



Annual Management Report of Fund Performance

December 31, 2017

Beutel Goodman Small Cap Fund

Beutel Goodman Small Cap Fund

This Annual Management Report of fund performance contains financial highlights but does not contain the complete annual or interim financial statements of the investment fund. You can get a copy of the annual or interim financial statements at your request at no cost (contact details on this page) or by visiting our website at www.beutelgoodman.com or SEDAR at www.sedar.com.

Security holders may also request the investment fund's prospectus, proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure.

Beutel Goodman Managed Funds

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Beutel Goodman Small Cap Fund

Management Discussion of Fund Performance

Investment Objectives and Strategies

The Fund seeks long-term capital appreciation primarily through investments in common shares and other equity securities of smaller capitalization Canadian issuers.

The Fund's advisor works to buy the best economic value in the market regardless of what sector the issuer operates in. The Fund's advisor focuses on purchasing companies at discounts to their business value, defined simply as the present value of sustainable free cash flow.

The Fund may invest in underlying Funds from time to time. Please refer to the Simplified Prospectus for additional information.

The fundamental investment objective of the Fund cannot be changed without the approval of a majority of the investors who own units in the Fund.

Risk

The risks of investing in this Fund remain as discussed in the Prospectus.

This Fund continues to be suitable for investors seeking capital growth with a medium to high tolerance for risk and a long-term investment horizon.

Results of Operations

The Fund posted a positive return and outperformed both the BMO Small Cap Index and the S&P/TSX Small Cap Index over the twelve month period under review.

For the full year, the Canadian small cap market posted modest returns, significantly lagging most other global large cap benchmarks with double digit returns. The Industrials and Information Technology sectors outperformed, while Energy was the weakest performing sector within both indices, posting negative returns, despite a rise in oil prices above \$60, a gain of over 12% for the year.

As central banks tightened monetary policy and the U.S. Federal Reserve started to unwind its balance sheet, markets took their cue more from economic data than from central bank extraordinary stimulus. Global growth was buoyant, global PMIs trended higher, the Canadian and U.S. labour markets were robust, and consumer spending was resilient. The one piece of economic data that continued to disappoint was the lack of wage growth and inflation. While 2016 was all about headline risk (Brexit, Trump election), for the most part markets ignored the headlines in 2017. The U.S. Federal Reserve followed through on hiking the Federal Funds rate three times, in line with their projections, and commencing the unwind of their balance sheet. The Bank of Canada moved from being on hold, to increasing the overnight rate back to 1.0% and essentially removing the extraordinary monetary policy stimulus put in place in 2015 in response to the oil shock, to being on hold again and then embarking on a slow, data dependent hiking cycle. The Bank became cautious about the effect of the tightening on consumer debt and spending, uncertainty regarding NAFTA, and the appreciation of the Canadian dollar.

Energy was the top contributor due to both stock selection and our underweight position. Real Estate also contributed positively due to strong stock selection. Colliers International rose during the year, the top contributor to performance. The company reported strong results and stronger margins. The Fund's Financial names were strong performers, notably Equitable Group, as a

result of strong earnings, waning concerns over Home Capital's funding issues and declining long term interest rates. Other strong performers included Linamar and Quebecor in Consumer Discretionary and FirstService in Real Estate.

Materials, Industrials and Information Technology were sources of underperformance for the portfolio. Health Care detracted as CRH Medical was weak following a hedge fund short report and additionally after The Centres for Medicare and Medicaid Services (CMS) announced reduced pricing on anaesthesia services that CRH provides. Other notable laggards included Birchcliff Energy, and Artizia in Consumer Discretionary.

Over the period, new positions were added in K-Bro Linen, Rocky Mountain Dealerships and Héroux-Devtek. The fund sold positions in Tahoe Resources, Merus Labs, Crew Energy and Asanko Gold. Other transactions in the period mostly involved taking advantage of volatility to trim some of the better performers and add to others with relatively more attractive upside potential.

Detailed performance is provided under the heading "Past Performance" in this report.

Recent Developments

Effective January 1, 2018, the Beutel Goodman Small Cap benchmark will be changed from the BMO Small Cap Index (BMO SC) to the S&P/TSX Small Cap Total Return Index (TSX SC). This change is being made as the TSX SC is a replicable and more common comparator provided by an independent party.

After a slow first half of the year, the Canadian small cap market made modest gains in the second half of 2017, although still lagging most other global benchmarks. Canadian M&A activity increased year-over-year in the most recent quarter, although the aggregate value of the transactions decreased. Metals and Mining was the most active sector. Subsequent to strong GDP growth of 4.1% in Q2, Canada's economic growth slowed to an annualized rate of 1.7% in Q3 but is expected to be 3.0% for the year, leading the G7 nations. The Bank of Canada held rates steady in December, although it is expected that it will resume its tightening in 2018, particularly after stronger than expected CPI and employment reports in addition to stabilizing energy markets. Elsewhere, coordinated global growth persists, as the G7 economies are also expanding more quickly than their estimated longer-term trend rates. In the U.S., the prospect of tax reform buoyed markets and this, together with robust global growth, should translate to further corporate earnings growth, a benefit to Canadian equities.

The portfolio manager remains positively inclined to equity valuations. They continue to concentrate on companies trading at a discount to intrinsic value, with balance sheet strength, superior cash flow, and a clear focus on shareholder returns, as these are the companies that should present the best upside potential.

Related Party Transactions

Beutel, Goodman & Company Ltd. is the Portfolio Advisor to this Fund. The Fund did not rely on any recommendation or approval of its Independent Review Committee to proceed with any transaction involving related parties because it did not conduct any related party transactions, except for certain inter-fund trades, as approved by the Independent Review Committee by standing instructions, and subject to regulatory requirements.

Beutel Goodman Small Cap Fund

Fees and Expenses

The following table lists the fees and expenses that you may have to pay if you invest in the Beutel Goodman Managed Funds. You may have to pay some of these fees and expenses directly. The Funds pay the other fees and expenses. This will reduce the value of your investment in a Fund.

Management Fees: We are entitled to a management fee from each class of each Fund based on the average daily net asset value of the particular class. The fee is payable monthly, in arrears, and is calculated at the annualized rate specified for each class of each Fund below. Management fees for Class I units are negotiated and paid directly by the investor, not by the Fund, and, therefore, are not listed.

Fund	Class	Management Fees (%) ⁽¹⁾
Small Cap Fund	B	1.95
Small Cap Fund	D	1.25
Small Cap Fund	F	1.00

(1) Excludes GST/HST where applicable.

We may reduce our management fee for certain large investors who have substantial holdings in units of a Fund. To accomplish this, we reduce the management fee we charge to the Fund and the Fund pays out the difference to these investors as a special distribution. This is called a management fee distribution. We calculate and accrue the reduction daily and distribute it quarterly. The distribution is reinvested on behalf of such unitholders in additional units of the same class of the Fund. Management fee reductions for a unitholder may be increased at any time, but may only be decreased after at least 60 days prior written notice has been given to such unitholder.

We may waive our management fee in certain circumstances.

The Fund paid the Manager management fees, inclusive of HST, of \$1,357,338 for the year ending December 31, 2017. The management fee for each class of unit is calculated as a percentage of its net asset value, as of the close of business on each business day. The Fund's management fees were used by the Manager to pay costs for managing the investment portfolio, providing investment analysis and recommendations, making investment decisions, making brokerage arrangements for the purchase and sale of the investment portfolio and providing other services. The Manager also used the management fees to fund commission payments and other dealer compensation (collectively called "distribution-related costs") to registered dealers and brokers and financial consultants, for units of the Fund bought and held by investors, which amounted to 19.14% of total management fees paid by the Fund to the Manager in 2017.

Operating Expenses: The Manager pays certain operating expenses of the Fund. These expenses include audit and legal fees; custodian and transfer agent fees; costs attributable to the issue, redemption and change of units, including the cost of the security holder record-keeping system; expenses incurred in respect of preparing and distributing all regulatory reports; fund accounting and valuation costs; independent review committee fees and filing fees, including those incurred by us. In return, the Fund pays the Manager a fixed administration fee. The administration fee may vary by class of units and by Fund.

Please refer to the Financial Highlights section for the MERs of the classes of units.

Commissions

Commissions paid to brokers for portfolio transactions were as follows:

Fund	2017	2016
Small Cap Fund	\$511,916	\$738,293

Beutel Goodman Small Cap Fund

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past 5 years ended December 31. This information is derived from the Fund's audited annual financial statements and is provided for each class of units.

Financial Highlights for Class B Units

(for the years ended December 31)

\$	2017	2016	2015	2014	2013
Net assets attributable to holders of redeemable units per unit, beginning of year⁽¹⁾	13.62	11.38	11.66	10.68	9.17
Increase (decrease) in net assets attributable to holders of redeemable units:					
Total Interest Revenue	0.01	—	0.05	0.02	0.02
Total Dividend Revenue	0.19	0.17	0.21	0.20	0.16
Total revenue	0.20	0.17	0.26	0.22	0.18
Total expenses	(0.34)	(0.30)	(0.33)	(0.34)	(0.28)
Realized gains (losses) for the year	0.55	0.65	0.33	0.52	(0.19)
Unrealized gains (losses) for the year	0.51	1.60	(0.42)	0.55	1.82
Total increase (decrease) in net assets attributable to holders of redeemable units⁽²⁾	0.92	2.12	(0.16)	0.95	1.53
Distribution to holders of redeemable units per unit:					
Net interest income (excluding dividend)	—	—	—	—	—
Net dividend income	—	—	—	—	—
Net investment income	—	—	—	—	—
Realized gains on sale of investments	0.01	—	0.16	—	—
Total distribution to holders of redeemable units⁽³⁾	0.01	—	0.16	—	—
Net assets attributable to holders of redeemable units, end of year⁽⁴⁾	14.57	13.62	11.38	11.66	10.68

Ratios and Supplemental Data for Class B Units

(for the years ended December 31)

\$	2017	2016	2015	2014	2013
Total net asset attributable to holders of redeemable units (\$ (000's)⁽⁵⁾	6,717	5,354	4,428	4,695	3,632
Number of outstanding redeemable units (000's)⁽⁵⁾	461	393	389	403	340
Management expense ratio^(6a)	2.29%	2.29%	2.29%	2.20%	2.20%
Management expense ratio before absorptions^(6b)	N/A	N/A	N/A	N/A	N/A
Portfolio turnover rate⁽⁷⁾	16%	23%	23%	19%	19%
Trading expense ratio (%)⁽⁸⁾	0.07%	0.12%	0.06%	0.09%	0.11%
Net assets attributable to holders of redeemable units, end of year⁽⁹⁾	14.57	13.62	11.38	11.66	10.68

Financial Highlights for Class D Units

(for the years ended December 31)

\$	2017	2016	2015	2014	2013
Net assets attributable to holders of redeemable units per unit, beginning of year⁽¹⁾	28.03	23.22	23.76	21.67	18.51
Increase (decrease) in net assets attributable to holders of redeemable units:					
Total Interest Revenue	0.02	—	0.10	0.04	0.04
Total Dividend Revenue	0.39	0.36	0.42	0.40	0.32
Total revenue	0.41	0.36	0.52	0.44	0.36
Total expenses	(0.45)	(0.40)	(0.43)	(0.44)	(0.37)
Realized gains (losses) for the year	1.17	1.29	0.75	1.01	(0.31)
Unrealized gains (losses) for the year	1.06	3.51	(0.81)	1.36	3.49
Total increase (decrease) in net assets attributable to holders of redeemable units⁽²⁾	2.19	4.76	0.03	2.37	3.17
Distribution to holders of redeemable units per unit:					
Net interest income (excluding dividend)	—	—	0.01	—	—
Net dividend income	0.03	—	0.14	0.08	0.07
Net investment income	0.03	—	0.15	0.08	0.07
Realized gains on sale of investments	0.01	—	0.34	—	—
Total distribution to holders of redeemable units⁽³⁾	0.04	—	0.49	0.08	0.07
Net assets attributable to holders of redeemable units, end of year⁽⁴⁾	30.19	28.03	23.22	23.76	21.67

Ratios and Supplemental Data for Class D Units

(for the years ended December 31)

\$	2017	2016	2015	2014	2013
Total net asset attributable to holders of redeemable units (\$ (000's)⁽⁵⁾	76,395	72,046	64,117	72,063	81,962
Number of outstanding redeemable units (000's)⁽⁵⁾	2,531	2,570	2,761	3,033	3,782
Management expense ratio^(6a)	1.50%	1.49%	1.49%	1.47%	1.48%
Management expense ratio before absorptions^(6b)	N/A	N/A	N/A	N/A	N/A
Portfolio turnover rate⁽⁷⁾	16%	23%	23%	19%	19%
Trading expense ratio (%)⁽⁸⁾	0.07%	0.12%	0.06%	0.09%	0.11%
Net assets attributable to holders of redeemable units, end of year⁽⁹⁾	30.19	28.03	23.22	23.76	21.67

Beutel Goodman Small Cap Fund

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past 5 years ended December 31. This information is derived from the Fund's audited annual financial statements and is provided for each class of units.

Financial Highlights for Class F Units (for the years ended December 31)

\$	2017	2016	2015	2014	2013
Net assets attributable to holders of redeemable units per unit, beginning of year⁽¹⁾	28.61	23.67	24.28	22.21	18.95
Increase (decrease) in net assets attributable to holders of redeemable units:					
Total Interest Revenue	0.02	—	0.11	0.04	0.04
Total Dividend Revenue	0.41	0.36	0.44	0.42	0.33
Total revenue	0.43	0.36	0.55	0.46	0.37
Total expenses	(0.38)	(0.35)	(0.36)	(0.39)	(0.31)
Realized gains (losses) for the year	1.18	1.55	0.48	0.99	(0.22)
Unrealized gains (losses) for the year	0.91	3.26	(1.04)	0.99	3.23
Total increase (decrease) in net assets attributable to holders of redeemable units⁽²⁾	2.14	4.82	(0.37)	2.05	3.07
Distribution to holders of redeemable units per unit:					
Net interest income (excluding dividend)	—	—	0.02	—	—
Net dividend income	0.18	0.05	0.25	0.21	0.09
Net investment income	0.18	0.05	0.27	0.21	0.09
Realized gains on sale of investments	0.01	—	0.34	—	—
Total distribution to holders of redeemable units⁽³⁾	0.19	0.05	0.61	0.21	0.09
Net assets attributable to holders of redeemable units, end of year⁽⁴⁾	30.75	28.61	23.67	24.28	22.21

Ratios and Supplemental Data for Class F Units (for the years ended December 31)

\$	2017	2016	2015	2014	2013
Total net asset attributable to holders of redeemable units (\$)(000's)⁽⁵⁾	21,092	12,595	8,322	6,164	4,891
Number of outstanding redeemable units (000's)⁽⁵⁾	686	440	352	254	220
Management expense ratio^(6a)	1.19%	1.20%	1.21%	1.19%	1.19%
Management expense ratio before absorptions^(6b)	N/A	N/A	N/A	N/A	N/A
Portfolio turnover rate⁽⁷⁾	16%	23%	23%	19%	19%
Trading expense ratio (%)⁽⁸⁾	0.07%	0.12%	0.06%	0.09%	0.11%
Net assets attributable to holders of redeemable units, end of year⁽⁹⁾	30.75	28.61	23.67	24.28	22.21

Financial Highlights for Class I Units (for the years ended December 31)

\$	2017	2016	2015	2014	2013
Net assets attributable to holders of redeemable units per unit, beginning of year⁽¹⁾	30.12	24.87	25.50	23.31	19.91
Increase (decrease) in net assets attributable to holders of redeemable units:					
Total Interest Revenue	0.03	—	0.11	0.04	0.04
Total Dividend Revenue	0.42	0.38	0.45	0.44	0.36
Total revenue	0.45	0.38	0.56	0.48	0.40
Total expenses	(0.05)	(0.06)	(0.03)	(0.04)	(0.03)
Realized gains (losses) for the year	1.26	1.39	0.78	1.12	(0.36)
Unrealized gains (losses) for the year	1.16	3.74	(0.92)	1.18	3.74
Total increase (decrease) in net assets attributable to holders of redeemable units⁽²⁾	2.82	5.45	0.39	2.74	3.75
Distribution to holders of redeemable units per unit:					
Net interest income (excluding dividend)	—	—	0.03	—	—
Net dividend income	0.49	0.31	0.51	0.46	0.36
Net investment income	0.49	0.31	0.54	0.46	0.36
Realized gains on sale of investments	0.01	—	0.37	—	—
Total distribution to holders of redeemable units⁽³⁾	0.50	0.31	0.91	0.46	0.36
Net assets attributable to holders of redeemable units, end of year⁽⁴⁾	32.43	30.12	24.87	25.50	23.31

Ratios and Supplemental Data for Class I Units (for the years ended December 31)

\$	2017	2016	2015	2014	2013
Total net asset attributable to holders of redeemable units (\$)(000's)⁽⁵⁾	584,215	558,265	493,636	527,137	507,259
Number of outstanding redeemable units (000's)⁽⁵⁾	18,017	18,536	19,850	20,673	21,760
Management expense ratio^(6a)	0.07%	0.11%	0.11%	0.11%	0.11%
Management expense ratio before absorptions^(6b)	0.11%	N/A	N/A	N/A	N/A
Portfolio turnover rate⁽⁷⁾	16%	23%	23%	19%	19%
Trading expense ratio (%)⁽⁸⁾	0.07%	0.12%	0.06%	0.09%	0.11%
Net assets attributable to holders of redeemable units, end of year⁽⁹⁾	32.43	30.12	24.87	25.50	23.31

Beutel Goodman Small Cap Fund

- (1) The information for December 2017, December 2016, December 2015, December 2014 and December 2013 is derived from the Fund's annual audited financial statements prepared in accordance with IFRS.
- (2) Net assets attributable to holders of redeemable units per unit and distributions to holders of redeemable units per unit are based on the actual number of redeemable units outstanding for the relevant class at the relevant time. The increase (decrease) in net assets attributable to holders of redeemable units per unit is based on the weighted average number of redeemable units outstanding for the relevant class over the fiscal year.
- (3) Distributions were paid in cash or automatically reinvested in additional redeemable units of the Fund.
- (4) This is not a reconciliation of the beginning and ending net assets per redeemable unit.
- (5) This information is provided as at year end of the year shown.
- (6a) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily net asset value during the year.
- (6b) The Manager may have absorbed some of the fund expenses. If this had occurred, the management fee ratio before any such absorption is listed. The Manager may terminate the absorption at any time, at its discretion. It is not known when such absorptions will be terminated.
- (7) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the fiscal year. The higher a Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a higher turnover rate and the performance of a Fund. Portfolio turnover rate equals the lesser of purchases or sales divided by the average value of the portfolio securities of the Fund on a monthly basis, excluding short-term securities.
- (8) The trading expense ratio represents total commissions and other portfolio transaction costs disclosed in the Statements of Comprehensive Income expressed as an annualized percentage of daily average net asset value of the Fund during the year.
- (9) The information for December 2017, December 2016, December 2015, December 2014 and December 2013 is derived from the Fund's annual audited financial statements prepared in accordance with IFRS. For the years ended December 31, 2017, December 31, 2016, December 31, 2015, December 31, 2014 and December 31, 2013, the information provided for processing unitholder transactions is consistent with the information provided for reporting purposes.

Past Performance

The past performance of each class of units of a Fund, if the class has been in continuous existence and offered to the public for at least 12 months (at the date of this document), is explained under the Year-by-Year Returns, and Annual Compound Returns headings found on the next page. In years where the class of a Fund has less than 12 months of performance data, the annual rate has been annualized.

The performance returns in all cases:

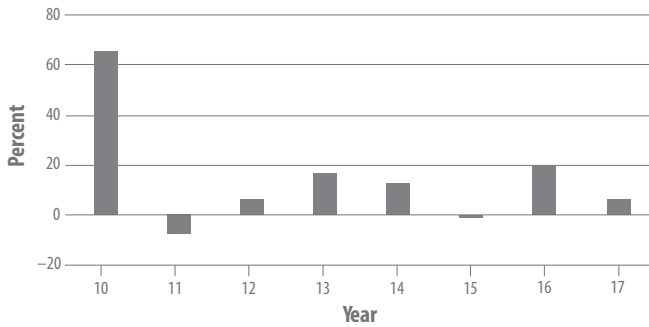
- are calculated as of **December 31** in each year;
- assume **all distributions** made by the Fund **are reinvested** to purchase additional redeemable units; and
- show the returns of the particular class of the Fund after any applicable management fees and operating expenses have been deducted, **but are not reduced by any redemption charges, optional charges or income taxes payable by you.**

Please remember that the past performance of the Fund is not an accurate prediction of future returns.

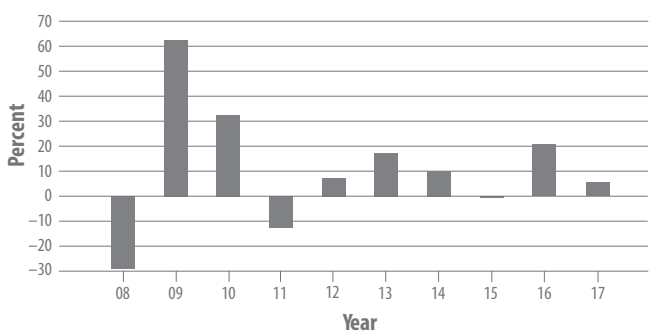
Beutel Goodman Small Cap Fund

Year-by-Year Returns

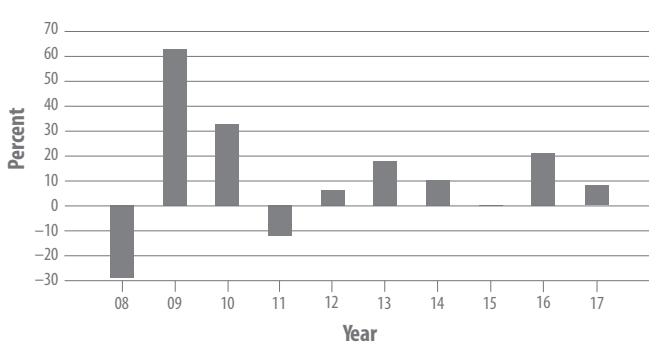
Class B



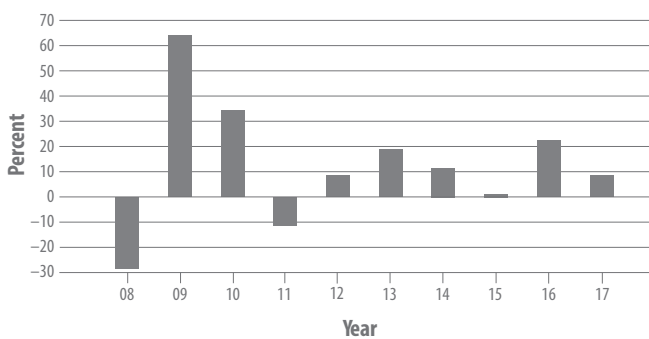
Class D



Class F



Class I



Annual Compound Returns

The following table shows the Fund's historical annual compound total returns, as compared to the performance of the BMO NBSC index. Beutel Goodman is changing the Beutel Goodman SmallCap benchmark from the BMO Small Cap Index (BMO SC) to the S&P/TSX Small Cap Total Return Index (TSX SC), effective January 1, 2018. We are making this change because the TSX SC is a replicable and common comparator provided by an independent party which will allow us to provide performance against benchmark by sector.

Class B	Since Inception	Past 5 Years	Past 3 Years	Past Year
Beutel Goodman Small Cap Fund - Class B	8.08%	10.04%	8.32%	6.99%
BMO NBSC Index	4.84%	5.99%	7.50%	6.38%
S&P/TSX Small Cap Total Return Index	3.15%	5.32%	7.24%	2.75%

For Class B units of the Fund, a return calculated since its inception of October 4, 2010 and ended December 31, 2017, for the past five, three and one year periods ended December 31, 2017 has been provided.

Class D	Past 10 Years	Past 5 Years	Past 3 Years	Past Year
Beutel Goodman Small Cap Fund - Class D	9.16%	10.90%	9.13%	7.85%
BMO NBSC Index	4.30%	5.99%	7.50%	6.38%
S&P/TSX Small Cap Total Return Index	2.39%	5.32%	7.24%	2.75%

For Class D units of the Fund, a return calculated for the past ten, five, three and one year periods ended December 31, 2017 has been provided.

Class F	Past 10 Years	Past 5 Years	Past 3 Years	Past Year
Beutel Goodman Small Cap Fund - Class F	9.44%	11.21%	9.45%	8.17%
BMO NBSC Index	4.30%	5.99%	7.50%	6.38%
S&P/TSX Small Cap Total Return Index	2.39%	5.32%	7.24%	2.75%

For Class F units of the Fund, a return calculated for the past ten, five, three and one year periods ended December 31, 2017 has been provided.

Class I	Past 10 Years	Past 5 Years	Past 3 Years	Past Year
Beutel Goodman Small Cap Fund - Class I	10.58%	12.43%	10.65%	9.36%
BMO NBSC Index	4.30%	5.99%	7.50%	6.38%
S&P/TSX Small Cap Total Return Index	2.39%	5.32%	7.24%	2.75%

For Class I units of the Fund, a return calculated for the past ten, five, three and one year periods ended December 31, 2017 has been provided.

* The BMO Small Cap Index and the S&P/TSX Small Cap Total Return Index are designed to represent the Canadian small cap equity market.

Beutel Goodman Small Cap Fund

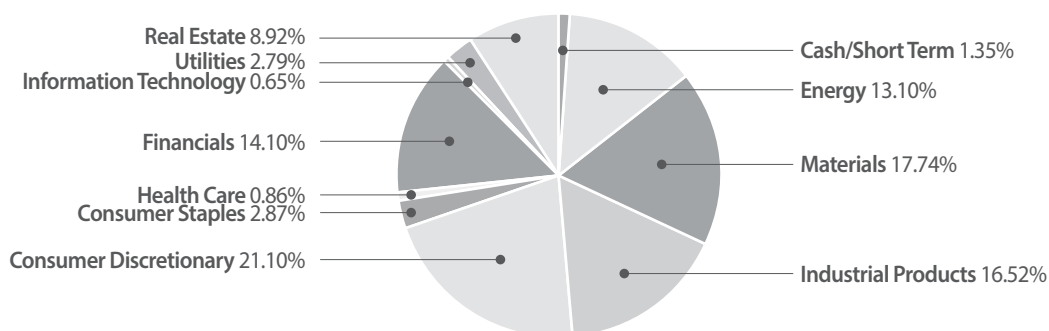
Summary of Investment Portfolio

The following information may change due to the ongoing portfolio transactions of the Fund. More current information regarding the holdings of the Fund may be obtained on our website at www.beutelgoodman.com.

Summary of Top 25 Holdings

Issuer Name	% of Net Assets	Issuer Name	Coupon Rate	Maturity Date	% of Net Assets
1. Colliers International Group Inc.	7.20	14. Maple Leaf Foods Inc.			2.87
2. Equitable Group Inc.	6.51	15. Superior Plus Corp.			2.79
3. Linamar Corp.	6.31	16. Major Drilling Group International Inc.			2.78
4. WestJet Airlines Ltd.	5.36	17. Lundin Mining Corp.			2.67
5. Uni-Select Inc.	5.15	18. Canadian Western Bank			2.64
6. Industrial Alliance Insurance & Financial Services Inc.	4.93	19. Winpak Ltd.			2.53
7. Paramount Resources Ltd., Class A	4.62	20. Wajax Corp.			2.22
8. Quebecor Inc., Class B	4.51	21. Birchcliff Energy Ltd.			1.79
9. Alamos Gold Inc.	4.43	22. FirstService Corp.			1.71
10. CCL Industries Inc.	4.07	23. AG Growth International Inc.			1.58
11. Aritzia Inc.	3.84	24. Toromont Industries Ltd.			1.43
12. NuVista Energy Ltd.	3.24	25. Government of Canada	1.027%	22-Mar-18	1.35
13. Badger Daylighting Ltd.	3.00				

Asset Mix



Beutel Goodman Small Cap Fund

Other Material Information

Classes of Units: Each of the Funds in the Beutel Goodman family of Funds issues Class B, Class D (formerly Class A), Class F and Class I units, with the exception of the Beutel Goodman Fundamental Canadian Equity Fund, Beutel Goodman Global Dividend Fund and Beutel Goodman Short Term Bond Fund, which issue only Class B, Class F and Class I units. Expenses of each class are tracked separately and a separate net asset is calculated for each class.

The Beutel Goodman Small Cap Fund is available in 4 classes of units: Class B, Class D (formerly Class A), Class F and Class I.

Each Fund may issue an unlimited number of classes of units and may issue an unlimited number of units of each class. The different classes of units of a Fund represent an interest in the same portfolio investments of the Fund.

Class B Units: for retail investors investing a minimum of \$5,000 in a Fund through authorized third-party dealers;

Class D* Units: for retail investors investing a minimum of \$5,000 in a Fund;

Class F Units: for investors investing a minimum of \$5,000 in a Fund, who are enrolled in a dealer-sponsored fee-for-service or wrap program (where various mutual funds are bundled together) who are subject to a periodic asset-based fee, rather than commissions on each transaction and whose dealer has signed a Class F agreement, or any other investors for whom we do not incur distribution costs, such as our employees (or affiliated corporations);

Class I Units: for investors who have invested a minimum of \$500,000 in a Fund and who have entered into an investment management agreement with us. At our discretion, we may waive the investment minimum.

* Class A units distributed under prior simplified prospectuses have been renamed "Class D" units as of August 13, 2010.

Additional Information

Independent Review Committee

Beutel Goodman Managed Funds Inc., the former Manager of the Beutel Goodman Managed Funds, appointed an Independent Review Committee ("IRC") on May 1, 2007, for each of its public mutual Funds in accordance with the Canadian Securities Administrators' National Instrument 81-107. This Instrument has been designed to promote investor protection in mutual funds. Effective January 1, 2013, as the result of the amalgamation between Beutel Goodman Managed Funds Inc. and Beutel, Goodman & Company Ltd., Beutel, Goodman & Company Ltd. is the Manager of the Beutel Goodman Managed Funds. The IRC actively assumed its role and responsibilities on November 1, 2007. The IRC oversees conflict of interest matters that may arise out of the management of each of the Funds by providing its recommendations or approvals, as required, to the Manager on how these conflicts may be fairly resolved. The IRC for each of the Beutel Goodman Managed Funds consists of three industry professionals, none of whom have an interest in the Funds or Beutel, Goodman & Company Ltd. outside of their roles as members of the IRC. The IRC 2017 Report to Unitholders is available on the Beutel Goodman Managed Funds' website at www.beutelgoodman.com or at the unitholder's request, at no cost, by contacting Beutel, Goodman & Company Ltd. at mutualfunds@beutelgoodman.com.



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