

Municipal Finance Authority of British Columbia Bond Fund



Fund Type	Canadian short-term fixed income
Date of Inception	May 10, 1989
Fund Manager	Phillips, Hager & North Investment Management ¹
Benchmark	FTSE Canada Short Term Overall Bond Index
Investment Objective	The Fund seeks to provide a high level of current interest income and achieve moderate capital appreciation by investing primarily in high quality fixed income and money market securities with maturities of up to 7.25 years.
Investment Guidelines	The Fund invests in high quality Canadian-dollar denominated fixed income investments, including debt issued or guaranteed by the Government of Canada, any Province of Canada, or any agency of either, or by the World Bank or any municipal corporation in Canada, as well as obligations of Canadian chartered banks or trust companies registered or licensed under the laws of or any province, and high quality corporate debt obligations. The maximum term to maturity of investments is 7.25 years, and no more than 40% of the Fund may be invested in securities with maturities of more than 5 years. Securities guaranteed or issued by the Government of Canada or a Province of Canada must at all times comprise at least 30% of the portfolio value.
Key Risks	Risks of the Fund include interest rate and credit risk.
Minimum Investment	\$10,000 [^]
Valuation	The Fund is valued daily and it is expected that fluctuations in the market value of the investments will affect the total value of the net assets of the Fund and in turn the unit value of the Fund.
Distributions	Income and capital gains will be distributed to unit holders on a monthly basis, with accrued income being reflected in the unit price. Income to be distributed to investors as additional units will be posted at month end. Capital Gains distribution will be calculated based on realized gain/loss on investment.
Subscriptions	<p>Subscription requests received by the MFA at invest@mfa.bc.ca by 11:00 am Vancouver time will be credited to the Participants account on the second business day following the date of acceptance of such subscription by MFA.</p> <p>Each Unit purchased shall be identical in all respects with every other Unit and shall represent an undivided interest in the assets of the Fund without distinction, preference or priority. There is no limit as to the number of units that may be purchased or issued.</p>
Redemptions	Redemption requests submitted to the MFA at invest@mfa.bc.ca by 11:00am Vancouver time will be processed and credited to your bank account on the second business day from the date of acceptance.
Custodian	CIBC Mellon Trust Company
Fees & Expenses	0.20% (20 bps) *

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Performance

As of January 31, 2020	1 Month Non-annualized %	3 Months Non-annualized %	Year-to-Date Non-annualized %	1 Year %	3 Years Annualized %	5 Years Annualized %	Since Inception Annualized %
MFA Bond Fund	1.01	.93	1.01	3.50	1.98	1.65	5.79
FTSE Canada Short Term Overall Bond Index	1.03	.91	1.03	3.27	1.77	1.51.359	5.51

*Portfolio and benchmark performance is net of total fees and expenses of 20 basis points per annum

*Fees include portfolio management fees, custody fees, transaction and accounting expenses. 30 days' notice will be given to Participants if the fees are increased. Notification may be given through the MFA's on-line Client portal, by updating this Profile or by any other method deemed appropriate.

^Participants must notify the MFA at invest@mfa.bc.ca of transactions greater than \$30 million at least 2 business days prior to the trade date of the transaction.

∞ Participants who use a non-direct clearing financial institution (certain credit unions or smaller financial institution) should allow for a possible delay in transaction processing.

△ The MFA may terminate a fund with 30 days notice to the Participant. Notification may be given through the MFA's on-line Client portal or any other method deemed appropriate. If the Fund is closed due to performance, MFA management will use best efforts to establish a new fund with another Investment Manager and have the assets transferred in kind. If the Fund is closed for any other reason, funds will be transferred to a similar MFA fund in the Participants name.

Disclosures

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Information obtained from third parties is believed to be reliable, but no representation or warranty, express or implied, is made by MFABC, PH&N IM or its affiliates or any other person as to its accuracy, completeness or correctness. We assume no responsibility for any errors or omissions.

This pooled fund is not covered by the Canada Deposit Insurance Corporation or by any other government deposit insurer. There can be no assurances that the Fund will be able to maintain its net asset value per unit or that the full amount of your investment in the fund will be returned to you. Past performance may not be repeated.

Investment guidelines and strategies of the Fund may be adjusted over time without prior notice provided that they are consistent with the Fund's investment objectives.

ⁱ Phillips, Hager & North Investment Management is a division of RBC Global Asset Management Inc. (RBC GAM Inc.), an indirect, wholly-owned subsidiary of Royal Bank of Canada. RBC GAM Inc. is the manager and principal portfolio adviser of the MFA Money Market, Intermediate, Bond and Mortgage Funds.

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