

Prosperity US Equity Fund

Quarterly Update | As of September 30, 2017

Investment Objective: To provide long-term capital appreciation through investment in the equity securities of US companies. The Fund seeks to outperform the S&P 500 Total Return Index (CAD) over rolling four-year periods.

Portfolio Manager: T.E. Investment Counsel

Portfolio Sub-advisors:

MFS Investment Management

MFS was founded in 1924 on the belief that earnings growth along with valuation discipline are the most important drivers of stock price performance and that quality is often underappreciated by the market.

Barrow, Hanley, Mewhinney & Strauss

BHM&S is one of the largest value-oriented equity managers in the US with a bottom-up approach to stock selection that focuses on the importance of dividends, dividend growth, and capital protection. Barrow maintains a defensive, conservative orientation based on their belief that superior returns can be achieved while taking below-average risks.

Bristol Gate Capital Partners

Bristol Gate was founded in 2006 and their focus is on growth of income, using proprietary analytics and fundamental analysis. They believe the risk of capital loss is mitigated by investing in businesses that possess predictable dividend growth characteristics.

AthenaInvest

Athena is the industry leader in Behavioural Portfolio Management with a patented process built on a deep academic foundation developed over years of interaction with academics and managers. Athena identifies and analyzes persistent and predictive behavioural factors, which are used to build portfolios.

Performance

Annualized ¹	3mo	6mo	1yr	3yr	5yr	7yr	10yr	Inception ²
Prosperity US Equity Fund	-1.4%	-1.3%	8.7%	11.8%	17.7%	14.7%	6.9%	5.5%
S&P 500 Total Return (CAD)	0.5%	1.0%	12.9%	14.8%	19.8%	17.6%	9.9%	7.7%

Calendar Year	2016	2015	2014	2013	2012	2011	2010	2009
Prosperity US Equity Fund	6.1%	17.1%	22.0%	42.9%	10.6%	0.0%	6.1%	10.0%
S&P 500 Total Return (CAD)	8.6%	21.0%	24.0%	41.5%	13.5%	4.4%	9.4%	8.1%

Sector Allocation



Cash	0.67%
Consumer Discretionary	18.18%
Consumer Staples	8.48%
Energy	5.60%
Financials	14.89%
Health Care	14.31%
Industrials	12.18%
Information Technology	14.18%
Materials	3.92%
Telecommunication Services	1.34%
Utilities	5.06%
Real Estate	1.19%

Top 10 Holdings

Bank of America	2.29%
Hewlett-Packard	2.27%
Cardinal Health	2.21%
Prudential Financial	2.19%
JPMorgan Chase	2.17%
Ford Motor Company	2.15%
Honeywell	2.14%
First Energy	2.11%
Sysco	2.09%
International Paper Company	2.07%

Management Fee³ 0.85%

Total Fund Assets \$127,158,000

Distributions Quarterly (Income)
Annually (Capital Gains)

¹Returns are annualized only for those periods greater than one year.

²The inception date for the Prosperity US Equity Fund is February 24, 2004.

³The annual fee payable by the fund to T.E. Investment Counsel for acting as manager of the Prosperity US Equity Fund.

Prosperity US Equity Fund

Quarterly Update | As of September 30, 2017

T · E · W E A L T H
T.E. INVESTMENT COUNSEL

Investment returns are expressed in Canadian dollars unless otherwise noted and are net of investment management fees, net of fund expenses for the Prosperity pooled funds, and include reinvestment of dividends and income, where applicable. They do not take into account other charges or income taxes payable by any unitholder that would have reduced returns. Returns are time-weighted and figures may be subject to rounding. Pooled funds are not guaranteed. Values change frequently, such that past investment performance is no guarantee of future returns and may not be repeated.

The above performance information reflects previous sub-advisors and/or sub-advisor allocations.

Note that this fact sheet references only the pooled fund units available to T.E. Investment Counsel clients when we provide discretionary investment management services.

Contents are copyright and are not to be reproduced or distributed. Information provided herein, while obtained from reliable sources, is not guaranteed as to accuracy or completeness. The information provided herein does not constitute investment advice and it should not be relied on as such. It should not be considered a solicitation to buy or an offer to sell. It does not take into account any investor's particular investment objectives, strategies, tax status or investment horizon. There is no representation or warranty as to the current accuracy of, nor liability for decisions based on such information. Information pertaining to the Prosperity Pooled Funds is not to be construed as a public offering of securities in any jurisdictions of Canada. The offering of units of the Prosperity Pooled Funds is made pursuant to the funds' Trust Agreement and only to those investors in jurisdictions of Canada who meet certain eligibility or minimum purchase requirements. Important information about the Prosperity Pooled Funds, including a statement of each fund's investment objective, is contained in the funds' Trust Agreement, a copy of which may be obtained from T.E. Investment Counsel. Please read the Trust Agreement of the Prosperity Pooled Funds for additional information.

The Jov Prosperity U.S. Equity Fund is managed by T.E. Investment Counsel.

Each of T.E. Wealth and T.E. Investment Counsel is a trademark and business name of iA Investment Counsel Inc.