



EXCEL FUNDS

Management Inc.®

ANNUAL INFORMATION FORM

September 18, 2017

EXCEL GROUP OF FUNDS

Offering Series A, Series F, Series D, Series N and Institutional Series units (except where noted) of:

EXCEL BALANCED FUNDS

EXCEL EMERGING MARKETS BALANCED FUND[!] (*formerly, Excel EM Blue Chip
Balanced Fund*)

EXCEL INDIA BALANCED FUND^{*!}

EXCEL FIXED INCOME FUNDS

EXCEL HIGH INCOME FUND

EXCEL MONEY MARKET FUND^{+*!}

EXCEL EMERGING MARKET EQUITY FUNDS

EXCEL INDIA FUND

EXCEL NEW INDIA LEADERS FUND^{*!}

EXCEL CHINA FUND^{*}

EXCEL CHINDIA FUND^{+*!}

EXCEL EMERGING MARKETS FUND

- * **These funds do not offer Series D units.**
- + **These funds do not offer Series N units.**
- ! **These funds do not offer Institutional Series units.**

No securities regulatory authority has expressed an opinion about these securities. It is an offence to claim otherwise. **The mutual funds and the securities of the mutual funds offered under this annual information form are not registered with the United States Securities and Exchange Commission and they are sold in the United States only in reliance on exemptions from registration.**

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NAME, FORMATION AND HISTORY OF THE FUNDS

There are 9 mutual funds (Excel Emerging Markets Balanced Fund, Excel India Balanced Fund, Excel High Income Fund, Excel Money Market Fund, Excel India Fund, Excel New India Leaders Fund, Excel China Fund, Excel Chindia Fund and Excel Emerging Markets Fund (individually referred to as a “**Fund**”, and collectively referred to as the “**Funds**”)) qualified for sale by this document, each of which is an open-end mutual fund trust created under the laws of Ontario.

Excel Funds Management Inc. (referred to in this document as “**Excel Funds**” or the “**Manager**”) is the manager, trustee and promoter of the Funds. The head office of the Funds and of Excel Funds is located at 2810 Matheson Boulevard East, Suite 800, Mississauga, Ontario, L4W 4X7.

Excel India Fund was created under a declaration of trust dated November 28, 1997, as amended on December 8, 1998 and December 10, 1999. Effective January 1, 2003, Excel Funds appointed Toron Capital Markets Inc. as a successor portfolio adviser then, effective August 1, 2009, appointed Excel Investment Counsel Inc. (“**EIC**”) as a successor portfolio adviser for this Fund.

Excel China Fund was created under a declaration of trust dated January 17, 2000, as amended on December 15, 2001. On December 14, 2001, unitholders of Excel China Fund (then known as Excel Innovation Fund) approved a resolution to change the investment mandate of this Fund from a global “tech” fund to one that invests primarily in equity securities of companies based in China, Hong Kong and Taiwan. In addition, Excel China Fund experienced the following portfolio adviser changes:

- from Montrusco Bolton Investment Inc. to Toron Capital Markets Inc. (sub-advised by Hamon Asset Management Limited) effective December 15, 2001;
- from Toron Capital Markets Inc. to Baring International Investment Limited (sub-advised by Baring Asset Management (Asia) Limited) effective January 9, 2009;
- from Baring International Investment Limited (sub-advised by Baring Asset Management (Asia) Limited) to EIC (sub-advised by Baring International Investment Limited and Baring Asset Management (Asia) Limited) effective September 25, 2013; and
- from EIC (sub-advised by Baring International Investment Limited and Baring Asset Management (Asia) Limited) to EIC (sub-advised by Baring International Investment Limited, Baring Asset Management (Asia) Limited and China Asset Management Co., Ltd.) effective February 1, 2014.
- from EIC (sub-advised by Baring International Investment Limited, Baring Asset Management (Asia) Limited and China Asset Management Co., Ltd.) to EIC (sub-advised by China Asset Management Co., Ltd.) effective November 27, 2015.

Excel Chindia Fund (formerly known as Excel India China Fund and, prior thereto, as Excel India China RSP Fund and, prior thereto, as Excel Canadian Balanced Fund) was created under a declaration of trust dated December 8, 1998, as amended on December 10, 1999. On November 19, 2004, unitholders of Excel Chindia Fund (then known as Excel Canadian Balanced Fund) approved a resolution to change the investment mandate of this Fund from a Canadian balanced fund to a fund that invests (either directly or through derivative instruments) primarily in mutual fund securities in order to gain exposure to the equity and debt markets of India, China, Hong Kong, Taiwan and other Far East countries. As a result of this new investment mandate, Excel Funds appointed Toron Capital Markets Inc. as a successor portfolio

adviser effective December 23, 2004 then, effective August 1, 2009, appointed EIC as a successor portfolio adviser to this Fund.

These individual declarations of trust (as amended) were consolidated under the provisions of a single master amended and restated declaration of trust on December 23, 2004 (as amended or amended and restated, the “**Declaration of Trust**”) for purposes of: (i) facilitating the administration of each Fund that was in existence prior to December 23, 2004; (ii) re-designating the single series of units of each Fund that existed at that time as Series A units; and (iii) creating additional series of units, Series F units and Series I units.

The Declaration of Trust was amended and restated on October 22, 2007 to reflect the new securities regulatory requirements for an independent review committee and to create an additional series of units – Series O units – for each Fund.

Under the Declaration of Trust, Excel Money Market Fund was created on November 30, 2007.

The Declaration of Trust was thereafter amended and restated for a second time on October 22, 2010 to clarify certain trustee powers conferred thereunder.

Under the Declaration of Trust, Excel Emerging Markets Fund and Excel High Income Fund were each created on October 22, 2010, with Excel High Income Fund being created under its original name of “Excel EM High Income Fund”. Effective March 1, 2013, Excel EM High Income Fund changed its name to “Excel High Income Fund”.

Under the Declaration of Trust, Excel Blue Chip Balanced Fund was created on September 30, 2013. Effective August 30, 2016, Excel Blue Chip Balanced Fund changed its name to “Excel EM Blue Chip Balanced Fund”. Effective September 18, 2017, Excel EM Blue Chip Balanced Fund changed its name to “Excel Emerging Markets Balanced Fund”.

On August 17, 2015, Excel Emerging Europe Fund was merged into Excel Emerging Markets Fund. On September 3, 2015, Excel Latin America Bond Fund and Excel Latin America Bond Fund II, two closed-end funds managed by the Manager, were merged into Excel High Income Fund.

Under the Declaration of Trust, Excel India Balanced Fund and Excel New India Leaders Fund were created on April 20, 2016.

The Declaration of Trust was amended on September 30, 2016 to create additional series of units, Series D units and Series N units and to rename the PM Series units as “Institutional Series units”.

On April 28, 2017 Excel Latin America Fund, a mutual fund previously managed by the Manager, was merged into Excel Emerging Markets Fund.

On July 14, 2017, Excel India Growth & Income Fund, a closed-end fund managed by the Manager, was merged into Excel India Balanced Fund.

On September 1, 2017, Excel Funds announced that, effective on or about October 30, 2017, it intends to merge Excel Blue Chip Equity Fund into Excel Emerging Markets Balanced Fund.

On September 7, 2017, Excel Funds announced that it has entered into an agreement with Sun Life Global Investments (Canada) Inc. (“**Sun Life**”) pursuant to which Sun Life will acquire all of the outstanding shares of Excel Funds and EIC. Immediately upon completion of the acquisition, which is scheduled to

close by the end of the fourth quarter of 2017, Sun Life will acquire control of the investment fund manager and portfolio adviser of the Funds. The proposed change of control of the manager of the Funds is subject to receipt of all required regulatory and securityholder approvals, as well as satisfying the conditions of closing.

State Street Trust Company Canada acts as custodian of the Funds under a master custodial services agreement dated May 26, 2015, as amended from time to time. Prior thereto, Citibank Canada acts as the custodian of the Funds under a custodian services agreement dated March 1, 2013. Prior thereto, CIBC Mellon Trust Company had acted as custodian of the then existing Funds since June 29, 2007. Prior thereto, the Canadian Imperial Bank of Commerce (CIBC Mellon Global Securities Services Company) had acted as custodian since January 2, 2007 when it replaced the Royal Trust Corporation of Canada.

INVESTMENT RESTRICTIONS

Generally

The Funds are subject to certain restrictions and practices contained in securities legislation, including National Instrument 81-102 *Investment Funds* (“**NI 81-102**”). This legislation is designed in part to ensure that the investments of the Funds are diversified and relatively liquid and to ensure the proper administration of the Funds. Except as set out below, each of the Funds adheres to these standard investment restrictions and practices.

The fundamental investment objective of each Fund is set out in the simplified prospectus for the Funds (the “**Simplified Prospectus**”) and may only be changed with the approval of securityholders at a meeting called for that purpose. Excel Funds may change each Fund’s investment strategy from time to time at its discretion without notice to you. However, we will file a press release and material change report in the event of any change that would be considered a material change as defined in National Instrument 81-106 *Investment Fund Continuous Disclosure* (“**NI 81-106**”). Under NI 81-106, a change in the business, operations or affairs of a Fund is considered to be a “material change” if a reasonable investor would consider it important in deciding whether to purchase or continue to hold securities of the Fund.

Each of the Funds qualifies as a mutual fund trust under the *Income Tax Act* (Canada) (the “**Tax Act**”) and is expected to continue to so qualify at all times in the future.

Permitted Variations

Excel India Fund, Excel Chindia Fund, Excel India Balanced Fund and Excel New India Leaders Fund have received the approval of the securities regulatory authorities to vary certain investment restrictions contained in NI 81-102, as described below.

Excel India Fund has received the approval of the securities regulatory authorities to purchase and continue to hold more than 10% of its assets in securities of the India Excel (Mauritius) Fund (the “**Mauritius Sub-fund**”) which, in turn, holds more than 10% of its net assets in securities of the India Excel (Offshore) Fund (the “**India Sub-fund**”). Securities regulatory approval was granted on the condition (among others) that:

- no sales charges will be payable by Excel India Fund and the Mauritius Sub-fund in relation to a purchase of units of the Mauritius Sub-fund and the India Sub-fund, respectively;

- no redemption fees or other charges will be charged by the Mauritius Sub-fund or the India Sub-fund in respect of a redemption by Excel India Fund or the Mauritius Sub-fund, respectively, of units of such fund;
- no trailing commission or other fees or other charges will be paid by Excel Funds, Excel India Fund, India Sub-fund and the Mauritius Sub-fund or by any affiliate or associate of any of the foregoing entities to anyone in respect of the investment by Excel India Fund in the Mauritius Sub-fund or the investment by the Mauritius Sub-fund in the India Sub-fund; and
- the arrangements between or in respect of Excel India Fund, the India Sub-fund and the Mauritius Sub-fund are such to avoid the duplication of management fees.

Excel Chindia Fund has received the approval of the securities regulatory authorities for it (and any other mutual fund subject to NI 81-102, including the other Funds) to: i) hold, or maintain a position in a specified derivative for which the underlying interest is, securities of Excel India Fund which, in turn, holds more than 10% of its net assets in securities in the Mauritius Sub-fund and which, in turn, holds more than 10% of its net assets in securities of the India Sub-fund; and ii) with respect to Excel Chindia Fund's exposure to other mutual funds that are subject to NI 81-102 (sometimes referred to as an '**underlying fund**') from time to time under specified derivatives, have a shortfall in its cash cover position for a period not to exceed 1 day. Securities regulatory approval was granted on the condition (among others) that:

- no management fees or incentive fees are payable by Excel Chindia Fund that, to a reasonable person, would duplicate a fee payable by the underlying fund for the same service; and
- in the case where Excel Funds is the manager of each of Excel Chindia Fund and the underlying fund, no sales fees or redemption fees are payable by Excel Chindia Fund in relation to its purchases or redemptions of securities of the underlying fund.

Excel India Balanced Fund has received the approval of the securities regulatory authorities to purchase and hold securities of the Growth & Income Class (the "**Balanced Underlying Fund**") of the Excel Funds Mauritius Company Ltd. (the "**Company**"), which is not a mutual fund subject to NI 81-102 or has offered securities under a simplified prospectus in accordance with National Instrument 81-101 *Mutual Fund Prospectus Disclosure* ("**NI 81-101**").

Excel New India Leaders Fund has received the approval of the securities regulatory authorities to purchase and hold securities of the New Leaders Class (the "**New Leaders Underlying Fund**") of the Company, which is not a mutual fund subject to NI 81-102 or has offered securities under a simplified prospectus in accordance with NI 81-101. The Balanced Underlying Fund and the New Leaders Underlying Fund are referred to as the "**Underlying Funds**". Securities regulatory approval was granted on the condition (among others) that the Underlying Funds have adopted the investment restrictions contained in NI 81-102 and will continue to be managed in accordance with these restrictions, subject to any exemptions obtained by the Excel India Balanced Fund and Excel New India Leaders Fund.

DESCRIPTION OF UNITS

When you invest in a Fund, you will receive a particular series ("**Series**") of units of that Fund. The units of the Funds are fully paid and non-assessable when issued. Each Fund is permitted to have an unlimited number of Series of units and may issue an unlimited number of units of each Series. Excel Funds may establish additional Series of units and may determine the rights as between those Series without your consent or notice to you. Each unit of a Series will entitle an investor to:

- receive a *pro rata* share of all net income and net capital gains distributions attributable to that Series made by the Fund (except for Management Fee Distributions (as defined below));
- share *pro rata* in the net assets of that Series upon the wind-up or termination of a Fund;
- vote at all meetings of the Fund (where the nature of the business to be transacted at an investor meeting concerns an issue that is relevant only to holders of a particular Series, only holders of that Series will be entitled to vote); and
- redeem, change units to another Series of the same Fund or switch units to the same Series of another Fund as described in this document.

Fractional units shall not, except to the extent that they may represent in the aggregate 1 or more whole units, entitle a holder to notice of, or to attend or to vote at, meetings of unitholders. Series N units may only be purchased in numbers of whole units. Subject to the foregoing, fractional units of a Series of units carry the same rights and are subject to the same conditions as whole units of the same Series in the proportion which they bear to a whole unit of that Series.

There are currently 5 series of units available under this annual information form – Series A units, Series F units, Series D units (except Excel India Balanced Fund, Excel Money Market Fund, Excel New India Leaders Fund, Excel China Fund and Excel Chindia Fund), Series N units (except Excel Money Market Fund and Excel Chindia Fund) and Institutional Series units (except Excel Emerging Markets Balanced Fund, Excel India Balanced Fund, Excel Money Market Fund, Excel New India Leaders Fund and Excel Chindia Fund). Each of the Funds also offers Series I units under prospectus exemptions. The Excel India Balanced Fund has outstanding Series X units that were issued to investors in connection with the merger of Excel India Growth & Income Fund, a closed-end fund managed by the Manager, into the Excel India Balanced Fund. Your dealer is responsible to recommend the series that is most suitable to you. We do not automatically change your units into another series (including a lower management fee series) if you meet the eligibility requirements for a series. Your dealer must provide us with these instructions.

With respect to the different Series of units, Excel Funds reserves the right to set and change minimum and subsequent investment requirements for each of the Funds without notice to you. Excel Funds reserves the right to redeem your units if the value of your units falls below these set minimum investment amounts.

Series A units: For any investor who initially invests a minimum of \$250 in Series A units in one or more Funds under either the Initial Sales Charge Option, Deferred Sales Charge Option or Low Load Sales Charge Option, whether purchased directly or through a registered plan. The minimum investment for all subsequent investments is \$50.

Series F units: For any investor who initially invests a minimum of \$250 in Series F units in one or more Funds, who are enrolled in a dealer sponsored “fee-for-service” or “wrap” program and who are subject to an asset-based fee (rather than paying commissions on transactions) payable to their dealer for the dealer’s on-going financial planning and advice. In this way, Excel Funds is able to reduce the management fee charged to the Funds on Series F units because Excel Funds does not pay commissions or trailing commissions to dealers who sell Series F units of the Funds.

Series D units: For any investor who initially invests a minimum of \$250 in Series D units in one or more applicable Funds. Series D units will be made available through discount brokers. Series D units have a lower management fee than Series A units as a result of a lower trailing commission paid to discount brokers.

Series N units: For any investor who invests in whole Series N units in one or more applicable Funds utilizing the Toronto Stock Exchange's NAVex platform, who participate in a dealer sponsored program and who are subject to a fee (rather than paying commissions on transactions) payable to their dealer for the dealer's on-going financial planning and advice. In this way, Excel Funds is able to reduce the management fee charged to the Funds on Series N units because Excel Funds does not pay commissions or trailing commissions to dealers who sell Series N units of the Funds.

Institutional Series units: For institutional investors who initially invest a minimum of \$2 million in Institutional Series units in one or more applicable Funds.

In accordance with NI 81-102, unitholders of each Fund will be permitted to vote on the following fundamental changes:

- if: (i) the basis of the calculation of a fee or expense that is charged to a Fund or Series, or directly to its unitholders by the Fund or Excel Funds in connection with the holding of units of the Fund, is changed in a way that could result in an increase in charges to that Fund or Series or to its unitholders; or (ii) a fee or expense to be charged to a Fund or Series, or directly to its unitholders by the Fund or Excel Funds in connection with the holding of units of the Fund that could result in an increase in charges to that Fund or Series or to its securityholders, is introduced. In either case, unitholder consent will not be required if the change or new fee or expense is a result of a change made by a third party at arm's length to the Fund or is not required under securities regulations. In these cases, you will be sent a written notice at least 60 days before the effective date of the change;
- the manager of the Fund is changed (unless the new manager is an affiliate of Excel Funds);
- the fundamental investment objectives of the Fund are changed;
- the Fund decreases the frequency of the calculation of its net asset value per unit; and
- under certain circumstances, the Fund undertakes a reorganization with, or acquires assets from, another Fund.

VALUATION OF UNITS AND CALCULATION OF NET ASSET VALUE

You may purchase, switch (redeem units of one Fund and purchase units of another Fund), change (change units of a Fund into units of another Series of the same Fund) or redeem units of a Fund as described in this document only through registered dealers in each jurisdiction where the units are qualified for sale.

You can purchase, switch, change and redeem units of each Fund at their current net asset value per unit ("**NAV**") as determined for each Series of each Fund at 4:00 p.m. (Eastern time) on each business day. A "**business day**" is any day that the Toronto Stock Exchange ("**TSX**") is open for trading or such other time as Excel Funds determines appropriate. On each business day, a separate NAV for each Series of units of each Fund is calculated based on the market value of that Series' proportionate share of the assets of the Fund, less any liabilities of the Fund allocated to that Series of units, divided by the total number of units of that Series held by Fund investors. The NAV will fluctuate with the value of the Fund's investments.

In calculating the NAV of each Fund at any time, the following valuation principles will apply:

1. units of the Fund shall be deemed to become outstanding as of the business day next following the date on which the NAV is determined for the applicable Series for the purpose of the issue of, or change into, such units and the amount received by the Fund shall be deemed to be an asset of the Fund;
2. units of the Fund in respect of which a completed redemption request has been received by the Fund or one of its authorized agents, or that has been changed out of a Series, shall be deemed to be outstanding until (and not after) the close of business on the day as of which the NAV thereof is next determined for the applicable Series after the time of such receipt and thereafter, until paid their redemption price, shall be deemed to be a liability of the Fund;
3. the assets of the Fund shall be deemed to include:
 - (a) all cash or its equivalents, including cash in currencies of other countries if conversion into Canadian currency can be readily effected, on hand, on deposit or on call, including any accrued interest;
 - (b) all shares, bonds, certificates of deposit, bankers' acceptances, debentures, notes and other evidences of indebtedness or interest therein, subscription rights and other securities owned or contracted for by the Fund, the Mauritius Sub-fund or another corporation or trust established for the Fund;
 - (c) all stock and cash dividends and cash distributions to be received by the Fund and not yet received by it but declared to shareholders of record on a date on or before the date as of which the NAV per unit is being determined;
 - (d) all interest accrued on any fixed interest bearing securities owned by the Fund which is not included in the quoted price of such securities; and
 - (e) all other property of any kind and nature including prepaid expenses and derivatives.
4. the value of such assets is to be determined as follows:
 - (a) the value of any cash on hand or on deposit, prepaid expenses, cash dividends declared and interest accrued and not yet received, shall be deemed to be the face amount thereof unless the trustee determines that any such deposit, is not worth the face amount thereof, in which event the value thereof shall be deemed to be such value as Excel Funds determines to be the fair value thereof;
 - (b) the value of any bonds, debentures and other obligations shall be valued by taking the bid price at the time at which the valuation is calculated;
 - (c) short term securities including notes and money market instruments shall be valued at cost plus accrued interest;
 - (d) the value of any security which is listed or dealt with on a recognized stock exchange shall be determined by taking the latest available sale price for a board lot at the time at which the valuation is calculated, or lacking any recent sales or any record thereof, the mean of the latest available ask price and the latest available bid price as at the close of business on the business day or if such a recognized stock exchange is not open for

trading on that date, then on the last previous date on which such a recognized stock exchange was open for trading, all as reported by any means in common use;

- (e) the value of any security which is not dealt with on any public exchange shall be determined on the basis of such price or yield equivalent quotations (which may be public quotations or may be obtained from major market makers) as Excel Funds determines best reflect its fair value;
- (f) the value of any security, the resale of which is restricted or limited, shall be the lesser of the value thereof based on reported quotations in common use and that percentage of the market value of securities of the class or series of a class of which the restricted security - forms part that are not restricted securities, equal to the percentage that the Fund's acquisition cost was of the market value of the securities at the time of acquisition, but taking into account, if appropriate, the amount of time remaining until the restricted securities will cease to be restricted securities;
- (g) a long position in an option or a debt-like security shall be valued at the current market value of the position;
- (h) the value of a standardized future shall be, if daily limits imposed by the futures exchange through which the standardized future was issued are not in effect, the gain or loss on the standardized future that would be realized if, on the date that valuation is made, the position in the standardized future were to be closed out; or, if daily limits imposed by the futures exchange through which the standardized future was issued are in effect, based on the current market value of the underlying interest of the standardized future;
- (i) where a covered clearing corporation option, option on futures or over-the-counter option is written, the premium received by the Fund shall be reflected as a deferred credit which shall be valued at an amount equal to the current market value of the clearing corporation option, option on futures or over-the-counter option that would have the effect of closing the position. Any difference resulting from revaluation shall be treated as an unrealized gain or loss on investment. The deferred credit shall be deducted in arriving at the NAV of the Fund. The securities, if any, which are the subject of a written clearing corporation option or over-the-counter option shall be valued at their current market value;
- (j) the value of a forward contract or swap shall be the gain or loss on the contract that would be realized if, on the date that valuation is made, the position in the forward contract or swap were to be closed out;
- (k) margin paid or deposited on standardized futures or forward contracts shall be reflected as an account receivable and margin consisting of assets other than cash shall be noted as held as margin;
- (l) all assets of the Fund valued in a foreign currency and all liabilities and obligations of the Fund payable by the Fund in foreign currency shall be converted into Canadian currency on each business day on the basis of the foreign currency exchange rate obtained from the best available sources to the trustee including, but not limited to, an accounting agent appointed by the trustee or any affiliate of such accounting agent; and
- (m) the value of any security or property to which, in the opinion of the Manager, the above principles cannot be applied (whether because no price or yield equivalent quotations are

available as above provided, or for any other reason) shall be the fair and reasonable value thereof determined in such manner as the trustee from time to time provides.

5. the liabilities of the Fund shall be deemed to include:
- (a) all bills, notes and accounts payable;
 - (b) all administrative expenses payable or accrued, or both (including management fees);
 - (c) all contractual obligations for the payment of money or property, including any amount of declared but unpaid distributions immediately after a business day as of which the NAV is being determined to the holders of units of the Fund of record at or before such business day;
 - (d) all allowances authorized or approved by the trustee for taxes (if any) or contingencies; and
 - (e) all other liabilities of the Fund of whatsoever kind and nature except liabilities represented by outstanding units of the Fund and the balance of any undistributed income or capital gains.

Each Fund may, from time to time, trade in, or otherwise be exposed to, securities listed on exchanges located in India, China or other Far Eastern and European markets. Generally, these foreign markets operate at different times relative to North American markets, like the TSX. As a result, the closing price of securities that trade on these foreign markets (“**foreign securities**”) may be “stale” by the time the Fund calculates its NAV. For example, this situation may arise where a significant event that would materially affect the value of the foreign security occurs after the close of the foreign exchange but before the Fund calculates its NAV. Examples of such significant events could include natural disasters, acts of war or terrorism, a substantial fluctuation in foreign markets, unforeseen governmental actions or a halt in trading of the foreign security. In these situations, Excel Funds may, in consultation with the relevant portfolio adviser, fair value a foreign security using procedures established and approved by Excel Funds if it determines that the value of such foreign security held by a Fund is unavailable or otherwise unreliable. These procedures may include the use of independent pricing services. In such cases, the value of the foreign security will likely be different from its last quoted price. Also, it is possible that the fair value price determined by Excel Funds may be materially different from the value realized when the foreign security is sold.

In order to maintain a constant NAV per unit of \$10.00 for the Excel Money Market Fund, the return of each money market investment of the Fund’s portfolio will be amortized over its term to maturity and accrued to unitholders daily. The investments will therefore be recorded at cost plus accrued interest which approximates fair value due to the short term nature of the investments.

As noted above, Excel Funds has the discretion to deviate from the Funds’ valuation practices in certain limited circumstances. Excel Funds has not exercised this discretion with respect to any of the Funds.

PURCHASE OF UNITS

Purchase Procedure

Units of the Funds are offered for sale on a continuous basis and can be purchased by submitting a purchase order to your dealer. All purchase orders must be transmitted by your dealer to Excel Funds on

the same day that they are received. Such orders are to be transmitted by courier, priority post or telecommunications facility without charge to you. Excel Funds has discretion to reject any purchase order. The decision to accept or reject any purchase order will be made within 1 business day of receipt of the order. If the purchase order is rejected, all purchase monies received with the order will be refunded immediately.

The Funds do not intend to issue certificates for units. Ownership will be evidenced by entry in the register maintained by the Funds' registrar for the applicable Series of the Funds. For information on the Funds' registrar for each Series of the Funds, see the chart under "*Organization and Management of the Funds*" in the Simplified Prospectus.

Payment of the total amount of the purchase order and all necessary documents must be received by Excel Funds within 2 business days of receipt of your purchase order. In the event that payment or documents have not been received within this period, Excel Funds will submit an order to redeem the number of units purchased on the next business day and will pay the redemption proceeds to the relevant Fund. Any excess proceeds belong to the Fund. Any shortfall between these redemption proceeds and the amount owing under the purchase order will initially be paid by Excel Funds. However, Excel Funds will be entitled to collect the shortfall, plus any costs, from your dealer which placed the order for the units. The dealer, in turn, may seek to collect this amount plus the expenses of doing so from you.

Units of each Fund may be purchased at their NAV as determined for each Series. All requests received by Excel Funds prior to 4:00 p.m. (Eastern time) on a business day for a purchase of units of a Fund will be executed that same business day using that business day's NAV for the applicable Series. Requests received by Excel Funds after 4:00 p.m. (Eastern time) on a business day will be executed on the following business day using that following business day's NAV for the applicable Series.

Purchasing the Funds in U.S. dollars

You may purchase Series A, Series F, Series D, Series N and Institutional Series units of applicable Funds in U.S. dollars. For these U.S. dollar subscriptions, Excel Funds will calculate the NAV for Series A, Series F, Series D, Series N and Institutional Series units of the applicable Funds and convert it to U.S. dollars by using the exchange rate prevailing on the business day your subscription order is processed. The minimum and subsequent purchase amounts for these series of Units are the same as noted above, except are in U.S. dollars. If you redeem Series A, Series F, Series D, Series N or Institutional Series units of the Fund that were purchased in U.S. dollars, you will receive your redemption proceeds in U.S. dollars using the exchange rate prevailing on the business day your redemption order is processed. Distributions made in cash (rather than in additional units of the Fund giving rise to the distribution), will be paid to you in U.S. dollars.

Purchasing Series A units

You may choose from 3 purchase options when purchasing Series A units of the Funds, namely the Initial Sales Charge Option, Deferred Sales Charge Option or Low Load Sales Charge Option. You will be deemed to purchase Series A units of the Funds by the Initial Sales Charge Option unless you specify otherwise at the time the purchase order is placed.

- **Initial Sales Charge Option** - you negotiate a sales charge with your dealer at the time of purchase of Series A units (see "*Sales Charges*" in the Fees and Expenses table in the Simplified Prospectus for more information). There may be additional fees to pay if you switch or redeem your Series A units within 30 days of a purchase or a switch – see "*Short-Term Trading Fees*" in the Fees and Expenses table in the Simplified Prospectus for more information.

- **Deferred Sales Charge Option** - no fee is payable by you to your dealer at the time of purchase of Series A units. However, a fee (expressed as a percentage of the purchase price of the Series A units redeemed or changed) may be payable by you at the time of sale if you redeem or change your Series A units during the first 7 years from the date of purchase (see “*Redemption Charges*” for more information). A redemption entitlement may apply to the redemption of Series A units purchased under this purchase option – see “*Redemption Privilege*” for more information.
- **Low Load Sales Charge Option** - no fee is payable by you to your dealer at the time of purchase of Series A units. However, a fee (expressed as a percentage of the purchase price of the units redeemed or changed) may be payable by you at the time of sale if you redeem or change your Series A units within 3 years from the date of purchase (see “*Redemption Charges*” for more information). A redemption entitlement may apply to the redemption of Series A units purchased under this purchase option – see “*Redemption Privilege*” for more information.

Excel Funds may, at any time, suspend offering the Deferred Sales Charge Option or the Low Load Sales Charge Option.

Your dealer will receive different compensation depending upon the purchase option selected by you. The fees which you will pay and the time at which you will pay them will vary depending upon the purchase option selected by you. Full details of applicable sales charges and trailing commissions can be found in the Simplified Prospectus.

Purchasing Series F units

Series F units are only available through dealers or financial planners who offer certain “wrap” or “fee for service” programs that have been approved by Excel Funds. An investor in one of these programs pays a fee to his or her dealer based on the assets in that investor’s account and/or for on-going financial planning and advice. Your dealer or financial adviser must enter into an agreement with Excel Funds before selling Series F units.

There are no sales charges, redemption fees, trailing or other commissions payable on the purchase or sale of Series F units, other than short term trading fees, if applicable.

If you cease to be eligible to hold Series F units, we may change your Series F units into Series A units of the same Fund after giving you 30 days’ prior notice, unless you notify us during the notice period and we agree that you are once again eligible to hold Series F units. On a change from Series F to Series A units, unitholders will be required to choose a purchase option and pay the fees and charges applicable to that purchase option. If you do not choose a purchase option, you will be automatically deemed to have chosen the Initial Sales Charge Option – see “*Purchasing Series A units*” for more information.

Purchasing Series D units

Series D units are only available through discount brokers. An investor purchasing Series D units pays the relevant fees charged by the discount broker. A trailing commission is paid by Excel Funds to the discount broker.

If you cease to be eligible to hold Series D units, we may change your Series D units into another series of units for which you are eligible after giving you 30 days’ prior notice, unless you notify us during the notice period, and we agree, that you are once again eligible to hold Series D units. On a change from Series D to Series A units, unitholders will be required to choose a purchase option and pay the fees and charges applicable to that purchase option. If you do not choose a purchase option, you will be

automatically deemed to have chosen the Initial Sales Charge Option – see “*Purchasing Series A units*” for more information.

Purchasing Series N units

Series N units are only available through dealers who use the Toronto Stock Exchange's NAVex platform (the “**NAVex Platform**”). An investor pays a fee to his or her dealer based on the assets in that investor’s account and/or for ongoing financial planning and advice. No fractional units are able to be purchased on the NAVex Platform so your purchase order must be made in number of whole units.

There are no sales charges, redemption fees, trailing or other commissions payable on the purchase or sale of Series N units.

If you move your account to a dealer that does not use the NAVex Platform, you may become ineligible to hold or buy additional Series N units. If you cease to be eligible to hold Series N units, we or your dealer may change your Series N units into another series of units for which you are eligible after giving you 30 days’ prior notice unless you notify us during the notice period, and we agree, that you are once again eligible to use Series N units. On a change from Series N to Series A units, unitholders will be required to choose a purchase option and pay the fees and charges applicable to that purchase option. If you do not choose a purchase option, you will be automatically deemed to have chosen the Initial Sales Charge Option – see “*Purchasing Series A units*” for more information.

Purchasing Institutional Series units

Institutional Series units are available for purchase by institutional investors. There are no sale charges, redemption fees, trailing or other commissions payable on the purchase or sale of Institutional Series units.

Automatic Reinvestment of Distributions

Unless you instruct us to pay your distributions in cash, all distributions by a Fund will be automatically reinvested in additional units of the same Series of that Fund held by the investor at the NAV thereof. No commissions are payable upon automatic reinvestment of distributions. Reinvested distributions will be redeemed on a *pro rata* basis with the units upon which the distributions were paid.

Switches

You can switch all or some of your units of one Fund to units of another Fund by completing a transfer order form and depositing it with your dealer. Provided that a switch request is received by Excel Funds prior to 4:00 p.m. (Eastern time) on a business day, switch transactions will be settled at the applicable NAV on that business day as determined for the applicable Series. Switch requests received by Excel Funds after 4:00 p.m. (Eastern time) on a business day will be settled on the following business day using the following business day’s NAV for the applicable Series.

You may only switch units if applicable minimum investment requirements are met and you meet the eligibility criteria for such series as set out above. Before switching any Series A units of a Fund into another series of units, a fee may be payable by you if the Series A units were purchased under the Low Load Sales Charge Option or Deferred Sales Charge Option. On a switch to Series A units, unitholders will be required to choose a purchase option and pay the fees and charges associated with that purchase option. If you do not choose a purchase option, you will be automatically deemed to have chosen the

Initial Sales Charge Option - see “*Purchasing Series A units*” in the Simplified Prospectus for more information.

A switch constitutes a redemption by you of your units of the original Fund and a purchase of units of the new Fund. A switch may result in a capital gain or loss to you for tax purposes - see “*Income Tax Considerations*” for more information.

Switching Between Purchase Options

A switch of Series A units purchased under the Deferred Sales Charge Option or the Low Load Sales Charge Option that are no longer subject to a deferred sales charge (i.e., the deferred sales charge schedule has expired) is permitted to Series A units purchased under the Initial Sales Charge Option. Switching is also allowed from Deferred Sales Charge Option or Low Load Sales Charge Option units to units under the Initial Sales Charge option for those units that come under the 10% redemption privilege (see “*Redemption Privilege*” for more information). A switch will be completed by redeeming the units to be transferred and using the proceeds to purchase the units which the unitholder wishes to acquire. These switches may result in an increase in the trailing commission paid by Excel Funds to your dealer without increased costs to you – see “*Dealer Compensation*” in the Simplified Prospectus for more information. For these particular switches, Excel Funds requires written authorization from you through your dealer prior to making this switch.

Changing Series

You may change from one series of units to another series of units of the same Fund through your dealer if you meet the eligibility criteria for such series set out above. Before changing any Series A units of a Fund into another series of units, a fee may be payable by you if the Series A units were purchased under the Low Load Sales Charge Option or Deferred Sales Charge Option. Provided that a change request is received by Excel Funds prior to 4:00 p.m. (Eastern time) on a business day, such transactions will be settled at the applicable NAV on that business day as determined for the applicable Series. Change requests received by Excel Funds after 4:00 p.m. (Eastern time) on a business day will be settled on the following business day using the following business day’s NAV for the applicable Series.

Excel Funds may change your Series F, Series D or Series N units of a Fund into another series of units of the same Fund upon 30 days’ prior notice if you cease to be eligible to hold that series of units in your account. Excel Funds will not make the change if your dealer notifies us during the notice period, and we agree, that you are once again eligible to hold the series of units. On a change from one series of units, unitholders will be required to choose a purchase option and pay the fees and charges associated with that purchase option. If you do not choose a purchase option, you will be automatically deemed to have chosen the Initial Sales Charge Option - see “*Purchasing Series A units*” for more information.

REDEMPTION OF UNITS

Redemption Procedure

You may redeem all or a portion of your units of the Funds on any business day by delivering a written redemption order to your dealer. Your request must be signed by you and, for the protection of investors, Excel Funds may require that your signature be guaranteed by a guarantor acceptable to Excel Funds.

Excel Funds must receive all necessary documentation within 10 business days of receipt of the redemption order. The investor will be sent the redemption proceeds within 2 business days of the date the units were priced subject to Excel Funds receiving all necessary documentation. If the documentation

is not received within 10 business days of receipt of the redemption order, the redemption order will be reversed by processing a purchase order on the 10th business day for the number of units that were redeemed. The redemption proceeds will be used to pay for the units purchased. Any excess proceeds belong to the Fund. Any shortfall will be paid to the Fund by Excel Funds. However, Excel Funds will be entitled to collect the shortfall, plus any costs involved, from the dealer who placed the redemption request. That dealer, in turn, may seek to collect this amount plus the expenses of doing so from the investor on whose behalf the redemption request was made.

Provided that a redemption request is received by Excel Funds prior to 4:00 p.m. (Eastern time) on a business day, redemptions will be settled at the applicable NAV on that business day as determined for the applicable Series. Redemption requests received by Excel Funds after 4:00 p.m. (Eastern time) on a business day will be settled on the following business day using the following business day's NAV for the applicable Series.

If you purchased Series A units under the Deferred Sales Charge Option or Low Load Sales Charge Option, redemption charges may apply to you – see “*Redemption Charges*” for more information. The charge payable by you at the time of sale will be determined by applying the fee schedule of the Fund which was originally purchased by you, regardless of whether you have since transferred all or any portion of that investment to another Fund. This redemption charge will be deducted from the redemption proceeds and will be paid to Excel Funds or to an appropriate partnership, trust, or other entity, which paid the selling commission on the particular Series A units being redeemed or on the units to which such units are attributable. No redemption charges are payable by a unitholder for units received from the automatic reinvestment of distributions.

Short Term Trading

In order to deter certain trading activities that can be detrimental to a Fund and its investors, a switch or a redemption of units of a Fund may trigger the imposition of a short-term trading fee under certain specified circumstances – see “*Short-Term Trading Fees*” in the Simplified Prospectus for more information. Short-term trading fees are in addition to any applicable Initial Sales Charges, Redemption Charges or Switch Fees that may apply.

Redemption Charges

The redemption charges you incur upon redemption of units of a Fund depend upon the purchase option under which you purchased the units:

- (a) *Initial Sales Charge Option* - Generally, no redemption charge applies when you redeem Series A, Series F, Series D or Institutional Series units unless you switch or redeem them within 30 days of a purchase or a switch. See “*Short-Term Trading Fees*” in the Simplified Prospectus for more information. No redemption charge applies when you redeem Series N units.
- (b) *Deferred Sales Charge Option* – Except for redemptions made under the redemption privilege described under “*Redemption Privilege*”, the following fees, based upon a percentage of the purchase amount, will apply to you if you redeem Series A units or change them to another series of units within the first 7 years from the date of your purchase:

<u>Year after purchase</u>	<u>Fee</u>
1 st	5.75%
2 nd	5.50%
3 rd	5.00%
4 th	4.50%
5 th	4.00%
6 th	3.50%
7 th	2.00%
after the 7 th	Nil

- (c) *Low Load Sales Charge Option* – Except for redemptions made under the redemption privilege described under “*Redemption Privilege*”, the following fees, based upon a percentage of the purchase amount, will apply to you if you redeem Series A units or change them to another series of units within the first 3 years from the date of your purchase:

<u>Year after purchase</u>	<u>Fee</u>
1 st	2.50%
2 nd	2.00%
3 rd	2.00%
after the 3 rd	Nil

No redemption charges are payable by a unitholder for units received from the automatic reinvestment of distributions. Reinvested distributions will be redeemed on a *pro rata* basis with the units upon which the distributions were paid.

Redemption Privilege

Each calendar year, you can redeem (or switch to the Initial Sales Charge Option) up to 10% of the market value of Series A units you bought without paying a Redemption Charge, less any cash distributions or dividends, as applicable, that you receive on your Series A units in the calendar year. This is referred to as the “10% redemption privilege”.

The 10% redemption privilege for each year is equal to:

- Up to 10% of the market value of the number of Series A units you purchased under the Deferred Sales Charge Option or Low Load Sales Charge Option and held by you as at December 31 of the previous year, plus
- Up to 10% of the market value of the number of Series A units you purchased during the current calendar year under the Deferred Sales Charge Option or Low Load Sales Charge Option on or prior to the date of redemption.

Any unused portion of the 10% redemption privilege of the Deferred Sales Charge Option or Low Load Sales Charge Option units cannot be carried forward to the next year.

Suspension of the Right to Redeem

Your right to redeem units of a Fund may be suspended for all or part of a period: (i) when normal trading is suspended on a stock, options or futures exchange in Canada or outside Canada upon which securities or derivatives that make up more than 50% of the value or underlying exposure of the Fund’s total assets are traded (and those securities or derivatives are not traded on any other exchange that represents a reasonable alternative for the Fund); or (ii) with the consent of any securities commission or regulatory

body having jurisdiction. During any period of suspension, no calculations of NAV will be made and a Fund will not be permitted to issue further securities or redeem any securities previously issued.

OPTIONAL SERVICES

Pre-Authorized Chequing Plan

Investors may purchase Series A, Series F and Series D units of a Fund through a pre-authorized chequing plan (“**PAC Plan**”) which allows investors to make periodic investments. Subject to the minimum initial investment requirements, the minimum purchase under a PAC Plan for both Series A, Series F and Series D units is \$35 per purchase period. This plan is offered free of charge, other than applicable sales charges. For more information about the PAC Plan, or to obtain an application form, please contact Excel Funds or your dealer. Excel Funds may cancel or change this service at any time.

Systematic Withdrawal Plan

Investors may redeem Series A, Series F and Series D units of a Fund through a systematic withdrawal plan which permits the receipt of fixed dollar payments through systematic periodic redemption of Series A, Series F and Series D units of one or more of the Funds. You must have a minimum of \$5,000 of Series A, Series F and/or Series D units in your account in order to open a systematic withdrawal plan. The minimum individual redemption is \$50 for Series A, Series F and Series D units.

A redemption fee may apply on each withdrawal if the Series A units were purchased under the Deferred Sales Charge Option or Low Load Sales Charge Option and such Series A units are not redeemed under the redemption privilege discussed above under “*Redemption Privilege*”.

The plan is offered free of charge, other than any applicable redemption charges. If your withdrawals pursuant to the systematic withdrawal plan exceed the income distributions and net capital appreciation of your units, your withdrawals will diminish and, eventually, may exhaust your original capital investment. For more information about the systematic withdrawal plan or to obtain an application form, please contact Excel Funds or your dealer. Excel Funds may cancel or change this service at any time.

Dollar-Cost Averaging Plan

Investors may invest a fixed dollar amount or a unit value at regular intervals through a dollar-cost averaging program (the “**Dollar-Cost Averaging Plan**”) which permits the investment of fixed dollars or unit value investments from Excel Money Market Fund (the “**Relinquishing Fund**”) into another fund or funds (the “**Destination Fund**”). Investors will have the ability to indicate the percentage of the fixed dollar amount or unit value that will be allocated to the Destination Fund. You may have to pay a negotiable fee to your registered representative. See “*Fees and Expenses*” in the Simplified Prospectus for more information. The short-term trading fee does not apply to switches made under this plan. If you hold your securities in a non-registered account, you may realize a capital gain or loss. Capital gains are taxable. Please refer to “*Income Tax Considerations*” for more information. Excel Funds may cancel or change this service at any time.

RESPONSIBILITY FOR MUTUAL FUND OPERATIONS

Manager and Trustee

Excel Funds acts as trustee and manager of the Funds pursuant to the provisions of the Declaration of Trust and a second amended and restated master management agreement dated October 22, 2010 (the

“**Management Agreement**”). Excel Funds is responsible for the business, operations and affairs of the Funds. The office of the Funds and Excel Funds is located at 2810 Matheson Boulevard East, Suite 800, Mississauga, Ontario L4W 4X7.

The Declaration of Trust and Management Agreement may be terminated by any party thereto at any time upon 90 days’ notice. Excel Funds, as trustee, may terminate a Fund with the approval of a majority of unitholders of that Fund or where the NAV is insufficient to warrant the cost of continuing the administration of the Fund.

The names and municipalities of residence of the directors and executive officers of Excel Funds and their positions and offices held with Excel Funds and their principal occupations are as follows:

Name and Municipality of Residence	Position Held with Manager	Principal Occupation
Bhim D. Asdhir Acton, Ontario	President, Chief Executive Officer and Director	President and Chief Executive Officer of the Manager since November 1996.
Glenn William Cooper Mississauga, Ontario	Director	Director of the Manager since October 2005. From 2005 to 2014, Chief Financial Officer of the Manager.
Adrian Herschell Mississauga, Ontario	Director	President of Adher Business Solutions Inc. Director of Manager since July 22, 2009.
Vishal Chetan Oakville, Ontario	Chief Financial Officer	Chief Financial Officer of the Manager and EIC since January 2015. Vice President of Finance of the Manager from 2009 to 2014.
Timothy Ryan Toronto, Ontario	Chief Compliance Officer and Legal Counsel	Chief Compliance Officer and Legal Counsel of the Manager since May 2017 and Counsel at Ryan Law since April 2013. Vice President of Compliance of Marquest Asset Management Inc. from September 2012 to March 2013.

Management Fees

For its services rendered to the Funds, Excel Funds receives from each Fund an annual management fee (accrued daily and paid monthly) which is unique to each Series of units and calculated as an annual percentage of the Fund’s average daily NAV attributable to the applicable Series of units:

	<u>Series A</u>	<u>Series F</u>	<u>Series D</u>	<u>Series N</u>	<u>Institutional Series</u>
Excel Emerging Markets Balanced Fund	2.15%	1.15%	1.40%	1.15%	-----
Excel India Balanced Fund*	2.10%	1.10%	-----	1.10%	-----
Excel High Income Fund	1.95%	0.95%	1.35%	0.95%	0.75%
Excel Money Market Fund	0.50%	0.25%	-----	-----	-----
Excel India Fund	2.50%	1.50%	1.75%	1.50%	0.85%
Excel New India Leaders Fund*	2.50%	1.50%	-----	1.50%	-----

	<u>Series A</u>	<u>Series F</u>	<u>Series D</u>	<u>Series N</u>	<u>Institutional Series</u>
Excel China Fund	2.50%	1.50%	-----	1.50%	0.85%
Excel Chindia Fund	2.25%	1.50%	-----	-----	-----
Excel Emerging Markets Fund	2.25%	1.25%	1.50%	1.25%	0.85%

* The Company (of which the underlying fund of this Fund is a class) pays the portfolio adviser of the underlying fund for its services directly. To ensure no duplication of the management fees, the Manager will waive that portion of its management fee equal to the amount paid to the portfolio adviser of the underlying fund by the Company.

Management fees are subject to harmonized sales tax (HST).

Management Fee Distributions

Excel Funds reserves the right to offer a reduced management fee to selected investors, such as institutional investors, either in a single account or in the aggregate based on the total assets of a Financial Group, who (among other considerations) hold a minimum of \$250,000 of investments in Funds with Excel Funds. A financial group, commonly referred to as a household, (the “**Financial Group**”) includes all accounts belonging to a single investor, his or her spouse, his or her respective family members residing at the same address and corporate or trust or partnership entities for which the investor and other members of the Financial Group have voting control (more than 50%). In order to form a Financial Group, we require instructions from your dealer and each account in the Financial Group must be maintained with the same dealer.

The management fee reduction is achieved by reducing the management fee charged by Excel Funds to a Fund based on the NAV of the units held by such investor and the Fund distributing an amount equal to the reduction (a “**Management Fee Distribution**”) in additional units of the same Series of the Fund(s) to the investor. Management Fee Distributions are paid first out of net income and net realized capital gains and, thereafter, out of capital. All members of the same Financial Group will receive the same reduced management fee for their units in Excel Funds. See “*Income Tax Considerations For Investors*” for more information regarding the tax consequences of a Management Fee Distribution.

Fund-of-Fund Investments

Where a Fund invests in an Underlying Fund, the fees and expenses of the Underlying Fund are in addition to those payable by the Top Fund. However, Excel Funds will ensure that any Fund that invests in an Underlying Fund does not pay duplicate management fees on the portion of its assets that it invests in that Underlying Fund. In certain cases, a fee equivalent to the investment portfolio management fees arising at the Underlying Fund level will be charged at the Underlying Fund level. Excel Funds anticipates that this fee will be in the 0.10% to 0.65% range. In addition, any Fund that invests in an Underlying Fund does not pay duplicative sales fees or redemption fees with respect to the purchase or redemption by it of securities of that Underlying Fund.

Portfolio Sub-Advisers

Portfolio sub-advisers are selected based primarily upon the research and recommendations of us and our affiliated companies. We evaluate quantitatively and qualitatively the adviser’s skills and results in managing assets for specific asset classes, investment styles and strategies.

Short-term investment performance, by itself, is not necessarily a controlling factor in the selection or termination of any portfolio sub-adviser.

We may seek to combine select investment managers who employ complementary styles within the same asset class. By combining complementary investment styles within an asset class, investors are better able to reduce their exposure to any one investment style going out of favour.

Each portfolio sub-adviser has complete discretion to purchase and sell portfolio securities for its segment of a Fund. At the same time, however, each sub-adviser must operate within each Fund's investment objectives, restrictions and policies. Although we monitor all portfolio sub-advisers on an ongoing basis, we do not direct the individual security selections of any sub-adviser. We may hire or terminate portfolio sub-advisers at any time.

Excel India Fund

Excel Funds has retained EIC (Mississauga, Ontario) to act as portfolio adviser to Excel India Fund to be responsible for this Fund's investments in Canadian equity securities and cash management strategies. Christine Tan (Chief Investment Officer and Senior Portfolio Manager) is principally responsible for implementing these strategies. Ms. Tan has over 16 years of financial industry experience. Prior to her appointment at EIC, Ms. Tan was Vice President and Portfolio Manager at Gluskin Sheff + Associates in Toronto where she co-managed a \$1 billion equity portfolio. Ms. Tan earned a Masters of Business Administration from the Schulich School of Business and a Bachelor of Science from the University of Alberta. She is also a CFA Charterholder.

The investment decisions of Ms. Tan are not subject to any formal oversight, approval or ratification by a committee of Excel Funds. The investment decision-making process is supported by research and analysis by the investment team within EIC.

This investment management agreement may be terminated by the parties thereto on 90 days' written notice. Excel Funds will pay EIC an investment management fee arising under this agreement from its management fee.

The Mauritius Sub-fund, one of the underlying funds of the Excel India Fund, is administered by International Financial Services Limited ("IFS") and the India sub-fund, the other underlying fund of the Excel India Fund, is managed by Birla Sun Life AMC Limited ("BSLAMC"), an affiliate of Aditya Birla Sun Life Asset Management Company Pte. Ltd. ("ABSLAMC"). The responsibilities of IFS, as administrator, and BSLAMC, as manager, include the day-to-day general management and administration of the Mauritius Sub-fund and India Sub-fund, respectively, and the provision of office services and facilities. IFS Trustees (a related company of IFS) is the trustee of the Mauritius Sub-fund and Excel Funds acts as the protector of the Mauritius Sub-fund. As trustee, IFS Trustees appoints the manager of the Mauritius Sub-fund and establishes the investment objectives, policies and restrictions of the Mauritius Sub-fund.

IFS Trustees will make investment decisions for the Mauritius Sub-fund. In making its investment decisions, IFS Trustees will receive advice from an advisory committee of the Mauritius Sub-fund.

BSLAMC will make portfolio management decisions for the Indian Sub-fund. BSLAMC is based in Mumbai (formerly Bombay), and is an experienced and well-established Indian adviser. The investment strategies for the India Sub-fund are implemented by three designated sub-groups within BSLAMC. A seven-person Equity Team is responsible for investment decisions related to the Fund's equity investments. A three-person Fixed Income Team is responsible for investment decisions related to the Fund's fixed income and debt investments. A three-person Asset Mix Team is responsible for ensuring that the Fund's mix of fixed income and equity investment holdings, purchased as a result of the

investment decisions made by the Fixed Income Team and Equity Team, are consistent with the respective investment objectives of Excel India Fund.

Atul Penkar, lead portfolio manager, has over 17 years of experience in equity research and fund management and has been responsible for managing the Excel India Fund since August, 2011. Mr. Penkar has been with BSLAMC since 2006, where he started as a senior analyst and fund manager. Prior to moving to offshore investments, he was responsible for multiple onshore equity strategies. His areas of equity research expertise in Indian markets range from information technology, infrastructure, telecom, auto and media. Prior to joining BSLAMC, Mr. Penkar worked as an equity analyst at various reputable organizations and was a senior analyst at Emkay Global Financial Services Limited. He holds a master's degree in management studies and a bachelor's degree in engineering.

The investment decisions are not subject to the approval or ratification of any particular committee of BSLAMC or Excel Funds. BSLAMC is a joint venture of Sun Life Financial (“**Sun Life**”), a diversified global financial services organization, and ABSLAMC (the “**Birla Group**”), a large Indian industrial group.

Fees payable to the portfolio advisers of Excel India Fund and the Mauritius Sub-fund will be paid by Excel Funds directly out of its management fee. In the case of the India Sub-fund, Excel Funds will waive a portion of its management fee equivalent to that amount of portfolio management fees that is owing to BSLAMC (BSLAMC's fees will accrue at the Mauritius Sub-fund level and be paid to BSLAMC by the trustee of the Mauritius Sub-fund).

Excel India Balanced Fund

Excel India Balanced Fund has retained EIC (Mississauga, Ontario) to act as portfolio adviser to Excel India Balanced Fund to be responsible for the investment decisions and investment strategies on behalf of this Fund. Christine Tan (Lead Portfolio Manager) is principally responsible for implementing these strategies. The investment decisions of Ms. Tan are not subject to any formal oversight, approval or ratification by a committee of Excel Funds. The investment decision-making process is supported by research and analysis by the investment team within EIC. Please refer to “*Excel India Fund*” above for more information on the background and professional experience of Ms. Tan.

The underlying fund, Growth & Income Class (the “**Growth & Income Underlying Fund**”) of the Excel Funds Mauritius Company Ltd. (the “**Company**”) is managed by Excel Funds. The responsibilities of Excel Funds, as manager, include the investment management and administration of the Growth & Income Underlying Fund and the provision of office services and facilities.

The Company has retained ABSLAMC to act as the portfolio adviser of the Growth & Income Underlying Fund. ABSLAMC is based in Singapore and is an experienced and well-established adviser.

The investment strategies for the Growth & Income Underlying Fund is implemented by a designated sub-groups within ABSLAMC. A seven-person equity team is responsible for investment decisions related to the Fund's equity investments. A three-person fixed income team is responsible for investment decisions related to the Fund's fixed income and debt investments. A three-person asset mix team is responsible for ensuring that the Fund's mix of fixed income and equity investment holdings, purchased as a result of the investment decisions made by the fixed income team and equity team, are consistent with the investment objectives of the Fund.

Fees payable to the portfolio adviser of the Fund will be paid by Excel Funds directly out of its management fee. The Company will pay fees directly to ABSLAMC for its services as portfolio adviser.

Key Personnel of the Sub-Adviser – Excel India Balanced Fund

Maneesh Dangi (Co-Chief Investment Officer): Maneesh Dangi has over 15 years of experience in fund management, finance and research and currently heads the fixed income investments team. He holds an MBA and a degree in financial risk management.

Mahesh Patil (Co-Chief Investment Officer): Mahesh Patil has over 26 years of experience in fund management, equity research and corporate finance. Prior to joining BSLAMC in October 2005, he worked with Reliance Infocom in its business strategy and corporate finance department, where he saw the company make its commercial launch to become one of India's leading telecom companies. Prior to that, Mr. Patil was a research analyst for six years at leading brokerage houses Motilal Oswal Securities and Parag Parikh Financial Advisory. Mr. Patil started his career as a computer engineer with CMC Ltd. and Tata Economic Consultancy Services. He holds a Bachelor of Engineering, an MBA and a CFA charter from ICFAI, Hyderabad.

Atul Tetambe (Senior Fund Manager): Mr. Tetambe has over 17 years of experience in research and fund management. He was one of the founding team members of Amoeba Capital Pte Ltd. in July 2006 and is a key member of BSLAMC's investment team. Mr. Tetambe was a portfolio manager with Allianz Global Investors Singapore Limited between July 2000 and May 2006 and specialized in India, Thailand and the Philippines while maintaining responsibility over country-specific funds. Mr. Tetambe has earned a Bachelor of Technology (Electrical) and Masters in Management Studies (Finance).

Atul Penkar (Fund Manager): See description above.

Ashish Kela (Fund Manager): Mr. Kela has over nine years of experience in capital markets investing and has been with the fixed income investments team at the Birla Sun Life Group since June 2012. Prior to joining BSLAMC, Mr. Kela led a team at Noruma's Mumbai and London offices focused on structuring credit derivatives. He started his career as an analyst with the fixed income derivatives team of Lehman Brothers. Mr. Kela has earned a Bachelor of Technology from IIT Bombay and is a charter holder of the CFA Institute in Charlottesville, Virginia.

Excel New India Leaders Fund

Excel New India Leaders Fund has retained EIC (Mississauga, Ontario) to act as portfolio adviser and be responsible for the Funds' investments and cash management strategies. Christine Tan (Lead Portfolio Manager) is principally responsible for implementing these strategies. The investment decisions of Ms. Tan are not subject to any formal oversight, approval or ratification by a committee of Excel Funds. Please refer to "Excel India Fund" above for more information on the background and professional experience of Ms. Tan.

The underlying fund, New Leaders Class (the "**New Leaders Underlying Fund**") of the Company is managed by Excel Funds. The responsibilities of Excel Funds, as manager, include the investment management and administration of the New Leaders Underlying Fund and the provision of office services and facilities.

The Company has retained ABSLAMC to act as the portfolio adviser of the New Leaders Underlying Fund. ABSLAMC is based in Singapore and is an experienced and well-established adviser.

The investment strategies for the New Leaders Underlying Fund is implemented by a designated sub-group within ABSLAMC. A seven-person equity team is responsible for investment decisions relating to

the Fund. The investment decisions are not subject to the approval or ratification of any particular committee of ABSLAMC or Excel Funds.

Fees payable to the portfolio adviser of the Fund will be paid by Excel Funds directly out of its management fee. The Company will pay fees directly to ABSLAMC for its services as portfolio adviser.

Key Personnel of the Sub-Adviser – Excel New India Leaders Fund

Atul Penkar (Fund Manager): See description above.

Excel China Fund

Excel Funds has retained EIC (Mississauga, Ontario) to act as portfolio adviser to Excel China Fund to be responsible for the investment decisions and investment strategies on behalf of this Fund. Christine Tan (Lead Portfolio Manager) is principally responsible for implementing these strategies. The investment decisions of Ms. Tan are not subject to any formal oversight, approval or ratification by a committee of Excel Funds. The investment decision-making process is supported by research and analysis by the investment team within EIC. Please refer to “*Excel India Fund*” above for more information on the background and professional experience of Ms. Tan.

EIC has retained China Asset Management Co., Ltd. (“**China AMC**”) to act as a sub-adviser for a portion of the Fund. Mr. Guoxi Chen acts as lead portfolio manager and Mr. Yongqiang Chen acts as back-up portfolio manager. Guoxi Chen, CFA is a Portfolio Manager and Head of Research for Overseas Chinese Equity at China AMC. He has 10 years of industry experience, and has been with China AMC for 4 years. Prior to joining China AMC, Mr. Chen was an Associate Director at UBS Securities, a senior analyst at Shenyin Wanguo Securities and an analyst at Daiwa Institute of Research (Hong Kong). At China AMC, Mr. Chen is responsible for equity investments in the Hong Kong markets. He is also in charge of the research for overseas Chinese stocks. Mr. Chen holds a Master Degree of Economics from Tongji University in Shanghai.

Yongqiang Chen is a Portfolio Manager with 9 years of experience in the equity markets, and joined China AMC in 2013. Prior to joining China AMC, he was a portfolio manager at CITIC Securities International Investment Management Co. and at HuaAn Asset Management (Hong Kong). Mr. Chen holds a Masters Degree in Control System and Engineering from Delft University of Technology in the Netherlands.

The term of engagement of China AMC in respect of the Fund continues until 90 days’ prior notice of termination has been given by any party to the agreement or until otherwise terminated in accordance with the agreement between EIC, China AMC and Excel Funds. Excel Funds is responsible for all fees payable to China AMC in respect of its services rendered to EIC.

EIC has agreed to be contractually responsible for the advice given to Excel China Fund by China AMC. To the extent applicable, there may be difficulty in enforcing any legal rights against China AMC because it is resident outside Canada and all or a substantial portion of its assets are situated outside Canada.

Excel Chindia Fund

Excel Funds retained EIC (Mississauga, Ontario) to act as portfolio adviser to Excel Chindia Fund to be responsible for the investment decisions and investment strategies on behalf of this Fund. Christine Tan (Lead Portfolio Manager) is principally responsible for implementing these strategies. The investment decisions of Ms. Tan are not subject to any formal oversight, approval or ratification by a committee of

Excel Funds. The investment decision-making process is supported by research and analysis by the investment team within EIC. Please refer to “*Excel India Fund*” above for more information on the background and professional experience of Ms. Tan.

This investment management agreement may be terminated by the parties thereto on 90 days’ written notice. Excel Funds will pay EIC an investment management fee arising under this agreement from its management fee.

Excel Money Market Fund

Excel Funds retained EIC (Mississauga, Ontario) to act as portfolio adviser to Excel Money Market Fund to be responsible for the investment decisions and investment strategies on behalf of this Fund. Christine Tan (Lead Portfolio Manager) is principally responsible for implementing these strategies for this Fund. The investment decisions of Ms. Tan are not subject to any formal oversight, approval or ratification by a committee of Excel Funds. The investment decision-making process is supported by research and analysis by the investment team within EIC. Please refer to “*Excel India Fund*” above for more information on the background and professional experience of Ms. Tan.

This investment management agreement may be terminated by the parties thereto on 90 days’ written notice. Excel Funds will pay EIC an investment management fee arising under this agreement from its management fee.

Excel Emerging Markets Fund

Excel Funds has retained EIC (Mississauga, Ontario) to act as portfolio adviser to Excel Emerging Markets Fund to be responsible for the investment decisions and investment strategies on behalf of this Fund. Christine Tan, Chief Investment Officer and Senior Portfolio Manager for EIC is principally responsible for implementing these strategies for this Fund. The investment decisions of Ms. Tan are not subject to any formal oversight, approval or ratification by a committee of Excel Funds. The investment decision making process is supported by research and analysis by the investment team within EIC. Please refer to “*Excel India Fund*” above for more information on the background and professional experience of Ms. Tan.

This investment management agreement may be terminated by the parties thereto on 90 days’ written notice. Excel Funds will pay EIC an investment management fee arising under this agreement from its management fee.

Itaú USA Asset Management Inc., the U.S. arm of Itaú Asset Management (“**Itaú**”), has been retained to act as a sub-adviser and is responsible for this Fund’s Latin America-based investments. Itaú is based in São Paulo, Brazil and has investment teams there as well as in New York, Buenos Aires, Argentina and Santiago, Chile. Itaú generally uses a team approach to build investment strategies. The Itaú Equity Research and Equity Portfolio Management teams are comprised of 17 portfolio managers, 15 equity research analysts, 3 dedicated traders and 1 portfolio specialists. Itaú USA Asset Management Inc. has a dedicated portfolio team led by Scott Piper who is based in New York and is responsible for Itaú’s Latin America equity strategy. Mr. Piper has been with Itaú USA Asset Management Inc. since March, 2011 and has extensive experience covering the Latin American region as a portfolio manager at Deltec Asset Management and Morgan Stanley Investment Management. Mr. Piper holds a Bachelor’s degree in International Relations from Tulane University and an MBA in International Finance from the IESE Business School in Barcelona, Spain. Investment decisions are subject to oversight and approval of the Chief Investment Officer, Marcello Siniscalchi, as well as an independent Risk Function.

The investment management agreements relating to Excel Emerging Markets Fund may be terminated by the parties thereto on 45 business days' written notice. Excel Funds will pay Itaú an investment management and sub-advisory fee, as the case may be, arising under these agreements from its management fee.

Excel High Income Fund

Excel Funds has retained EIC (Mississauga, Ontario) to act as portfolio adviser to Excel High Income Fund to be responsible for the investment decisions and investment strategies on behalf of this Fund. Christine Tan (Lead Portfolio Manager) is principally responsible for implementing these strategies for this Fund. The investment decisions of Ms. Tan are not subject to any formal oversight, approval or ratification by a committee of Excel Funds. The investment decision-making process is supported by research and analysis by the investment team within EIC. Please refer to "*Excel India Fund*" above for more information on the background and professional experience of Ms. Tan.

This investment management agreement may be terminated by the parties thereto on 90 days' written notice. Excel Funds will pay EIC an investment management fee arising under this agreement from its management fee.

Excel Funds has also retained Amundi Asset Management to act as commodity futures portfolio adviser to Excel High Income Fund.

Amundi Asset Management provides investment management services in respect of commodity futures contracts and commodities futures options to Excel High Income Fund pursuant to a letter agreement that amends an Investment Sub-Advisory and Portfolio Management Agreement between Amundi Asset Management, Amundi Canada Inc., Excel High Income Fund and Excel Funds originally dated October 20, 2010, as amended from time-to-time. Amundi Asset Management provides such portfolio advice to Excel High Income Fund in reliance of an exemption from the registration requirement in Ontario.

EIC has retained Amundi Canada Inc. ("**Amundi**") to act as a sub-adviser to be responsible for the day-to-day investment decisions of this Fund with regard to securities. Amundi's Emerging Market Debt investment team (EMD team) is led by Sergeï Strigo, Head of Emerging Market Debt Management and Currency and is an integral part of Amundi's Global Bond & Currency team. The EMD team may draw on the resources of the Global Bond & Currency team to inform its views, but the responsibility for the strategic Emerging Market views rests with the EMD team. Investment policy allocation is defined at the Emerging committee on a quarterly basis. Top down strategic views are validated by Amundi London's Architect Committee, within Amundi Group's Investment Committee (COPI) guidelines. Amundi's investment process is based on a value-oriented, top-down approach and begins with a determination of the team's emerging market views and proceeds with a 3 - step process.

Excel High Income Fund has been assigned 3 dedicated portfolio managers: Sergeï Strigo, Head of Emerging Market Debt, Maxime Vydrine and Esther Law, specializing in sovereign debt and emerging currency. Sergeï Strigo has been Head of Emerging Market Debt & Currency at Amundi's London Branch since April 2010. He joined Amundi's London Branch (formerly Crédit Agricole Asset Management) in 2004 as a Global Fixed Income Trader and was appointed Emerging Market Bond Portfolio Manager in January 2006. He joined Amundi from Caboto IntesaBCI in London, where he was an emerging markets fixed income trader for three years. Maxim Vydrine is a Senior Emerging Market Debt Fund Manager with an expertise in emerging market corporate and sovereign debt. Mr. Vydrine has 13 years of industry experience and joined Amundi in 2007. He has a Master of Science in International Finance from the Middlesex University Business School and is a CFA Charterholder. Esther Law is an Emerging Market Debt and Currencies Fund Manager with 18 years of industry experience with an

expertise in foreign exchange, emerging market sovereign bonds, interest rates and derivatives. Ms. Law has a Master of Science in Mathematical Trading and Finance from the Cass Business School at City University, London. Investment decisions at the security level are decided by Mr. Strigo, Mr. Vydrine and Ms. Law, but may be subject to investment constraint from Amundi's Copi. Finally, the investment decisions of Messrs. Strigo and Vydrine and Ms. Law are not subject to any formal oversight, approval or ratification by a committee of Excel Funds.

The Investment Sub-Advisory and Portfolio Management Agreement with Amundi Asset Management and Amundi may be terminated by the parties thereto on 45 days' written notice.

Excel Emerging Markets Balanced Fund

Excel Funds has retained EIC (Mississauga, Ontario) to act as portfolio adviser to Excel Emerging Markets Balanced Fund to be responsible for the investment decisions and investment strategies on behalf of this Fund. Christine Tan (Lead Portfolio Manager) is principally responsible for implementing these strategies for this Fund. The investment decisions of Ms. Tan will not be subject to any formal oversight, approval or ratification by a committee of Excel Funds. The investment decision-making process is supported by research and analysis by the investment team within EIC. Please refer to "*Excel India Fund*" above for more information on the background and professional experience of Ms. Tan.

This investment management agreement may be terminated by the parties thereto on 90 days' written notice. Excel Funds will pay EIC an investment management fee arising under this agreement from its management fee.

Brokerage Arrangements

The portfolio adviser and sub-advisers, as the case may be, are responsible for making brokerage arrangements for the purchase and sale of securities for each of the Fund's portfolios. The primary objective in choosing brokers for the purchase and sale of securities for each of the Fund's portfolios is to obtain competitive net results, taking into account such factors as commission fees, provision of research, size of order, difficulty of execution, and the degree of skill required of the broker/dealer. The capability and financial condition of the broker may also be criteria for the choice of broker.

Custodian

State Street Trust Company Canada ("**State Street**") acts as custodian in respect of the Funds pursuant to a master custodial agreement dated May 26, 2015, as amended from time to time (the "**Master Custodial Agreement**"). The principal business address of State Street is 30 Adelaide Street East, Suite 1100, Toronto, Ontario M5C 3G6. The Master Custodial Agreement can be terminated by the Manager or State Street on 180 days' written notice.

Auditors

Deloitte LLP, located at Bay Adelaide Centre, East Tower, Suite 200, 22 Adelaide Street West, Toronto, Ontario, M5H 0A9, is the Funds' independent auditor.

Registrar and Transfer Agents

International Financial Data Services (Canada) Limited of Toronto, Ontario acts as the registrar and transfer agent of the Series A, Series F, Series D and Institutional Series units of the Funds and TSX Trust Company of Toronto, Ontario acts as the registrar and transfer agent of the Series N units of the Funds.

Each registrar and transfer agent keeps track of unitholders of the applicable series of the Funds as well as processing purchase and redemption orders and issuing statements and confirmations.

Neither the Funds nor the Manager will have any liability for the records maintained by TSX Trust Company relating to the beneficial interests of Series N units of the Funds on the book-entry accounts maintained by TSX Trust Company or any advice or representation made by TSX Trust Company, whether contained in this prospectus or otherwise.

CONFLICTS OF INTEREST

Principal Holders of Securities - Funds

The following table sets out the only persons or companies as at September 13, 2017 who are owners of record of, or who own beneficially, directly or indirectly, more than 10% of the issued and outstanding units of any Series of units of the Funds:

Investor	Fund	Series	Number of Units	Percentage of Series
Investor A	Excel Emerging Markets Balanced Fund	D	2,022.93	68.58%
Investor B	Excel Emerging Markets Balanced Fund	D	626.96	21.25%
Investor C	Excel Emerging Markets Balanced Fund	D	300.00	10.17%
Umana Holdings Inc.	Excel Emerging Markets Balanced Fund	F	154,346.28	41.76%
Investor D	Excel Emerging Markets Fund	D	1,080.33	19.35%
Investor E	Excel Emerging Markets Fund	D	1,587.74	28.43%
Investor F	Excel Emerging Markets Fund	D	862.60	15.45%
Excel Emerging Markets Balanced Fund	Excel Emerging Markets Fund	I	1,253,252.95	100.00%
Investor G	Excel High Income Fund	D	10,846.35	12.90%
Pijoco Inc.	Excel High Income Fund	D	10,720.18	12.75%
Excel Emerging Markets Balanced Fund	Excel High Income Fund	I	1,658,804.70	100.00%
Investor H	Excel Money Market Fund	F	9,352.89	24.30%
Investor I	Excel Money Market Fund	F	14,956.37	38.86%
Investor J	Excel Money Market Fund	F	5,007.50	13.01%
Excel India Fund	Excel Money Market Fund	I	141,545.17	100.00%
Excel Chindia Fund	Excel China Fund	I	475,083.73	100.00%
Excel Chindia Fund	Excel India Fund	I	636,580.85	95.05%

* To protect the privacy of these individual investors, Excel Funds has omitted the name of the unitholders. This information is available on request by contacting Excel Funds at the telephone number on the back of this Annual Information Form.

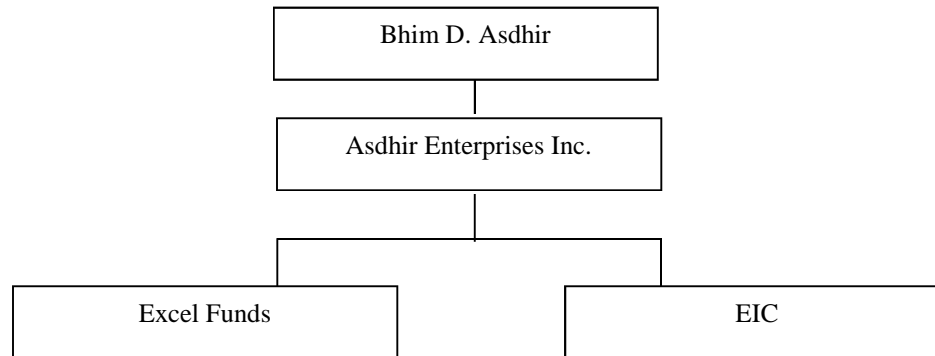
Principal Holders of Securities - Manager

As at the date hereof, Asdhir Enterprises Inc. owned, beneficially and of record, 94.24% of the common shares of Excel Funds. Bhim Asdhir, an officer and director of Excel Funds, owns 100% of the voting securities of Asdhir Enterprises Inc.

Affiliated Entities

EIC, an affiliate of Excel Funds, acts as portfolio adviser to the Funds – see “*Portfolio Advisers*” above for more information. In this capacity, EIC is entitled to receive portfolio management fees from Excel Funds for managing the investment portfolio of each of the Funds. Asdhir Enterprises Inc. owns 100% of the common shares of EIC. Bhim Asdhir, an officer and director of EIC and Excel Funds, owns 100% of the voting securities of Asdhir Enterprises Inc.

The following diagram depicts these relationships:



FUND GOVERNANCE

Policies

The Funds are organized as trusts. In accordance with the Declaration of Trust and Management Agreement, Excel Funds has the responsibility of managing the business and affairs of the Funds including the powers, duties and authorities necessary to operate the business of the Funds.

The board of directors of Excel Funds consists of 3 individuals – Bhim D. Asdhir (Acton, Ontario), Glenn W. Cooper (Mississauga, Ontario) and Adrian Herschell (Mississauga, Ontario). The board of directors is responsible for all matters related to the governance of the Funds including reviewing Fund operations generally, investment performance, financial statements and ethical conduct of its employees. Excel Funds has developed formal written policies or guidelines governing sales practices, risk management control and internal conflicts of interest.

Pursuant to the Declaration of Trust and Management Agreement, Excel Funds has agreed to comply with the provisions of the Declaration of Trust, including the investment policies and restrictions established therein, securities laws and regulations and policy statements of securities administrators, including NI 81-102, insofar as such relate to its position as manager and trustee of the Funds.

Independent Review Committee

An independent review committee (the “**Independent Review Committee**”) has been established for all of the investment funds, including the Funds, managed by the Manager. The Independent Review Committee is composed of 3 individuals, each of whom is independent of Excel Funds and its affiliates. The members of the Independent Review Committee are Karen J. Fisher (Chair), James Simmonds and Michael G. Yanai.

- *Karen J. Fisher* has over 25 years of experience in the financial services sector including being the former President & CEO of Scotia Securities where she managed the Scotiabank mutual funds and other investment programs. She is a former Board Member of the Mutual Fund Dealers Association of Canada and the Investment Funds Institute of Canada.
- *James Simmonds*, CPA CA, is a retired Financial Services executive with over 30 years of experience in the investment industry. He was most recently the Chief Compliance Officer of TD Asset Management, TD Mutual Funds and TD Private Investment Counsel and prior thereto he was Chief Compliance Officer at Gluskin Sheff + Associates and Executive Director, Compliance with UBS Global Asset Management.
- *Michael G. Yanai* is a consultant in the financial services sector where he has managed and implemented large scale projects for Canada’s major financial institutions. A Chartered Financial Analyst and Certified Management Accountant are amongst his several credentials.

The Independent Review Committee was established on November 1, 2007 and functions in accordance with the applicable securities laws, including National Instrument 81-107 *Independent Review Committee for Investment Funds* (“**NI 81-107**”). In accordance with NI 81-107, the mandate of the Independent Review Committee is to consider and provide recommendations to the Manager on conflicts of interest to which the Manager is subject when managing the Funds and the other investment funds it manages. The Manager is required under NI 81-107 to identify conflicts of interest inherent in its management of the Funds and the other investment funds managed by it, and request input from the Independent Review Committee into how it manages those conflicts of interest, as well as its written policies and procedures outlining its management of those conflicts of interest. The Independent Review Committee provides its recommendations to the Manager with a view to the best interests of the Funds and the other investment funds managed by the Manager. The Independent Review Committee reports annually to Unitholders of the Funds as required by NI 81-107. The reports of the Independent Review Committee are available free of charge from the Manager on request by contacting the Manager at excel@excelfunds.com and are posted on the Manager’s website at www.excelfunds.com.

The compensation and other reasonable expenses of the Independent Review Committee (“**IRC Costs**”) will be paid *pro rata* out of the assets of the Funds, as well as out of the assets of the other investment funds for which the Independent Review Committee acts as an independent review committee. For the year ended September 30, 2016, the IRC Costs were \$68,133.97. From this amount, IRC members received \$28,568.52 (Karen Fisher), \$18,493.35 (P. Morgan McCague, IRC member until September 30, 2016) and \$21,072.10 (Michael G. Yanai) in the form of retainers, meeting costs and, in certain cases, travel expenses.

Policies Related to Proxy Voting

Each Fund’s proxy voting record for the annual period ended June 30 is available free of charge to any investor upon request. Annual proxy voting records are also available on the internet at www.excelfunds.com.

All Funds (other than Excel China Fund).

Excel India Fund, Excel India Balanced Fund, Excel New India Leaders Fund, Excel Chindia Fund and Excel Emerging Markets Balanced Fund each employ a “fund-of-fund” investment strategy under which they invest approximately 100% of their assets in securities of other mutual funds (sometimes referred to as an **underlying fund**). As required by NI 81-102, Excel Funds will not vote proxies received in connection with holding securities of an underlying fund in the event that Excel Funds also manages that underlying fund. In February 2011, BSLAMC took over proxy voting for the Excel India-Sub Fund and is following Excel Funds’ overall proxy voting policies. The proxy voting for the portion of Excel India Fund that is invested in Canada is undertaken by Broadridge Financial Solutions Inc. (“**Broadridge**”).

Excel Funds has retained Broadridge, an independent third party services provider, to provide proxy analysis, vote recommendations, vote execution and proxy record-keeping services for the above-noted Funds which utilize their integrated recommendations that incorporate Glass, Lewis & Co. (“**GLC**”) guidelines. Some of the policies and procedures governing key proxy voting matters followed by these Funds include:

- *Board of Directors.* Electing directors that are independent (e.g., separating the roles of chairman and CEO), have diverse backgrounds, enjoy a record of positive performance and that have delivered value over the medium to long term. Disfavouring directors who have a record of not fulfilling their responsibilities to shareholders at any company where they held a board or executive position.
- *Auditor Ratification.* A policy of generally supporting management’s choice of auditor unless the auditor’s independence or audit integrity has been compromised, such as when: (i) there has been material restatements of annual financial statements or material weaknesses in internal controls; (ii) when the auditor performs prohibited services (e.g., individual tax services for the CEO); (iii) the company has aggressive accounting practices; and (iv) there exists other relationships involving the auditor that suggest a conflict between the auditor’s interest and the interests of the shareholders.
- *Executive Compensation.* Considers the election of compensation committee members as the appropriate mechanism for shareholders to express their disapproval or support of board policy on executive pay. Favours performance-based compensation as an effective way to motivate executives to act in shareholder’s best interests.

While GLC will vote all proxies on behalf of the Funds in accordance with their specific proxy voting guidelines (which can be downloaded at www.excelfunds.com), Excel Funds retains the discretion to depart from such guidelines depending upon any particular proxy vote depending upon the circumstances. Excel Funds reviews the guidelines on a periodic basis (at least yearly) to ensure they remain consistent with its guiding principles and philosophy. In certain cases, proxy votes may not be cast. For example, it may be determined that it is not in the best interests of unitholders of the Fund to vote proxies - these situations can include situations where there would be extraordinary costs to vote proxies or where it may not be possible to vote certain proxies despite good faith efforts to do so (e.g., inadequate notice of the matter is provided).

Excel China Fund

Excel Funds has delegated responsibility over establishing, monitoring and amending (if necessary) the policies and procedures governing proxy voting with respect to Excel China Fund to its sub-adviser, China AMC.

China AMC votes proxies in accordance with its policy entitled “Measures for the Company’s Exercise of Public Shareholders’ Voting Right in Listed Companies on behalf of Fund Unit Holders”.

After a listed company makes an announcement of a shareholders’ meeting, the custodian/third party proxy voting system will send the relevant information to the trading support personnel who will then forward the information to the corresponding portfolio manager for the Fund. The portfolio manager, under the supervision of the corresponding investment committee, will review the issue and decide whether to attend the shareholders’ meeting or contact EIC for further instructions.

In relation to major issues in respect of a listed company, the portfolio managers are required to file their voting decisions with the investment committee or the head of investment committee of China AMC prior to the voting.

Policies Related to Derivatives

The Funds may use derivatives to achieve their investment objectives as disclosed in the Simplified Prospectus and as permitted by the Canadian securities regulations.

Each Fund’s portfolio adviser and/or sub-adviser, as the case may be, is responsible for authorizing, executing and placing controls (if necessary) on derivative trading. For Funds where EIC has not appointed a portfolio sub-adviser to the Fund, derivative positions are monitored on a daily basis to ensure that the derivative holdings are consistent with the Fund’s investment objective and in compliance with all applicable securities law requirements. For Funds where there is a portfolio sub-adviser, EIC receives quarterly certifications from the portfolio sub-adviser that the derivative holdings of the relevant Fund are consistent with that Fund’s investment objective and in compliance with all applicable securities law requirements. The Funds do not have written policies or procedures with respect to derivative trading or risk management procedures.

Procedures relating to the use of specific derivative instruments are developed in conjunction with the counterparty and custodian.

As of the date of this annual information form, Excel India Fund has not used derivatives nor does it have written policies or procedures to manage risks associated with the use of derivatives for this Fund.

Policies Related to Short Selling

Certain Funds may engage in short selling. A short sale by a Fund involves borrowing securities from a lender which are then sold in the open market. At a future date, the securities are repurchased by the Fund and returned to the lender. While the securities are borrowed, the proceeds from the sale are deposited with the lender and the Fund pays interest to the lender. If the value of the securities declines between the time that the Fund borrows the securities and the time it repurchases and returns the securities to the lender, the Fund makes a profit on the difference (less any interest the Fund is required to pay the lender). Short selling involves risk. There is no assurance that securities will decline in value during the period of the short sale and make a profit for a Fund. Securities sold short may instead appreciate in value creating a loss for a Fund. A Fund may experience difficulties repurchasing and returning the borrowed securities if a liquid market for the securities does not exist. The lender may also recall borrowed securities at any time. The lender from whom a Fund has borrowed securities may go bankrupt and a Fund may lose the collateral it has deposited with the lender. The Funds that engage in short selling will adhere to controls and limits that are intended to mitigate these risks by short selling only liquid securities and by limiting the amount of exposure for short sales to the total market value of all securities of an issuer of the securities sold short by a Fund to 5% of the net asset value of the Fund and the total market value of all

securities sold short by a Fund to 20% of the net asset value of the Fund. The Funds will also deposit collateral only with Canadian lenders that are regulated financial institutions or regulated dealers and only up to certain limits.

Policies Related to Securities Lending, Repurchase or Reverse Repurchase Transactions

The Funds may engage in securities lending, repurchase and reverse repurchase transactions to the extent permitted by the Canadian securities regulators. Prior to engaging in such transactions, the Funds will implement policies and practices to manage the risks associated with these types of transactions, and which will be reviewed at least annually by the Manager's Chief Compliance Officer.

Specifically, where a Fund engages in such investments, it will:

- require that the other party to the transaction establish collateral equal to a minimum of 102% of the market value of the securities loaned (for securities lending transactions) or sold (for repurchase transactions), or 102% of the cash paid for the securities (for reverse repurchase transactions), as the case may be;
- hold collateral consisting only of cash, qualified securities or securities that can be immediately converted into securities identical to those that are on loan. The collateral is marked-to-market daily;
- adjust the amount of collateral each business day to ensure the collateral's value relative to the market value of the securities loaned, sold or purchased remains within the 102% limit; and
- limiting the aggregate market value of all securities loaned or sold through securities lending and repurchase transactions to under 50% of the net asset value of the Fund.

Should the Funds engage in securities lending, repurchase and reverse repurchase transactions, the Manager will appoint State Street Bank and Trust Company as an agent under the terms of a written agreement established and reviewed by the Manager, in order to administer any securities lending, repurchase and reverse repurchase transactions for the Funds. Under the provisions of this agreement, the agent shall be required to:

- assess the creditworthiness of potential counterparties to these transactions (typically, registered brokers and/or dealers);
- negotiate the actual securities lending, repurchase and reverse repurchase agreements with such counterparties;
- collect lending and repurchase fees and provides such fees to the Manager;
- monitor (daily) the market value of the securities sold, loaned or purchased and the collateral and ensures that each Fund holds collateral equal to at least 102% of the market value of the securities sold, loaned or purchased; and
- ensure that each Fund does not loan or sell, as the case may be, more than 50% of the total market value of its assets (not including the collateral held by the Fund) through lending and repurchase transactions.

Should the Funds engage in such transactions, the Manager will establish written policies and procedures that set out the objectives and goals for these particular types of investments. There are no limits or controls restricting these transactions and risk measurement or simulations are not used to test the portfolio under stress conditions. The Manager is responsible for reviewing these investments on an as-needed basis and such review will be independent of the agent.

Policies Related to Voting Rights and Fund-of-Fund Investments

Some of the Funds (referred to in this context as a “top fund”) may invest in securities of other mutual funds (referred to in this context as an “underlying fund”). If a top fund invests in an underlying fund that is managed by Excel Funds, Excel Funds will not vote the securities held by the top fund in that underlying fund. If applicable, Excel Funds may (but is under no obligation to) arrange for the securities of the underlying fund to be voted by the holders of securities of the top fund.

Policies Related to Short-Term Trading

Excel Funds has adopted policies and procedures to monitor, detect and deter inappropriate short-term trading.

An inappropriate short-term trade is defined as a combination of a purchase and redemption, including switches between Funds, within 30 days that Excel Funds believes is detrimental to Fund investors and which may take advantage of securities priced in other time zones or illiquid securities that trade infrequently.

All trades in Series A, Series F, Series D and Institutional Series units determined by Excel Funds to be inappropriate short-term trades will be subject to a 2% fee. Excel Funds may take such additional action as it considers appropriate to prevent further similar activity by the investor. These actions may include the delivery of a warning to the investor, placing the investor/account on a watch list to monitor his or her trading activity and the subsequent refusal of further trades by the investor if the investor continues to attempt such trading activity, and/or closure of the investor’s account.

Short-term trading fees do not apply to:

- units redeemed or switched pursuant to Excel Funds’ Systematic Withdrawal Plan or Dollar-Cost Averaging Plan, including withdrawals required by law to be made from registered tax plans;
- units acquired through reinvested distributions;
- switches or redemptions initiated by Excel Funds, another Fund or a counterparty to a derivative contract entered into by a Fund;
- redemptions of Excel Money Market Fund or Series N units; or
- other circumstances as determined in Excel Funds’ sole discretion.

All short-term trading fees are deducted from the amount you redeemed or switched and are paid to the affected Fund. Short-term trading fees are in addition to any Initial Sales Charges, Redemption Charges or Switch Fees that may apply.

In making these judgements, Excel Funds seeks to act in a manner that it believes is consistent with the best interests of its investors.

Excel Funds reserves the right to restrict, reject or cancel, without any prior notice, any purchase or switch order, including transactions that are deemed to represent inappropriate or excessive short-term trading.

INCOME TAX CONSIDERATIONS

Canadian Income Tax Considerations

The following summarizes the principal Canadian federal income tax considerations with respect to the acquisition, ownership and disposition of units of a Fund generally applicable to an individual investor, other than a trust, resident in Canada, who deals at arm's length with a Fund and holds units as capital property.

This summary is based on the current provisions of the Tax Act, the regulations thereunder (the "**Regulations**"), specific proposals ("**Tax Proposals**") to amend the Tax Act and Regulations announced by the Minister of Finance (Canada) ("**Minister**") prior to the date hereof, and the published administrative policies and assessing practices of the Canada Revenue Agency. No assurances can be given that the Tax Proposals will be enacted as proposed, or at all. This summary does not take into account or anticipate any other changes in law whether by legislative, regulatory, administrative or judicial action. Furthermore, this summary does not take into account provincial or foreign income tax legislation or considerations, other than the specific foreign tax considerations mentioned herein.

Each Fund has qualified as a mutual fund trust under the Tax Act throughout its current taxation year and is expected to continue to qualify as a mutual fund trust under the Tax Act at all material times in the future. This summary is based on the assumption that each of the Funds will qualify as a "mutual fund trust" under the Tax Act effective at all material times.

The following summary is of a general nature only and is not intended to constitute advice to any particular investor. Each investor should seek independent advice regarding the income tax consequences of investing in units of the Fund, based upon the investor's own particular circumstances.

Taxation of the Funds

Each Fund is subject to taxation in each taxation year on the amount of its income for Canadian tax purposes for the taxation year, including net taxable capital gains, less the portion thereof that is paid or payable to holders of units of the Fund in the calendar year ending in the taxation year. Each Fund will distribute to unitholders in each year sufficient of its net income and net realized capital gains that, generally, it should not be liable for tax under Part I of the Tax Act. Generally, gains and losses realized by a Fund from the use of derivatives will be treated as capital gains and loss. In certain circumstances, capital losses realized by a Fund will be suspended or restricted and, therefore, will not be available to shelter capital gains or income. In particular, capital losses of a Fund on the disposition of equities will be suspended where the Fund acquires equities within 30 days of such dispositions. Income of the Funds from foreign sources may be subject to foreign withholding tax.

Taxation of the Company

For the purposes of this summary, it has been assumed that the Company: (i) will not be resident in Canada for purposes of the Tax Act; (ii) will not carry on business in Canada; (iii) will not be subject to any material Mauritius or India income tax; (iv) will hold all portfolio securities on capital account; and (v) will not be regulated under the laws of Mauritius as a foreign bank, a trust company, a credit union, an

insurance corporation or a trader or dealer in securities or commodities. The Manager expects that these assumptions are accurate.

Provided that the Company is not resident in Canada and does not carry on business in Canada, it should not be subject to income tax in Canada. If the Company was found to be resident in Canada, then it would be subject to tax in Canada on its worldwide income. Alternatively, if the Company was found to carry on business in Canada, it would be subject to tax in Canada on its income in respect of its business carried on in Canada.

Foreign Accrual Property Income of the Company

In computing its income for a particular taxation year, each Fund must include its share of the foreign accrual property income (“**FAPI**”) earned by a “controlled foreign affiliate” (as defined in the Tax Act) (“**CFA**”) of the Fund for each taxation year of the CFA that ends in the particular taxation year of the Fund. This is the case regardless of whether any such income is actually received by the Fund from the CFA. The Company is a CFA of each of Excel India Balanced Fund and Excel New India Leaders Fund. See “Taxation the Company – Computation of FAPI” for information about how the FAPI of the Company is determined and allocated among the shareholders in the Company.

In general terms, the adjusted cost base to a Fund of its shares in the Company will be increased by the amount of the FAPI included in the income of the Fund. Subject to detailed provisions of the Tax Act in this regard, if a Fund receives a dividend from the Company in a particular taxation year, the portion of such dividend that is attributable to amounts included in income as FAPI for the particular taxation year or a previous taxation year will generally be deductible to the Fund in the year that the dividend is received, but there will be a corresponding reduction in the adjusted cost base to the Fund of its shares of the Company.

In general terms, a Fund will also be entitled to claim a grossed-up deduction in computing its income in respect of the foreign income tax (including withholding tax) paid by the Company that is applicable to the FAPI included in the Fund’s income for a particular taxation year or in any of its five following taxation years, subject to the detailed provisions of the Tax Act. In general terms, the amount of this deduction: (i) cannot exceed the amount of FAPI included in the Fund’s income for the particular year, and (ii) will reduce the adjusted cost base to the Fund of its shares of the Company. However, the Company is not expected to be subject to a material amount of income or withholding tax.

Dividends received by a Fund on its shares of the Company will be included in the income of the Fund for the taxation year in which such dividends were received. As noted above, in a taxation year in which it receives a dividend from the Company, a Fund will generally be entitled to deduct from its income the portion of a dividend that relates to FAPI that was included in the income of the Fund for the current or a preceding taxation year, subject to the detailed rules in the Tax Act in this regard. While a Fund is also generally entitled to claim a Canadian foreign tax credit or deduction in respect of foreign withholding tax paid by it for dividends received by it from foreign corporations, dividends paid by the Company to the Fund are not currently subject to Mauritius withholding tax.

Computation of FAPI

In computing its FAPI for a particular taxation year, the Company will generally be required to compute its income in Canadian currency and in accordance with the provisions of the Tax Act as if it was resident in Canada. Therefore, the amount of income, gains and losses realized by the Company may be affected by fluctuations in the value of foreign currencies relative to the Canadian dollar.

The Company is expected to earn FAPI in respect of certain interest, dividends and taxable capital gains received from investments in portfolio securities. In computing FAPI, the Company will be required to include in its income for each taxation year all dividends received (or deemed to be received) by it in such year. The Company will generally be required to include in computing FAPI for each taxation year with respect to debt obligations held by it, all interest that accrues to it or is deemed to accrue to it to the end of the year, or becomes receivable or is received by it before the end of the year, except to the extent that such interest was included in computing its income for a preceding taxation year. Upon the actual or deemed disposition of indebtedness, the Company will be required to include in computing FAPI for the year of disposition all interest that accrued on such indebtedness from the last interest payment date to the date of disposition except to the extent such interest was included in computing the Company's income for that or a preceding taxation year and such interest will not be included in the proceeds of disposition for purposes of computing any capital gain or loss. Taxable capital gains realized by the Company on the disposition of portfolio securities in a particular taxation year will generally be included in the computation of its FAPI for the taxation year in which the disposition occurs. Allowable capital losses realized by the Company on the disposition of portfolio securities in a particular taxation year will generally be deductible against taxable capital gains (thereby reducing FAPI) realized by the Company in the particular taxation year. To the extent that the allowable capital losses realized by the Company in a particular taxation year exceed taxable capital gains realized by the Company for the particular taxation year, such excess will not be deductible in computing FAPI for the particular taxation year but may be available to reduce the FAPI of the Company derived from a capital gain in any of the three previous years or twenty following years, subject to the detailed rules in the Tax Act.

In computing FAPI, the Company is subject to the suspended loss rules contained in the Tax Act. A loss realized on a disposition of capital property is considered to be a suspended loss when the Company or a person affiliated with the Company acquires a substituted property within 30 days before and 30 days after the disposition, and the Company or a person affiliated with the Company owns the substituted property 30 days after the original disposition. If a loss is suspended, the Company cannot deduct the loss from the Company's capital gains until the substituted property is sold to an unaffiliated person and is not reacquired within 30 days before and after the sale.

The Company may deduct reasonable administrative and other expenses incurred to earn income in accordance with the detailed rules in the Tax Act. To the extent that the expenses exceed its FAPI, the Company may have foreign accrual property losses that can be carried forward up to twenty years or back three years to be applied against FAPI in such taxation years in accordance with the detailed rules in the Tax Act.

The Company is a single legal entity for tax purposes, and consequently FAPI is not calculated on a class by class basis of its shares. All income, deductible expenses, capital gains and capital losses of the Company relevant to the calculation of FAPI for a particular taxation year will be taken into account to determine the FAPI of the Company as a whole. In particular, capital losses realized by the Company during a taxation year must generally be applied against all capital gains realized by the Company during that year, irrespective of the particular investment portfolio that had generated such gains or losses within the Company. Accordingly, capital losses in the portfolio attributable to one class of shares of the Company in which a Fund invests, may be used to offset capital gains in the portfolio of the other class of shares of the Company in which the other Fund invests, and would not carry forward for the benefit of the first Fund in the future. Once the FAPI for the Company has been determined, then that amount will be allocated by the Company to each Fund based on that Fund's "participating percentage" (as defined in the Tax Act) as determined at the end of the Company's taxation year. For this purpose, the participating percentage should equal the relative percentage, compared to the percentages held by all other shareholders of the Company, of the distributions paid by the Company during the taxation year on its shares together with any additional distributions that would have been made had the Company distributed

all of its realized income. Therefore, each Fund must generally include in its income its percentage share of FAPI earned by the Company for the taxation year whether or not the Fund had actually received a dividend from the Company during that year.

Foreign Accrual Property Income of the Mauritius Sub-Fund and the India Sub-Fund

Generally, each of the Mauritius Sub-Fund and the India Sub-Fund will be deemed to be controlled foreign affiliates under the Tax Act of Excel India Fund. Accordingly, Excel India Fund must include in its income the FAPI earned by each of the Mauritius Sub-Fund and the India Sub-Fund computed in a manner similar to that for the Company, described above. A portion of this FAPI included in the income of Excel India Fund may be reflected in distributions of income by Excel India Fund to Excel Chindia Fund.

Taxation of Unitholders

A unitholder of a Fund will be required to include in computing the unitholder's income such portion (computed in Canadian dollars) of a Fund's net income and the taxable portion of a Fund's net realized capital gains, if any, as is paid or payable to the unitholder by the Fund, whether or not such amount has been reinvested in additional units. This may include a Management Fee Distribution.

Provided that appropriate designations are made by a Fund, such portion of net taxable capital gains, foreign source income and taxable dividends received on shares of taxable Canadian corporations, if any, of the Fund that are paid or payable to the unitholders (including such amounts reinvested in additional units) will effectively retain their character and be treated as taxable capital gains, foreign source income and taxable dividends of the unitholders. Foreign source income received by a Fund will generally be net of any taxes withheld in the foreign jurisdiction. The taxes so withheld will be included in the determination of income under the Tax Act. To the extent that the Fund so designates, in accordance with the Tax Act, unitholders will be entitled to treat such taxes withheld as foreign taxes paid by the unitholders for the purposes of claiming a foreign tax credit. Gains realized by the Funds from investments in derivatives will generally result in distributions of income rather than capital gains. To the extent that distributions (including Management Fee Distributions) to a unitholder by a Fund in any year exceed the unitholder's share of the net income and net realized capital gains of the Fund for that year, those distributions (except to the extent that they are proceeds of disposition as described below or are reinvested in units of the Fund) may be a return of capital and, if so, will not be taxable to a unitholder but will reduce the adjusted cost base of the unitholder's units. If the adjusted cost base of a unitholder's units would otherwise be less than zero, the negative amount will be deemed to be a capital gain realized by the unitholder and the adjusted cost base of the units will be increased to nil.

Unitholders who purchase units may be taxable on accrued but undistributed income, accrued but unrealized capital gains and realized but undistributed capital gains that are in a Fund at the time the units are purchased and that were reflected in the price of the units.

Capital Gains and Alternative Minimum Tax

Upon the disposition or deemed disposition by a unitholder of a unit, whether by redemption, sale, exchange or otherwise, a capital gain (or capital loss) will be realized to the extent that the proceeds of disposition, less any costs of disposition, exceed (or are less than) the adjusted cost base to the unitholder of the unit. Where a unitholder has purchased or disposed of units in U. S. dollars, the unitholder's adjusted cost base and proceeds of disposition for these units must be calculated in Canadian dollars at the time of acquisition or disposition, as applicable. Generally, one-half of a capital gain (or capital loss) is included in determining a unitholder's taxable capital gain (or allowable capital loss). Under the

alternative minimum tax provisions of the Tax Act, capital gains realized by an individual may give rise to a liability for minimum tax.

A change from one Series of a Fund to another Series of the same Fund will not result in a disposition for tax purposes and will not result in a capital gain or loss.

Eligibility for Registered Plans

Provided that each of the Funds qualifies at all times as a mutual fund trust under the Tax Act, units of each of the Funds will be qualified investments for registered retirement savings plans (including related locked-in plans), registered retirement income funds (including related locked-in plans), deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax-free savings accounts. Annuitants of registered retirement savings plans and registered retirement income funds, holders of tax-free savings accounts and registered disability savings plans, and subscribers of registered education savings plans, should consult their own tax advisers as to whether units of the Funds would be “prohibited investments” under the Tax Act in their particular circumstances.

Foreign Tax Considerations:

Mauritius Income Tax Considerations

Mauritius Sub-fund

In the opinion of Mr. Sanjeev Kalachand, Barrister of 506, St. James Court, St. Denis Street, Port - Louis, Mauritius, counsel to the Mauritius Sub-fund, India Excel (Mauritius) Fund, is a trust registered in Mauritius and having as trustee IFS Trustees, whose registered address is at TwentyEight, Cybercity, Ebene 72201, Mauritius and is resident in Mauritius for the purposes of Mauritius Income Tax under the Income Tax Act 1995 and pursuant to Article 4(1) of the Treaty between Mauritius and India for the avoidance of double taxation. The Mauritius Sub-fund, which holds a Category 1 Global Business Licence, is subject to income tax as from assessment year starting July 1, 2003 at 15% per annum. However, the Mauritius Sub-fund will be entitled to a tax credit up to its maximum tax liability equivalent to the higher of the actual foreign tax suffered or 80% of the Mauritius tax on its foreign source income resulting in an effective maximum tax rate of 3%.

Non-resident beneficiaries are exempt from Mauritius income tax in respect of their income from the Fund.

No tax on capital gains will be payable in Mauritius on disposals by the Mauritius Sub-fund of its investments in India.

A Tax Residence Certificate has been obtained from the Director General, Mauritius Revenue Authority in respect of the Mauritius Sub-fund. This certificate is required to be renewed annually by the Director General, Mauritius Revenue Authority (subject to the following assumptions: that the Mauritius Sub-fund being in good standing and appropriate undertakings being given, that the central management and control of the Mauritius Sub-fund is exercised within Mauritius, that the Mauritius Sub-fund is administered in Mauritius). On this basis, the Mauritius Sub-fund will qualify as a resident of Mauritius for the purposes of the Treaty and, therefore, will be entitled to certain relief from Indian Tax.

Investors in the Mauritius Sub-fund will not be subject to any withholding tax in Mauritius in respect of dividends from the Mauritius Sub-fund and in respect of proceeds from disposals (including redemptions) of shares in the Mauritius Sub-fund.

The Company

The Company holds a Category Global Business Licence issued by the Mauritius Financial Services Commission. The Company will be subject to tax in the Republic of Mauritius at the rate of 15% on its net income. The Company will, however, be entitled to a foreign tax credit equivalent to the higher of the actual foreign tax paid or 80% of the Mauritian tax on its foreign source income resulting in a maximum effective tax rate on net income of 3%. Further, the Company will be exempt from income tax in the Republic of Mauritius on profits or gains arising from the sale of securities. There is no withholding tax payable in the Republic of Mauritius in respect of payments of dividends to investors or in respect of the redemption or exchange of shares of the Company. Investors will not be liable for tax in Mauritius on dividends and capital distributions made by the Company. There is also no capital gains tax, wealth, inheritance, estate tax or gift tax applicable to investors.

The Company has obtained a tax residence certificate from the Mauritius Revenue Authority. The certificate is renewable annually subject to the directors and the secretary of the Company each providing a prescribed undertaking to the tax authorities to demonstrate that the Company is centrally managed and controlled in Mauritius. The Company would, on that basis, qualify as a resident of Mauritius for the purposes of the Indo-Mauritius DTAA. The Company would consequently be entitled to certain relief from Indian capital gains tax on Indian investments, subject to the continuance of the current terms of the Indo-Mauritius DTAA.

Exchange Control in Mauritius

There are currently no exchange control regulations in Mauritius.

Indian Income Tax Considerations

The India Sub-Fund, the Mauritius Sub-fund, and the Company which makes investments in India will be taxed in India to the extent mentioned below:

Excel India Fund's Indian advisers, Dave & Girish & Co., 1st Floor, Sethna Building, 55, Maharshi Karve Road, Marine Lines, Mumbai – 400 002, have, proceeding on the basis that the Mauritius Sub-fund and the Company are *bona fide* resident of Mauritius, and have been recognized as such under the Mauritius Income Tax Act 1995, advised that the Mauritius Sub-fund and the Company will not be liable to pay any income tax on capital gains made by it on the sale, transfer or redemption of securities acquired including units of the India Sub-fund, and shares before April 1, 2017.

The Mauritius Sub-fund and the Company will also not be liable to pay any tax in India on income distributions received by it on the units from the India Sub-fund or on dividends received by it on the shares of the Company. The India Sub-fund is not liable to pay any tax on dividends received or short-term or long-term capital gains made by it on sale, transfer or redemption of any securities in which it would have invested, under Section 10(23D) of the Income-tax Act 1961.

For income distributed by the India Sub-fund, which is an equity oriented fund, no income distribution tax should be payable.

The Indian companies in which investments are made will be liable to pay income tax called "additional income tax" at the rate of 15% grossed up of the amount of income distributed by it to the Company as increased by the applicable surcharges and cess. Indian mutual funds, other than equity oriented mutual funds, will be liable to pay income-tax called as additional income tax at the rate of 30% grossed up of the amount of income distributed by it to the Company, as increased by applicable surcharges and cess.

The India Sub-fund is liable to pay Securities Transaction Tax (“**STT**”) on the sale and purchase of equity shares by it. The Mauritius Sub-fund and the Company are also liable to pay STT on the purchase and sale of equity shares and on the sale or redemption of units held by it in the India Sub-fund. The rates and the circumstances in which STT is payable are as mentioned hereinafter.

Securities Transaction Tax

The India Sub-fund, the Mauritius Sub-fund and the Company will be liable to pay securities transaction costs in the following circumstances and rates:

Taxable securities transaction	Rate	Payable by
<p>(1) Purchase of an equity share in a company or a unit of a business trust, where</p> <p>(a) the transaction of such purchase is entered into on a Recognized Stock Exchange; and</p> <p>(b) the contract for the purchase of such share or unit is settled by the actual delivery or transfer of such share or unit.</p>	0.1%	Purchaser
<p>(2) Sale of an equity share in a company or a unit of a business trust, where</p> <p>(a) the transaction of such sale is entered into on Recognized Stock Exchange; and</p> <p>(b) the contract for the sale of such share or unit is settled by the actual delivery or transfer of such share or unit.</p>	0.1%	Seller
<p>(2A) Sale of a unit of an equity oriented fund, where</p> <p>(a) the transaction of such sale is entered into on a Recognized Stock Exchange; and</p> <p>(b) the contract for the sale of such unit is settled by the actual delivery or transfer of such unit.</p>	0.001%	Seller

Taxable securities transaction	Rate	Payable by
(3) Sale of an equity share in a company or a unit of an equity oriented fund or unit of a business trust, where (a) the transaction of such sale is entered into on a Recognized Stock Exchange; and (b) the contract for the sale of such share or unit is settled otherwise than by the actual delivery or transfer of such share or unit.	0.025%	Seller
(4) (a) Sale of an option in securities (b) Sale of an option in securities where option is exercised; (c) Sale of a futures in securities.	0.05% 0.125% 0.01%	Seller Purchaser Seller
(5) Sale of a unit of an equity oriented fund to a mutual fund.	0.001%	Seller
(6) Sale of unlisted equity shares under an offer for sale referred to in sub-clause (aa) of clause (13) of section 97	0.2%	Seller
(7) Sale of unlisted units of a business trust under an offer for sale referred to in sub-clause (ab) of clause 13 of section 97	0.2%	Seller

The tax opinion is based on the assumption that the Mauritius Sub-fund and the Company are not tax residents of India but are instead tax residents of Mauritius and have obtained a Tax Residence Certificate in Mauritius from the Director General, Mauritius Revenue Authority, that this Tax Residence Certificate will be renewed annually by the Director General, Mauritius Revenue Authority (subject to: (i) the Mauritius Sub-fund being in good standing; (ii) appropriate undertakings being given; (iii) that the Mauritius Sub-fund complies with the provisions of the prevailing legislation governing global business (including regulations and rules made thereunder), in particular the statutory provisions set out in section 71(4) of the Financial Services Act 2007; (iv) that the Mauritius Sub-fund does not have a permanent establishment outside Mauritius; (v) that the Mauritius Sub-fund has not been set up solely for the purpose of availing of the benefits under the *India-Mauritius Tax Treaty* and is not controlled from outside Mauritius). Excel Funds has confirmed that these assumptions are true. If, however, the assumptions are determined to be incorrect, Indian withholding tax may be imposed on capital gains realized by the Mauritius Sub-fund which could negatively impact its return. The India Sub-fund and the Mauritius Sub-fund will also be liable to pay the STT in respect of purchase or sale transactions of any

equity share in a company in India, or a derivative or a unit of an equity-oriented mutual fund, entered into on a recognized stock exchange.

On May 10, 2016, changes were made to the Indo-Mauritius Double Taxation Avoidance Agreement. Notably, India will obtain taxation rights on capital gains arising from alienation of shares of Indian companies acquired on or after April 1st, 2017 in a company that is resident in India. Capital gains that arise on transfer of shares during the transition period from April 1, 2017 to March 31, 2019 will be taxed at a reduced rate of 50% of the domestic tax rate of India, subject to the fulfillment of the conditions in the Limitation of Benefits Article (LOB). The benefit of 50% reduction in tax rate during the transition period from April 1, 2017 to March 31, 2019 shall be subject to the LOB, whereby a resident of Mauritius (including a shell or conduit company) will not be entitled to a 50% tax rate reduction if it fails the main purpose and the bona fide business tests. A resident is deemed to be a shell or conduit company if its total expenditure in operations in Mauritius is less than 1,500,000 Mauritian Rupees in the immediately preceding 12 months. Existing investments made by the Mauritius Sub-fund or the Company, i.e. investments made before April 1, 2017 will not be subject to capital gains taxation in India. Taxation on transfer of shares in India at the full domestic tax rate will commence in the 2019-2020 financial year.

However, no income-tax is payable on any long-term capital gain made by the Company on sale or transfer of shares acquired on or after April 1, 2017 in an Indian company since STT in India is payable on such sale and notified purchase transaction. Long-term capital gain would mean any capital gain made on sale or transfer of shares held by the Company for more than one year preceding the date of its sale or transfer.

Further no income-tax is payable by the Mauritius Sub-fund on long-term capital gains arising on transfer of units of equity oriented mutual fund (India sub-fund) as STT is payable in India on the sale transaction of such units.

The Company, however, is liable to pay, in addition to STT, income-tax on short-term capital gains made by it on sale or transfer of any shares acquired after April 1, 2017, within one year of its acquisition (“short-term capital gain”) at 15% (7.5% during the transition period) plus surcharge on income-tax at the rate of 2% having total (taxable) income exceeding ten million rupees but not exceeding one hundred million rupees and at the rate of 5% having total (taxable) income exceeding one hundred million rupees plus additional surcharge by way of Educational Cess at the rate of 2% of the aggregate amount of income-tax and surcharge and additional surcharge (i.e., secondary and higher Educational Cess) calculated at the rate of 1% of the amount of income-tax and surcharge

Indian GAAR

Under the Indian Income Tax Act, the General Anti-Avoidance Rule (“GAAR”) would be applicable where the main purpose of a transaction or arrangement is to obtain a tax benefit. GAAR provisions empower the Indian tax authorities to investigate any such arrangement as an “impermissible avoidance arrangement” (an “IAA”) and, among other things, disregard entities in a structure, reallocate income and expenditure between parties to the arrangement, alter the tax residence of such entities and the legal status of assets involved and treat debt as equity and vice versa. The tax authorities may also deny tax benefits otherwise conferred under a tax treaty.

GAAR is effective in India for companies with financial years beginning on April 1, 2017. It is anticipated that the GAAR rules would provide for the grandfathering of investment transactions entered into prior to March 31, 2017.

If, after April 1, 2017, the Indian tax authorities determine that the Company entered into an IAA, the Company or the Mauritius Sub-Fund may not be permitted to receive the tax benefits under the IndoMauritius DTAA, which could have a material adverse impact upon the Underlying Funds.

The OECD Multilateral Instrument

In June 2017, both India and Mauritius signed the Multilateral Instrument (“MLI”) promoted by the OECD. While India has included Mauritius as a “covered country” under the MLI, Mauritius has not listed India under the instrument. The two countries are expected to enter into bilateral negotiations to come to a mutual agreement regarding compliance with the MLI. Depending on the outcome of the negotiations, there may be possible tax implications on the investments of the Mauritius Sub-Fund in India.

Income Arising from Indirect Transfer

Under the Indian Income Tax Act, a non-resident is taxed in India on the income received in India or income accruing or arising in India and income deemed to accrue or arise in India. In the Indian Income Tax Act, it is provided that an asset or a capital asset being any share or interest in a company or entity registered or incorporated outside India shall be deemed to be and shall always be deemed to have been situated in India, if the share or interest derives, directly or indirectly, its value substantially from the assets located in India.

Shares or interest in a foreign entity shall be deemed to derive its value substantially from assets located in India if the value of the Indian assets exceeds INR 100 million and represents at least 50% of the foreign entity’s global assets.

In addition, an exemption has been provided where the transferor of shares or interest in a foreign entity does not have the right of control and management over the foreign entity and does not hold more than 5% voting power in the foreign entity. This exemption is also available in the case of the transfer of shares or interest in a foreign company under a scheme of amalgamation or demerger, subject to conditions.

Such indirect transfer provisions are not applicable to investors in Category II FPI. Since Excel Funds Mauritius Company Ltd is a category II FPI under the SEBI (FPI) regulations 2014, the indirect transfer provisions should not apply to direct and indirect investors in Excel Funds Mauritius Company Ltd.

However, direct and indirect investors in the units of the Mauritius Sub-fund may become taxable in India unless the unitholder of the fund is a resident of a country with which India has a favourable tax treaty which exempts the unitholder from Indian capital gains tax or it meets the exemption, as mentioned above.

REMUNERATION OF DIRECTORS AND OFFICERS AND TRUSTEES

The Funds are trusts and do not directly employ any officers nor do they have their own directors. No remuneration, fees or reimbursement of expenses is paid by the Funds to the directors or officers of Excel Funds or the directors and officers of the investment managers of the Funds. The Funds reimburse the Manager for expenses related to Fund operations.

MATERIAL CONTRACTS

Copies of the Funds' material contracts, listed below, are available for inspection at the head office of Excel Funds during normal business hours at 2810 Matheson Boulevard East, Suite 800, Mississauga, Ontario L4W 4X7:

<u>Fund</u>	<u>Contract</u>	<u>Date</u>
Excel India Fund	Declaration of Trust, as amended	October 22, 2010
	Management Agreement, as amended	October 22, 2010
	Master Investment Management Agreement, as amended	October 22, 2010
	Custodian Agreement, as amended	May 26, 2015
Mauritius Sub-fund	Trust Deed, as amended	November 28, 1997
	First Supplementary Trust Deed, as amended	March 2, 1998
	Management Agreement, as amended	November 28, 1997
India Sub-fund	Trust Deed, as amended	December 23, 1994
	Supplemental Deed of Trust, as amended	November 28, 1997
	Unit Purchase Agreement, as amended	November 28, 1997
	Custodian Agreement, as amended	November 28, 1997
Excel Chindia Fund	Declaration of Trust, as amended	October 22, 2010
	Management Agreement, as amended	October 22, 2010
	Master Investment Management Agreement, as amended	October 22, 2010
	Custodian Agreement, as amended	May 26, 2015
Excel China Fund	Declaration of Trust, as amended	October 22, 2010
	Management Agreement, as amended	October 22, 2010
	Master Investment Management Agreement, as amended	October 22, 2010
	Custodian Agreement, as amended	May 26, 2015
	Investment Sub-Management Agreement, as amended	December 31, 2013
Excel Money Market Fund	Declaration of Trust, as amended	October 22, 2010
	Management Agreement, as amended	October 22, 2010
	Master Investment Management Agreement, as amended	October 22, 2010
	Custodian Agreement, as amended	May 26, 2015
Excel Emerging Markets Fund	Declaration of Trust, as amended	October 22, 2010
	Management Agreement, as amended	October 22, 2010
	Master Investment Management Agreement, as amended	October 22, 2010
	Custodian Agreement, as amended	May 26, 2015
Excel High Income Fund	Declaration of Trust, as amended	October 22, 2010
	Management Agreement, as amended	October 22, 2010
	Master Investment Management Agreement, as amended	October 22, 2010

<u>Fund</u>	<u>Contract</u>	<u>Date</u>
	Investment Sub-Advisory Agreement, as amended	October 22, 2010
	Custodian Agreement, as amended	May 26, 2015
Excel Emerging Markets Balanced Fund	Declaration of Trust, as amended	October 22, 2010
	Management Agreement, as amended	October 22, 2010
	Master Investment Management Agreement, as amended	October 22, 2010
	Custodian Agreement, as amended	May 26, 2015
Excel India Balanced Fund	Declaration of Trust, as amended	October 22, 2010
	Management Agreement, as amended	October 22, 2010
	Master Investment Management Agreement, as amended	October 22, 2010
	Custodian Agreement, as amended	May 26, 2015
Excel New India Leaders Fund	Declaration of Trust, as amended	October 22, 2010
	Management Agreement, as amended	October 22, 2010
	Master Investment Management Agreement, as amended	October 22, 2010
	Custodian Agreement, as amended	May 26, 2015

CERTIFICATE OF THE FUNDS, MANAGER AND PROMOTER

**EXCEL EMERGING MARKETS BALANCED FUND
EXCEL INDIA BALANCED FUND
EXCEL HIGH INCOME FUND
EXCEL MONEY MARKET FUND
EXCEL INDIA FUND
EXCEL NEW INDIA LEADERS FUND
EXCEL CHINA FUND
EXCEL CHINDIA FUND
EXCEL EMERGING MARKETS FUND**

(collectively, the “**Funds**”)

This annual information form, together with the simplified prospectus and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus, as required by the securities legislation of all the provinces and territories of Canada and do not contain any misrepresentations.

DATED: September 18, 2017

(signed) “Bhim D. Asdhir”

Mr. Bhim D. Asdhir
Chief Executive Officer

(signed) “Vishal Chetan”

Mr. Vishal Chetan
Chief Financial Officer

**On behalf of the Board of Directors
of Excel Funds Management Inc.,
as manager, promoter and trustee of the Funds**

(signed) “Adrian Herschell”

Mr. Adrian Herschell
Director

(signed) “Glenn W. Cooper”

Mr. Glenn W. Cooper
Director

[Back Cover]

EXCEL GROUP OF FUNDS

EXCEL BALANCED FUNDS

EXCEL EMERGING MARKETS BALANCED FUND (*formerly, Excel EM Blue Chip
Balanced Fund*)

EXCEL INDIA BALANCED FUND

EXCEL FIXED INCOME FUNDS

EXCEL HIGH INCOME FUND

EXCEL MONEY MARKET FUND

EXCEL EMERGING MARKET EQUITY FUNDS

EXCEL INDIA FUND

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Excel Funds Management Inc. is located at 2810 Matheson Boulevard East, Suite 800, Mississauga, Ontario L4W 4X7, tel: 1-888-813-9813, fax: 1-905-624-7531, e-mail: excel@excelfunds.com. Additional information about the Funds is available in the Simplified Prospectus, Fund Facts, Funds' Management Reports of Fund Performance and annual financial statements. You can obtain a copy of these documents at your request and at no cost, by calling Excel Funds Management Inc. toll free at 1-888-813-9813 or from your dealer.

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