- 3% QuantShares Enhanced Core U.S. Equity ETF<sup>2</sup>
- 2% AGF Asian Growth Class
- 2% QuantShares Enhanced Core International ETF<sup>2</sup>
- 1% QuantShares Enhanced Core Emerging Markets ETF<sup>2</sup>

#### 18% TACTICAL

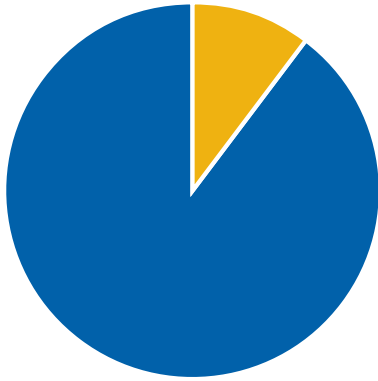
- 18% AGF Tactical Fund

<sup>1</sup> On April 18, 2008, the Fund changed its investment objective to provide long-term capital growth and invest primarily in shares of companies around the world. The Fund may invest up to 25% of its assets in companies in emerging markets.

<sup>2</sup> QuantShares are ETFs offered by AGF Investments Inc. and managed by Highstreet Asset Management. QuantShares ETFs are listed on the Toronto Stock Exchange and may only be bought and sold through licensed dealers.

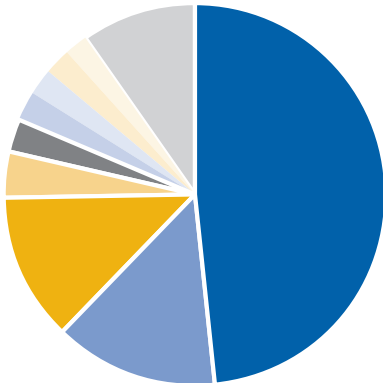
For more information on the underlying funds and the portfolio managers that manage them, please refer to [AGF.com](http://AGF.com).

## Equity and fixed income sector diversification



89.6% EQUITY	
6.5%	Consumer Discretionary
9.0%	Consumer Staples
6.9%	Energy
14.5%	Financials
6.9%	Health Care
9.7%	Industrials
12.9%	Information Technology
4.8%	Materials
1.9%	Real Estate
3.3%	Telecommunication Services
0.8%	Utilities
12.5%	Other - ETFs
0% FIXED INCOME	
10.4% CASH AND SHORT TERM SECURITIES	

## Geographic diversification



100.0%	
48.5%	United States
13.7%	Canada
12.6%	Japan
3.9%	United Kingdom
2.8%	Germany
2.4%	France
2.3%	South Korea
2.2%	China
1.8%	Switzerland
9.6%	Other

Sector and country allocations as of April 28, 2017.

Note: numbers may not add up to 100% because of rounding.

For more information on the underlying funds and the portfolio managers that manage them, please refer to [AGF.com](http://AGF.com).

## Advisor comments

The comments and views of the financial advisor contained herein are directly those of the advisor. AGF Investments Inc., as manager of the AGF Elements program, has had no input in such views and/or comments, and assumes no liability for same.

## Acceptance of Portfolio Policy Statement

I have read this Portfolio Policy Statement and acknowledge that it accurately reflects my current investment goals and objectives. I understand that my financial situation may change over time and that I should review my investments with you, my financial advisor, at least annually to determine if portfolio changes are required.

### Accepted by:

		22 Nov 2017
Please print name	Signature of investor	Date
Please print name	Signature of investor	Date
		22 Nov 2017
Please print name	Signature of financial advisor	Date

#### Disclaimers:

This Portfolio Policy Statement is not to be considered investment advice or replace Know Your Client or any other disclosures that may be required by securities regulators or dealer head offices. This Portfolio Policy Statement is to be used solely as a helpful tool by advisors in positioning the portfolio they have chosen (based on investment needs, investor suitability and long-term financial goals) to their clients. Investors should seek the independent advice of a financial advisor when making any investment decisions.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund and exchange-traded funds (ETFs) investments. You should read the prospectus carefully before investing. Mutual funds, ETFs and portfolios are not guaranteed; their values change frequently and past performance may not be repeated.

The All World Tax Advantage Group is a mutual fund corporation that currently offers approximately 20 different classes of securities. In addition to fund diversification by investment style, geography and market capitalization, a key benefit of investing in any of the classes within the group is the possibility of sharing incurred expenses (and losses) of the combined structure potentially offsetting income earnings to minimize chance of a dividend declaration. For a more detailed explanation, please see [AGF.com/disclaimers](http://AGF.com/disclaimers).

The targeted annual distribution (if applicable) is based on the Fund's or Portfolio's previous year-end net asset value and is subject to change. Monthly distributions on Series T and Series V shares may generally be a return of capital so long as there is sufficient capital attributable to the relevant series. Your adjusted cost base will be reduced by the amount of any returns of capital. If your adjusted cost base falls below zero, you will have to pay capital gains tax on the amount below zero.

The payment of distributions should not be confused with a fund's performance, rate of return or yield. If distributions paid by the fund are greater than the performance of the fund, your original investment will shrink. Distributions paid as a result of capital gains realized by a fund, and income and dividends earned by a fund, are taxable in your hands in the year they are paid. Your adjusted cost base will be reduced by the amount of any returns of capital. If your adjusted cost base falls below zero, you will have to pay capital gains tax on the amount below zero.

Investors must place a minimum of \$100,000 per fund in each account in order to qualify for purchase into AGF Gold Label (Series Q and/or W). Management fees (for Series Q and W) as well as service fees (for Series Q only) within the AGF Gold Label program will be taken out directly from client accounts. For AGF Gold Label clients, AGF pays the operating expenses, custody and other administration-related costs (except brokerage commissions, counterparty fees, IRC fees or other extraordinary items). Tier level discounts apply only to the dollar amount(s) grouped in each particular tier.

For more information regarding the underlying funds, please refer to [AGF.com](http://AGF.com). For up-to-date information, visit [AGF.com/Elements](http://AGF.com/Elements).

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