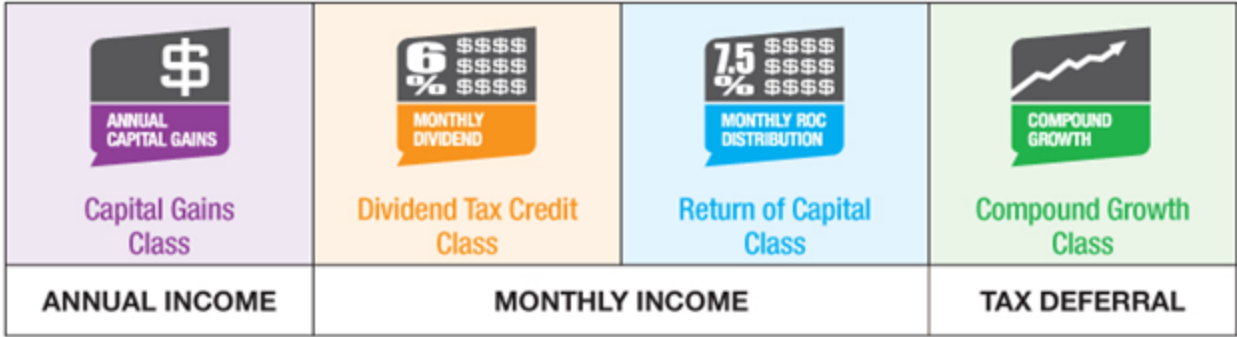


NexGen's Innovative Fund Structure



Taxable Investors
TAX MANAGED FUNDS

Non-Taxable Investors
REGISTERED FUNDS

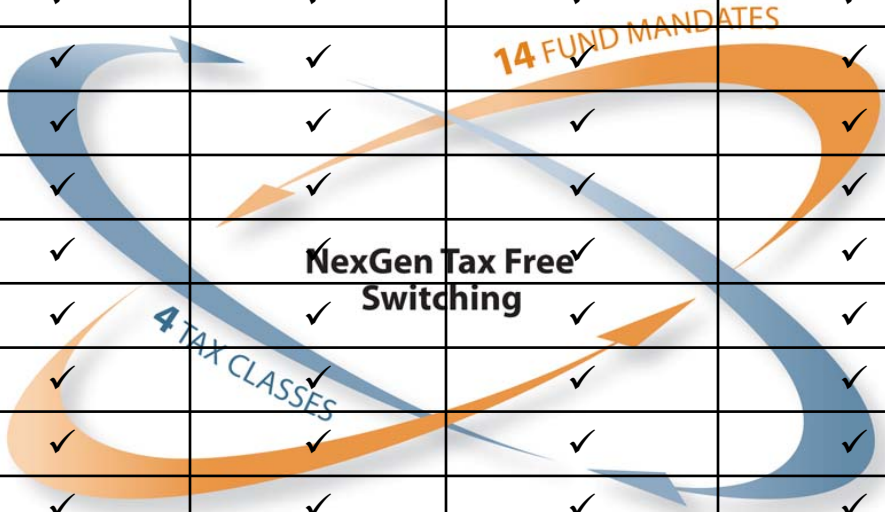


Investors can switch between All Funds and All Tax Classes without triggering a taxable event.

Tax Classes are available for all NexGen Tax Managed Funds except NexGen Canadian Cash Tax Managed Fund which pays Capital Gains and Return of Capital through a corporate series.

NexGen Fund Structure

NEXGEN FUNDS	RRSP ELLIGIBLE	Tax Efficient Monthly Income		Tax Efficient Growth	
		6% - Dividend Tax Credit*	7.5% - Return of Capital*	Capital Gains	Compound Growth*
Canadian Cash Fund	✓			✓	
Canadian Bond	✓	✓	✓	✓	✓
Canadian Balanced Growth	✓	✓	✓	✓	✓
Canadian Growth & Income	✓	✓	✓	✓	✓
Canadian Large Cap	✓	✓	✓	✓	✓
North American Large Cap	✓	✓	✓	✓	✓
Canadian Dividend & Income	✓	✓	✓	✓	✓
North American Dividend & Income	✓	✓	✓	✓	✓
Canadian Growth	✓	✓	✓	✓	✓
American Growth	✓	✓	✓	✓	✓
North American Growth	✓	✓	✓	✓	✓
North American Value	✓	✓	✓	✓	✓
Global Value	✓	✓	✓	✓	✓
North American Small/Mid Cap	✓	✓	✓	✓	✓



1. Capital Gains Class

- Annual distributions will be solely capital gains.
- Low rate of taxation.
- Only income type to absorb capital losses.



Capital Gains Taxation in Ontario	
Highest Marginal Tax Rate	23.20%
Lowest Marginal Tax Rate	10.53%
Highest Marginal Tax Rate on Income	46.41%
Lowest Marginal Tax Rate on Income	21.05%

- Generally ideal for:
 - 1) Retirees who wish to minimize withdrawals from registered accounts and/or minimize the impact of investment income on OAS clawbacks.
 - 2) Income splitting with children (not attributable back to adult).
 - 3) Higher tax rate investors who wish to minimize taxable income.
 - 4) Helping harvest current or historical tax losses.
 - 5) Foreign investors who wish to minimize withholding taxes.
 - 6) Corporate Accounts

2. Return of Capital Class

- Monthly distributions – primarily return of capital.
- 7.5% annual distribution rate based on opening NAV (\$10, \$0.75, \$0.0625).
- ACB is lowered as distribution paid.
- Effective tax deferral planning tool.
- Generally ideal for:
 - 1) Higher income investors looking generally for tax-deferred cash flow.
 - 2) Investors needing tax-deferred cash flow to stay within lower tax rate income bands.
 - 3) Managing OAS clawback.
 - 4) Estate-based charitable giving maximization while minimizing the impact of capital gains taxes on death.
 - 5) Retirees from professional partnerships who have capital losses due to non-deductible expenses.
 - 6) Fine-tuning an investor's annual capital gain taxes.



3. Dividend Tax Credit Class

- Monthly distributions – primarily taxable Canadian dividends.
- 6% annual dividend rate based on opening NAV (\$10, \$0.60, \$0.05).



Taxable Dividends in Ontario	
Tax Free Annual Dividends*	\$50,000 +
Highest Marginal Tax Rate	23.96%
Lowest Marginal Tax Rate	-7.13%

*If no other income is present

- Generally ideal for:
 - 1) Maximizing dividend tax credit and creating tax effective income.
 - 2) Non-working family members who have taxable portfolios.
 - 3) Non-working family members, over the age of 18, who are the beneficiaries of bona fide income-splitting
 - 4) Corporate Accounts

4. Compound Growth Class

- Designed to minimize and defer all distributions.
- After-tax return will be very close to pre-tax return.
- To the extent distributions are required they will comprise dividend and taxable gains income. (Exceptional return years only).
- Designed to leave as much investment capital as possible in the fund to compound tax-deferred growth.
- Generally ideal for:
 - 1) Individuals with no income requirement from taxable portfolio.
 - 2) Individuals with taxable income taxed at the highest marginal rates.
 - 3) Individuals who wish to compound the value of a taxable investment portfolio while minimizing the impact of income taxes.

