

BEUTEL GOODMAN MANAGED FUNDS

Annual Information Form

Class B Units, Class D Units, Class F Units and Class I Units (unless otherwise noted) of

Beutel Goodman Balanced Fund
Beutel Goodman Canadian Equity Fund
Beutel Goodman Total World Equity Fund
Beutel Goodman North American Focused Equity Fund
Beutel Goodman Fundamental Canadian Equity Fund*
Beutel Goodman Small Cap Fund
Beutel Goodman Canadian Dividend Fund
Beutel Goodman Global Dividend Fund*
Beutel Goodman World Focus Equity Fund
Beutel Goodman Global Equity Fund
Beutel Goodman International Equity Fund
Beutel Goodman American Equity Fund
Beutel Goodman Income Fund
Beutel Goodman Long Term Bond Fund
Beutel Goodman Corporate/Provincial Active Bond Fund
Beutel Goodman Short Term Bond Fund*
Beutel Goodman Money Market Fund**

*Offering Class B Units, Class F Units and Class I Units only.

** Offering Class D Units, Class F Units and Class I Units only.

*No securities regulatory authority has expressed an opinion about these units
and it is an offence to claim otherwise.*

June 23, 2016

TABLE OF CONTENTS

	Page
NAME, FORMATION AND HISTORY OF THE FUNDS	2
INVESTMENT RESTRICTIONS.....	3
DESCRIPTION OF UNITS OF THE FUNDS.....	3
Classes of Units.....	3
Changes to the Trust Documents	5
RESPONSIBILITY FOR FUND OPERATIONS	6
Trustee and Manager.....	6
Portfolio Adviser.....	7
Brokerage Arrangements	7
Principal Distributor.....	8
Directors, Officers and Trustees	8
Custodian	8
Auditor	8
Registrar	8
CONFLICTS OF INTEREST.....	8
Principal Holders of Securities	8
FUND GOVERNANCE	11
Policies and Procedures	11
Independent Review Committee.....	12
VALUATION OF PORTFOLIO SECURITIES	12
CALCULATION OF NET ASSET VALUE	14
PURCHASES OF UNITS.....	14
General	14
Class B Units.....	16
Class D Units	16
Class F Units.....	16
Class I Units.....	16
SWITCHES OF UNITS.....	16
Switches between Funds.....	16
Switches between Classes.....	17

TABLE OF CONTENTS
(continued)

	Page
REDEMPTION OF UNITS	17
FEES AND EXPENSES	18
Management Fee Distribution Program	18
INCOME TAX CONSIDERATIONS	20
Taxation of the Funds	20
Taxation of Unitholders	21
Eligibility for Investment	23
MATERIAL CONTRACTS	24
LEGAL AND ADMINISTRATIVE PROCEEDINGS	24
CERTIFICATE OF THE FUNDS AND THEIR MANAGER, PROMOTER AND PRINCIPAL DISTRIBUTOR	25

Name, Formation and History of the Funds

This annual information form contains information about the Beutel Goodman Managed Funds (collectively, the “**Funds**”, and each individually a “**Fund**”) which consist of the Beutel Goodman Canadian Equity Fund, the Beutel Goodman Total World Equity Fund, the Beutel Goodman North American Focused Equity Fund, the Beutel Goodman Fundamental Canadian Equity Fund, the Beutel Goodman Canadian Dividend Fund, the Beutel Goodman Small Cap Fund, the Beutel Goodman Income Fund, the Beutel Goodman Long Term Bond Fund, the Beutel Goodman Corporate/Provincial Active Bond Fund, the Beutel Goodman Balanced Fund, the Beutel Goodman Money Market Fund, the Beutel Goodman American Equity Fund, the Beutel Goodman International Equity Fund, the Beutel Goodman World Focus Equity Fund, the Beutel Goodman Short Term Bond Fund, the Beutel Goodman Global Dividend Fund and the Beutel Goodman Global Equity Fund. The address of the principal office of the Funds is Suite 2000, P.O. Box 2005, 20 Eglinton Avenue West, Toronto, Ontario, M4R 1K8.

Each Fund is a trust established under the laws of Ontario on the dates listed below opposite each Fund’s name and governed by a trust indenture or a declaration of trust, as amended, of which Beutel, Goodman & Company Ltd. (“**BG & Co.**”) is the trustee.

<i>Fund</i>	<i>Manner of Formation</i>	<i>Date of Formation</i>
Beutel Goodman Balanced Fund	Trust Indenture	August 23, 1990
Beutel Goodman Canadian Equity Fund	Trust Indenture	August 23, 1990
Beutel Goodman Total World Equity Fund	Declaration of Trust	August 17, 2001
Beutel Goodman North American Focused Equity Fund	Declaration of Trust	March 12, 1999
Beutel Goodman Fundamental Canadian Equity Fund	Declaration of Trust	June 23, 2014
Beutel Goodman Small Cap Fund	Declaration of Trust	January 16, 1995
Beutel Goodman Canadian Dividend Fund	Declaration of Trust	August 21, 2003
Beutel Goodman Global Dividend Fund	Declaration of Trust	November 26, 2007
Beutel Goodman World Focus Equity Fund	Declaration of Trust	August 17, 2006
Beutel Goodman Global Equity Fund	Declaration of Trust	April 5, 1995
Beutel Goodman International Equity Fund	Trust Indenture	August 26, 1992
Beutel Goodman American Equity Fund	Trust Indenture	August 23, 1990
Beutel Goodman Income Fund	Trust Indenture	August 23, 1990
Beutel Goodman Long Term Bond Fund	Declaration of Trust	March 12, 1999
Beutel Goodman Corporate/Provincial Active Bond Fund	Declaration of Trust	August 26, 1999
Beutel Goodman Short Term Bond Fund	Declaration of Trust	June 30, 2006
Beutel Goodman Money Market Fund	Trust Indenture	August 23, 1990

On August 18, 2010, Beutel Goodman Global Dividend Fund and Beutel Goodman Short Term Bond Fund became public mutual funds. Prior thereto and starting on December 1, 2007 (in the

case of Beutel Goodman Global Dividend Fund) and on July 1, 2006 (in the case of Beutel Goodman Short Term Bond Fund), these Funds were private pooled funds which distributed their Class I units on a private placement basis. On July 11, 2011, Beutel Goodman Global Equity Fund became a public mutual fund. Prior thereto and starting on July 1, 1995, this Fund was a private pooled fund which distributed its Class I units on a private placement basis. Each of these Funds identified above has received permission from the Canadian Securities Administrators to disclose in its sales communications, fund facts and management reports of fund performance its past performance since it started distributing its Class I units on a private placement basis.

On August 7, 2014 (a) Beutel Goodman Total World Equity Fund changed its name from Beutel Goodman Canadian Equity Plus Fund to its current name, and changed its investment objective (b) Beutel Goodman North American Focused Equity Fund changed its name from Beutel Goodman Canadian Intrinsic Fund to its current name, and changed its investment objective, and (c) Beutel Goodman Small Cap Fund changed its investment objective.

On June 23, 2016, the Declaration of Trust of each Fund was amended to clarify certain provisions relating to the payment of management fee distributions by the Fund.

BG & Co. is a corporation amalgamated under the laws of Ontario on January 1, 2013 and is the corporate successor to Beutel Goodman Managed Funds Inc. BG & Co. also is the manager, portfolio manager and principal distributor of each Fund. Statements herein to past actions of BG & Co. as the trustee, manager or principal distributor of a Fund include, where appropriate, the past actions of Beutel Goodman Managed Funds Inc. in such equivalent capacities.

Investment Restrictions

The Funds are subject to certain restrictions and practices contained in securities legislation, including National Instrument 81-102 – *Investment Funds* (“**NI 81-102**”), which are 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. The Funds are managed in accordance with these restrictions and practices. These restrictions and practices may only be varied with the prior consent of the Canadian Securities Administrators.

Each Fund has received permission from its Independent Review Committee (an “**IRC**”) to engage in inter-fund trades of securities with other Funds, provided that each such trade meets the requirements set out in National Instrument 81-107 – *Independent Review Committee for Investment Funds* (“**NI 81-107**”) applicable to such trades.

Each Fund (other than Beutel Goodman Total World Equity Fund, Beutel Goodman Fundamental Canadian Equity Fund, Beutel Goodman Global Equity Fund, Beutel Goodman Short Term Bond Fund and Beutel Goodman World Focus Equity Fund) is a mutual fund trust under the Income Tax Act (Canada) (the “**Tax Act**”). A mutual fund trust must restrict its undertaking to the investment of its funds in property for the purposes of the Tax Act. No Fund that is a mutual fund trust has deviated from this requirement in the last year.

Each Fund is a registered investment under the Tax Act. In order to avoid certain penalty taxes, a Fund that is a registered investment but is not a mutual fund trust under the Tax Act must restrict its investments to qualified investments for registered retirement savings plans, registered

retirement income funds and deferred profit savings plans. No Fund that is a registered investment but not a mutual fund trust deviated from these requirements in the last year.

Description of Units of the Funds

Classes of Units

Each Fund may have an unlimited number of classes of units and may issue an unlimited number of units of each class. To date, the Funds have created up to four classes of units, namely, Class B, Class D, Class F or Class I units, with the exception of the Beutel Goodman Money Market Fund, the Beutel Goodman Short Term Bond Fund, the Beutel Goodman Fundamental Canadian Equity Fund and the Beutel Goodman Global Dividend Fund. The Beutel Goodman Money Market Fund has created only Class D units, Class F units and Class I units. Each of the Beutel Goodman Fundamental Canadian Equity Fund, the Beutel Goodman Short Term Bond Fund and the Beutel Goodman Global Dividend Fund have created Class B, Class F and Class I units. Expenses of each class of each Fund are tracked separately and a separate net asset value is calculated for each class. The classes offered under this annual information form are:

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 or any other investors for whom BG & Co. does not incur distribution costs, such as employees of BG & Co. (or affiliated corporations); and

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 BG & Co. At its discretion, BG & Co. may waive the investment minimum.

BG & Co. may change the terms of eligibility for prospective investors in the various classes of units at any time.

The different classes of units of a Fund represent an interest in the same portfolio of investments of the Fund. Except for management fee distributions, no unit in a Fund has any preference or priority over any other unit of the Fund.

No unitholder of a Fund shall have individual ownership in any asset of the Fund, nor any rights other than those mentioned in this annual information form and in the trust indenture or declaration of trust of the Fund.

Units of each class of a Fund entitle the registered holder to:

1. one vote at all meetings of unitholders, except that separate class meetings and votes will be held where a matter requiring unitholder approval may affect holders of one class of units in a manner that is materially different from another class;
2. participate in all distributions and in the division of the net assets of the Fund on the liquidation of the Fund on a proportionate basis, subject to the deduction of expenses attributable only to a particular class, and
3. redeem units as described in this annual information form under the heading “Redemption of Units”.

Units of a Fund are not transferable, are not entitled to any pre-emptive rights and there is no liability for future calls or assessments. Fractions of a unit are entitled to all of these rights except voting rights.

Subject to satisfying the appropriate investment requirements, units of any class of a Fund may be exchanged for units of a different class of the same Fund, or units of another Fund. See “Switches of Units” at page 16.

Changes to the Trust Documents

The rights of a unit of a Fund may only be modified by amending the trust indenture or declaration of trust of the Fund.

The following changes may not be made to a trust indenture or declaration of trust of a Fund without the consent of a majority of the unitholders at a meeting called to consider the matter:

1. the introduction of, or any change to, the basis of the calculation of any fee or expense that is charged to the Fund, or directly to unitholders by the Fund or by the manager in connection with the holding of units of the Fund, in a way that could result in an increase in charges to the Fund or to unitholders;
2. a change in the trustee and manager of the Fund (other than to an affiliate of BG & Co.);
3. any change in the fundamental investment objectives of the Fund;
4. any decrease in the frequency of calculating the net asset value per unit of the Fund;
5. a change to the auditor of the Fund (unless approved by the IRC); or
6. certain material reorganizations of a Fund (unless approved by the IRC or otherwise exempted by the Canadian securities regulators).

BG & Co. may amend the trust indenture or the declaration of trust of a Fund without the prior approval of the unitholders of the Fund or notifying the unitholders of the Fund of the change, if the proposed amendment is:

1. a change which BG & Co. decides is necessary in order to ensure the Fund complies with the laws and regulations applicable to it or the requirements of any regulatory authority having jurisdiction over it;

2. a change which BG & Co. decides is necessary and which will provide additional protection for the unitholders of the Fund; or
3. a change which BG & Co. has been advised is necessary in order to correct any typographical error, clerical mistakes or ambiguities in the trust indenture or declaration of trust, as long as the change or correction is not prejudicial to the interests of the unitholders of the Fund.

Any other terms of the trust indenture or declaration of trust of a Fund may be amended by BG & Co. with 30 days' notice to unitholders of the Funds.

Responsibility for Fund Operations

Trustee and Manager

BG & Co. is the trustee and manager of each of the Funds pursuant to the terms of the trust indentures or the declarations of trust described under the section entitled "Name, Formation and History of the Funds". The address, phone number, e-mail and website address of BG & Co. are 20 Eglinton Avenue West, Suite 2000, P.O. Box 2005, Toronto, Ontario, M4R 1K8, (416) 932-6403 or toll-free at 1-855-247-9954, mutualfunds@beutelgoodman.com and www.beutelgoodman.com.

BG & Co. is responsible for arranging for the management of each Fund's investment portfolio and providing or arranging for all required administrative services to the Funds. BG & Co. is also responsible for arranging for the distribution of units of the Funds.

BG & Co. may resign as trustee and manager of each Fund by giving not less than 90 days' notice to the unitholders of the Fund. However, the resignation shall not take effect until a new trustee and manager has been appointed for the Fund.

BG & Co.'s services may also be terminated if, at any time, it has been declared bankrupt or insolvent or has entered into liquidation or its assets have become subject to seizure or confiscation by any public or governmental authority, or it has otherwise become incapable of performing its responsibilities. BG & Co. may be removed at any other time by a resolution passed by a majority of the unitholders of the Fund at a duly called meeting of unitholders.

The name and municipality of residence and current principal occupation of each of the directors and executive officers of BG & Co. is as follows:

<i>Name and Municipality of Residence</i>	<i>Office or Position with BG & Co.</i>	<i>Current Principal Occupation</i>
Jennifer M. Borggaard Marblehead, Massachusetts	Director	Senior Vice President, Affiliate Development of Affiliated Managers Group, Inc.
Nathaniel Dalton Palm Beach Gardens, Florida	Director	President and Chief Operating Officer of Affiliated Managers Group, Inc.
Michael J. Gibson	Director and Managing Director,	Managing Director, Operations,

<i>Name and Municipality of Residence</i>	<i>Office or Position with BG & Co.</i>	<i>Current Principal Occupation</i>
Mississauga, Ontario	Operations, Secretary-Treasurer and Chief Compliance Officer	Secretary-Treasurer and Chief Compliance Officer of BG & Co.
David Gregoris Aurora, Ontario	Director and Managing Director, Fixed Income	Managing Director, Fixed Income of BG & Co.
Gregory R. Latremaille Toronto, Ontario	Director and Managing Director, Private Client Group	Managing Director, Private Client Group of BG & Co.
Bruce Shewfelt Toronto, Ontario	Director and Managing Director, Client Service and Marketing	Managing Director, Client Service and Marketing of BG & Co.
Mark D. Thomson Toronto, Ontario	Director and Managing Director, Equities	Managing Director, Equities of BG & Co.
Umesh Vallipuram Richmond Hill, Ontario	Director	Vice President, Affiliated Development of AMG Canada Corp

Each of the directors and executive officers of BG & Co. has held his or her current principal occupation set out above (or a similar position) during the five years preceding the date of this annual information form other than: Mr. Michael Gibson who was Chief Executive Officer of Beutel Goodman Managed Funds Inc. from 2010 to 2012; Mr. David Gregoris who was Vice-President of BG & Co. from 1992 to 2015; and Mr. Bruce Shewfelt who was Senior Vice-President/Head of Institutional Sales at Connor, Clark & Lunn Financial Group from 2002 to 2012 and Chief Executive Officer of their private wealth business from 2012 to 2014.

Portfolio Adviser

BG & Co., as the manager of the Funds, also provides portfolio management services to the Funds. BG & Co. manages the investment portfolio of each of the Funds in accordance with the investment objectives, restrictions and practices described in the trust indentures or declarations of trust of the Funds, and the simplified prospectus of the Funds, and is responsible for providing investment analysis and recommendations to the Funds, and making investment decisions and brokerage arrangements with respect to the purchase and sale of investments of the Funds.

BG & Co. has been in business since 1967, providing investment counsel and portfolio management services to pension funds, mutual funds and high net worth individuals. At present, BG & Co. manages over \$36 billion of assets, the majority of which pertain to pension funds.

BG & Co. employs a disciplined, fundamental value investing approach to the management of equities in each Fund. BG & Co.'s team of professionals share the same value philosophy, with each member having his/her own industry segment expertise. As a team, they review the industry and company analysis, make buy and sell decisions derived from internally generated "bottom-up" research and provide regular monitoring of their respective holdings.

Brokerage Arrangements

BG & Co. as the portfolio advisor to each Fund makes the decisions as to the purchase and sale of portfolio securities and allocation of brokerage business to dealers for execution. In allocating brokerage business, the general policy is to seek to obtain prompt and efficient execution (this is referred to as “best execution”), meaning the payment of reasonable commissions in relation to the value of the brokerage services provided, including research, execution and other goods and services offered (commonly referred to as “soft dollars”). In connection with allocating brokerage business in return for best execution, BG & Co. is required to make a good faith determination that the Fund on whose behalf the brokerage business is being directed will receive a reasonable benefit in the form of goods or services that assists BG & Co. with investment decision-making services to the Fund.

Since June 30, 2015, dealers or third parties provided goods and services to BG & Co. including portfolio strategy reports, economic analysis, statistical data about capital markets and securities, analysis and reports on sector performance, issuer performance, industries, economic and political factors and trends, including databases or software to deliver or support those services, and dealers and third parties may provide the same or similar goods and services in the future. The names of such dealers and third parties are available upon request by calling BG & Co. toll free at 1-855-247-9954, by sending an email to mutualfunds@beutelgoodman.com or by writing to BG & Co. at Beutel, Goodman & Company Ltd., Suite 2000, P.O. Box 2005, 20 Eglinton Avenue West, Toronto, Ontario M4R 1K8.

Principal Distributor

BG & Co., as the manager of the Funds, also is the principal distributor of units of the Funds.

Directors, Officers and Trustees

The Funds do not have any directors or officers. BG & Co. is the trustee of each of the Funds. See “Trustee and Manager” under “Responsibility for Fund Operations” at page 6.

Custodian

RBC Investor Services Trust (the “**Custodian**”) of Toronto, Ontario, a trust company authorized to carry on its business in Canada, is the custodian of the assets of the Funds pursuant to a custodian agreement dated October 29, 2002 between BG & Co. as trustee and manager of the Funds and the Custodian, as amended on August 21, 2003, August 17, 2006, August 13, 2010, July 6, 2011 and June 23, 2014. The Custodian has physical custody of the securities in the Funds’ investment portfolios. The custodian contract may be terminated by any party on not less than 90 days’ prior written notice.

The Custodian is entitled to appoint one or more sub custodians for any assets of the Funds held in Canada or abroad.

Auditor

The auditor of the Funds is PricewaterhouseCoopers LLP of Toronto, Ontario.

Registrar

The registrar of units of the Funds is BG & Co.. The registrar maintains registers of unitholders of the Funds in Toronto, Ontario.

Conflicts of Interest

Principal Holders of Securities

(a) Funds

As at May 31, 2016, the following persons or companies owned more than 10% of the outstanding units of a class of a Fund:

<i>Name of Fund</i>	<i>Name of Unitholder</i>	<i>Type of Ownership</i>	<i>Class of Units</i>	<i>Number of Units Owned</i>	<i>% of Outstanding Units</i>
Beutel Goodman Canadian Equity Fund	Sunlife Assurance Company of Canada	Legal and Beneficial	Class I	53,189,958.249	34.66%
	Standard Life Assurance	Legal and Beneficial	Class I	18,095,399.457	11.79%
Beutel Goodman Corporate/ Provincial Active Bond Fund	Investor A	Legal and Beneficial	Class F	127,310.067	15.70%
	Investor B	Legal and Beneficial	Class I	13,991.086	17.73%
	Monarch Wealth Corporation	Legal and Beneficial	Class I	13,880.040	17.59%
Beutel Goodman American Equity Fund	Sunlife Assurance Company of Canada	Legal and Beneficial	Class I	18,448,439.779	39.54%
	Standard Life Assurance	Legal and Beneficial	Class I	12,603,014.394	27.01%
Beutel Goodman Balanced Fund	Sunlife Assurance Company of Canada	Legal and Beneficial	Class I	92,882,838.710	55.06%
Beutel Goodman Long Term Bond Fund	Investor C	Legal and Beneficial	Class B	7,644.509	16.48%
	Investor D	Legal and Beneficial	Class B	4,755.160	10.25%
	Investor E	Legal and Beneficial	Class F	8,463.948	16.32%
	Investor F	Legal and Beneficial	Class F	7,513.524	14.49%
	Investor G	Legal and Beneficial	Class F	7,134.821	13.76%
	UAPP Long-Term	Legal and Beneficial	Class I	35,015,038.205	40.62%
	Allstream Contributory Plan Bonds	Legal and Beneficial	Class I	13,705,514.520	15.90%
	Deloitte Pension Plan	Legal and Beneficial	Class I	12,373,854.236	14.35%
Beutel Goodman Small Cap Fund	Sunlife Assurance Company of Canada	Legal and Beneficial	Class I	15,698,399.104	81.49%
Beutel Goodman Canadian Dividend Fund	Essar Steel Algoma Inc. Master Trust	Legal and Beneficial	Class I	2,702,543.029	41.49%
	Industrial Alliance Insurance and Financial Services	Legal and Beneficial	Class I	1,570,560.678	24.11%
	Investor H	Legal and Beneficial	Class D	736,332.956	10.32%
Beutel Goodman Total World Equity Fund	Investor I	Legal and Beneficial	Class B	5,154.142	11.05%
	Investor J	Legal and Beneficial	Class F	10,687.067	25.17%
	Investor K	Legal and Beneficial	Class F	6,251.521	14.73%
	Investor L	Legal and Beneficial	Class F	4,574.723	10.78%
	Investor M	Legal and Beneficial	Class I	4,243.468	37.94%
	Investor N	Legal and Beneficial	Class I	1,777.867	15.89%

<i>Name of Fund</i>	<i>Name of Unitholder</i>	<i>Type of Ownership</i>	<i>Class of Units</i>	<i>Number of Units Owned</i>	<i>% of Outstanding Units</i>
	Investor O	Legal and Beneficial	Class I	1,777.867	15.89%
Beutel Goodman North American Focused Equity Fund	Investor P	Legal and Beneficial	Class B	17,561.404	18.23%
	Investor Q	Legal and Beneficial	Class D	90,634.180	11.91%
	Investor R	Legal and Beneficial	Class F	48,931.290	62.82%
	Investor S	Legal and Beneficial	Class F	9,284.957	11.92%
	Investor T	Legal and Beneficial	Class I	92,884.936	27.27%
	Investor U	Legal and Beneficial	Class I	51,913.015	15.24%
	Investor V	Legal and Beneficial	Class I	39,449.492	11.58%
Beutel Goodman International Equity Fund	Investor W	Legal and Beneficial	Class B	3,475.643	43.52%
	1459692 Ontario Limited	Legal and Beneficial	Class B	2,527.830	31.65%
	Investor X	Legal and Beneficial	Class D	79,559.263	12.63%
	Investor Y	Legal and Beneficial	Class F	10,693.442	40.84%
	Investor Z	Legal and Beneficial	Class F	4,737.366	18.09%
	Investor AA	Legal and Beneficial	Class F	3,789.893	14.47%
	Investor BB	Legal and Beneficial	Class F	2,842.422	10.86%
	Educators Financial Group	Legal and Beneficial	Class I	5,059,528.644	21.28%
Beutel Goodman Income Fund	UAPP Universe	Legal and Beneficial	Class I	12,957,206.594	19.93%
	Standard Life Assurance	Legal and Beneficial	Class I	9,506,799.191	14.62%
Beutel Goodman Money Market Fund	Investor CC	Legal and Beneficial	Class D	533,726.293	21.64%
	Investor DD	Legal and Beneficial	Class F	6,392.728	66.43%
	Investor EE	Legal and Beneficial	Class F	1,542.095	16.02%
	Investor FF	Legal and Beneficial	Class F	1,165.837	12.11%
	The College of Applied Arts and Technology	Legal and Beneficial	Class I	5,783,035.281	29.67%
	BC Safety Authority	Legal and Beneficial	Class I	2,031,919.776	10.42%
Beutel Goodman Fundamental Canadian Equity Fund	Investor GG	Legal and Beneficial	Class B	547.606	52.18%
	Beutel, Goodman & Company Ltd.	Legal and Beneficial	Class B	501.763	47.82%
	Beutel, Goodman & Company Ltd.	Legal and Beneficial	Class F	508.138	100.00%
	Sunlife Assurance Company of Canada	Legal and Beneficial	Class I	8,624,250.002	53.68%
	Standard Life Assurance	Legal and Beneficial	Class I	2,180,626.806	13.57%
Beutel Goodman Short Term Bond Fund	Investor HH	Legal and Beneficial	Class B	2,653.358	36.59%
	Investor II	Legal and Beneficial	Class B	1,527.934	21.07%
	Investor JJ	Legal and Beneficial	Class B	1,441.841	19.88%
	Investor KK	Legal and Beneficial	Class B	1,085.662	14.97%
	Sprinkler Industry	Legal and Beneficial	Class I	6,724,444.658	30.53%
	Crown Metal Packaging Canada	Legal and Beneficial	Class I	6,687,210.826	30.36%
Beutel Goodman World Focus Fund	Investor LL	Legal and Beneficial	Class D	53,483.035	13.06%
	Investor MM	Legal and Beneficial	Class D	51,663.567	12.61%
	Investor NN	Legal and Beneficial	Class D	41,446.377	10.12%
	Investor OO	Legal and Beneficial	Class F	8,235.000	42.97%
	Gastone Holdings Ltd.	Legal and Beneficial	Class F	3,527.951	18.41%

<i>Name of Fund</i>	<i>Name of Unitholder</i>	<i>Type of Ownership</i>	<i>Class of Units</i>	<i>Number of Units Owned</i>	<i>% of Outstanding Units</i>
	Canadian Western Trust ITF Rsps	Legal and Beneficial	Class I	377,674.535	17.71%
Beutel Goodman Global Dividend Fund	Investor PP	Legal and Beneficial	Class B	88,906.832	16.72%
	Investor QQ	Legal and Beneficial	Class F	65,492.617	20.20%
	AVNI Enterprises Limited	Legal and Beneficial	Class F	47,705.197	14.71%
	Investor RR	Legal and Beneficial	Class F	43,795.571	13.51%
	Investor SS	Legal and Beneficial	Class I	109,790.620	38.95%
	Investor TT	Legal and Beneficial	Class I	69,745.955	24.74%
Beutel Goodman Global Equity Fund	Investor UU	Legal and Beneficial	Class B	8,862.385	23.14%
	Investor VV	Legal and Beneficial	Class B	5,956.871	15.56%
	Investor WW	Legal and Beneficial	Class D	7,900.457	18.28%
	Investor XX	Legal and Beneficial	Class D	7,544.526	17.45%
	Investor YY	Legal and Beneficial	Class F	15,520.365	68.97%
	Crisnan Investments Limited	Legal and Beneficial	Class F	2,970.350	13.20%
	Standard Life Assurance	Legal and Beneficial	Class I	12,783,096.608	41.05%
	BC Lottery Corporation	Legal and Beneficial	Class I	3,360,828.003	10.79%
	Tremco Canada Retirement Plan	Legal and Beneficial	Class I	3,170,996.745	10.18%

To protect the privacy of investors, the names of individual investors have been omitted in the table above. This information is available on request by contacting BG & Co. at the telephone number on the last page of this annual information form.

The members of the independent review committee of the Funds do not beneficially own, directly or indirectly, in aggregate more than 10% of the securities of any Fund.

(b) *BG & Co.*

As at May 31, 2016, the following persons owned more than 10% of the outstanding shares of BG & Co.:

<i>Name</i>	<i>Type of Ownership</i>	<i>Number of Shares Owned</i>	<i>Percentage of Outstanding Shares</i>
First Asset Capital Management III Inc. Toronto, Ontario	Legal and Beneficial	62,451	49%

As at the same date, the directors and senior officers of BG & Co., as a group, beneficially owned, directly or indirectly, 18,300 (or 14.36%) of the outstanding common shares of BG & Co. The outstanding shares of BG & Co. not held by First Asset Capital Management III Inc. or the management of BG & Co. are held by the management and/or employees and/or former employees of BG & Co.

Fund Governance

Policies and Procedures

BG & Co. has adopted policies concerning the governance of the Funds and to ensure the proper management and administration of the Funds. BG & Co. has implemented appropriate controls

to ensure that a Fund's investments and the level of risks assumed are in accordance with that Fund's investment objectives and investment restrictions.

BG & Co. has adopted a code of ethics and standards of professional conduct that applies to all of its employees. This code has been adopted to protect the interest of all of BG & Co.'s clients. The code contains policies governing the conduct of business, including conflicts of interest, privacy issues, confidentiality and personal trading. The code includes all of the points included in the Code of Ethics and Standards of Professional Conduct of the CFA Institute, and all of BG & Co.'s directors, officers and employees are required to comply with these standards.

BG & Co. will vote proxies on behalf of a Fund in a manner consistent with the best interests of the Fund and its unitholders. To assist it in analyzing proxies, BG & Co. subscribes to Institutional Shareholder Services ("ISS"), an unaffiliated third party corporate governance research service that provides in-depth analyses of shareholder meeting agendas, vote recommendations, record keeping and vote disclosure services. BG & Co., in conjunction with ISS, has established the Funds' Proxy Voting Guidelines (the "**Guidelines**"). The Guidelines are designed to be responsive to the wide range of issues that can be raised in proxy situations. Each vote is ultimately cast on a case-by-case basis, with BG & Co. taking into consideration the relevant facts and circumstances at the time of the vote.

A conflict may arise when BG & Co. may seek to or may already be managing the retirement plan assets of a company whose securities are held by the Funds. In these situations, BG & Co. will always vote in the best interests of the Funds and the Funds' unitholders.

BG & Co. has adopted proxy voting procedures to ensure that the Funds' proxies are in fact voted by ISS in accordance with the Guidelines.

To obtain policies and procedures that the Funds follow when voting proxies relating to portfolio securities, at no cost, contact us locally at (416) 932-6403 or toll free at 1-855-247-9954 or by writing to us at 20 Eglinton Avenue West, Suite 2000, Toronto, Ontario, M4R 1K8.

The Funds' proxy voting record for the most recent period ended June 30 of each year, will be available free of charge to any unitholder upon request at any time after August 31 of that year or by visiting our web site at www.beutelgoodman.com.

Policies on the use of derivatives

Beutel Goodman Canadian Dividend Fund may use derivatives. For details about how Beutel Goodman Canadian Dividend Fund uses derivatives, see the description in the simplified prospectus. Derivatives are used by Beutel Goodman Canadian Dividend Fund only as permitted by applicable securities legislation. BG & Co. maintains policies and procedures (including risk management procedures), trading limits and controls relating to such use of derivatives. These policies, procedures, limits and controls are set and reviewed by one or more officers designated by us from time to time who also generally review the risks associated with specific derivatives trading decisions. Mr. Mark D. Thomson, Managing Director, Equities, and Mr. Stephen J. Arpin, Vice-President, Canadian Equities, are the individuals at BG & Co. responsible for authorizing derivatives trading by Beutel Goodman Canadian Dividend Fund which is reviewed and monitored as part of our ongoing compliance procedures and risk control measures.

Independent Review Committee

In compliance with NI 81-107, an IRC was appointed as of May 1, 2007 and actively assumed its role and responsibilities on November 1, 2007. Its mandate consists of reviewing and providing input on the manager's written policies and procedures which deal with conflict of interest matters for the manager and providing its recommendations or approvals as may be required. The members of the independent committee are Jeff Norton (Chair), Gary Brent and Idon Biron. The Funds are responsible for the fee payable in connection with the IRC, which is comprised of a yearly payment of \$20,000, plus taxes, per member. For the year ended December 31, 2015, a total of \$60,000, plus taxes, was paid to the past and present members of the IRC for their services.

Valuation of Portfolio Securities

The net asset value of a unit of each class of each Fund (the “**unit value**”) is determined at 4:00 p.m. Toronto time (the “**valuation time**”) on each valuation date and is available, at no cost, by visiting our web site at www.beutelgoodman.com. The unit value of a Fund is equal to the net asset value of the class divided by the number of units of the class that are outstanding. The net asset value of the class is equal to its proportionate share of the assets of the applicable Fund, less its share of common expenses of the Fund, and less the expenses attributable only to such class.

The valuation date for a Fund is each day that the Toronto Stock Exchange is open for trading, with the exception of the Beutel Goodman American Equity Fund, the Beutel Goodman International Equity Fund, the Beutel Goodman World Focus Equity Fund, the Beutel Goodman Global Dividend Fund and the Beutel Goodman Global Equity Fund. In the case of the Beutel Goodman American Equity Fund, the valuation date is each day that the Toronto Stock Exchange and the New York Stock Exchange are open for trading. In the case of the Beutel Goodman International Equity Fund, the Beutel Goodman World Focus Equity Fund, the Beutel Goodman Global Dividend Fund and the Beutel Goodman Global Equity Fund, the valuation date is each day on which both the Toronto Stock Exchange and any other stock exchange on which securities are listed which represent more than 50% of the total assets of the Beutel Goodman International Equity Fund, the Beutel Goodman World Focus Equity Fund, the Beutel Goodman Global Dividend Fund or the Beutel Goodman Global Equity Fund are open for trading. “Business day” means any day when the office from which the Fund is managed is open for business. December 31st of each year will always be a “valuation day”. If a Fund elects to have a December 15th year end for tax purposes, December 15th will be considered to be a valuation date.

The assets of a Fund will generally be valued as follows:

- bonds, debentures, notes and other debt obligations will be valued by taking the average between the bid price and ask quotation as at the time of valuation on the valuation date as quoted by a recognized pricing service approved by BG & Co.
- except for the Beutel Goodman American Equity Fund, the Beutel Goodman International Equity Fund, the Beutel Goodman World Focus Equity Fund, the Beutel Goodman Global Dividend Fund and the Beutel Goodman Global Equity Fund, any equity security which is listed or traded on a stock exchange will be valued at the most

recently published sale price applicable to a board lot on the principal stock exchange on which it is traded at the valuation time on the valuation date. However, if no sale has taken place on the valuation date, the last published sale price or the average of the bid and asked quotations at the valuation time on the valuation date will be used, whichever, in the opinion of BG & Co., most fairly reflects the actual value of the equity security. For the Beutel Goodman American Equity Fund, the Beutel Goodman International Equity Fund, the Beutel Goodman World Focus Equity Fund, the Beutel Goodman Global Dividend Fund and the Beutel Goodman Global Equity Fund, since the principal stock exchange on which the equity securities are traded may not be open at the valuation time on the valuation date, equity securities will be valued at the closing price on the first trading day prior to the valuation date that such principal stock exchange was open. "Principal stock exchange" for an equity security means the exchange with the largest trading volume of the security over the period of time selected by BG & Co.

- any equity security which is not listed on any stock exchange will be valued at the average of the published bid and asked quotations at the time of valuation on the valuation date.
- any derivative will be valued at current market value on each valuation date. The premium received for writing a clearing corporation option will be reflected as a deferred credit which will be valued at an amount equal to the current market value of an option which would have the effect of closing the Fund's position. Any difference resulting from revaluation will be treated as an unrealized gain or loss on investment. The deferred credit will be deducted in arriving at the value of the Fund. The securities which are the subject of the clearing corporation option will continue to be valued in the manner described above.
- restricted securities will be valued at the lesser of:
 - (i) their value based on reported quotations in common use; and
 - (ii) that percentage of the market value of securities of the same class, the trading of which is not restricted or limited by reason of any representation, undertaking or agreement or by law, equal to the percentage that the Fund's acquisition cost was of the market value of the securities at the time of acquisition;

provided that the actual value of the securities may be gradually acknowledged when the date on which the restrictions will be lifted is known.

- forward currency contracts and currency futures contracts will be valued at their current market value at the valuation time on the valuation date and any difference resulting from revaluation will be treated as an unrealized gain or loss on investment.
- foreign securities will be translated into Canadian dollars based on the noon rate of exchange in effect on the valuation date as quoted by the Bank of Canada or such other recognized source as may be designated by the Trustee from time to time.

The liabilities of a Fund on a valuation date include all of the expenses of the Fund that have arisen or accrued on or before that valuation date. BG & Co. will determine in good faith whether such liabilities are class expenses or common expenses of the Funds.

If a valuation date of a Fund is not a business day in a country where the Fund has securities, the prices or quotations for the securities at the close of business on the preceding business day in the country will be used to value the securities.

If an investment cannot be valued using these rules or if BG & Co. decides that these rules are inappropriate in a given situation, BG & Co. may determine the fair market value of the investment in accordance with such methods as it considers fair and reasonable in the circumstances. BG & Co. has not had to exercise this discretion over the last three years.

Unless otherwise indicated, “current market value” means the most recently available sale price applicable to a security on the principal exchange on which it is traded immediately preceding the valuation time on the valuation date, provided that, if no sale has taken place on a valuation date, the average of the bid and asked quotations immediately prior to the valuation time on the valuation date will be used.

For the purposes of valuing the investments of a Fund, quotations may be obtained from any report in common use, or from a reputable broker or other financial institution, provided that BG & Co. may value an investment as it deems appropriate in a given situation.

Calculation of Net Asset Value

All units of a Fund will be sold or redeemed at the unit value (see below) of the Fund for that day, including the reinvestment of distributions. The unit value of a Fund is calculated before any units of that Fund are issued or redeemed. Any units of the Fund that are purchased or redeemed on that day are reflected in the unit value of the Fund the next time it is calculated.

BG & Co. intends to maintain a unit value of \$10.00 for the Beutel Goodman Money Market Fund by crediting income to unitholders daily.

Purchases of Units

General

An investor may buy units of a Fund by contacting his or her dealer. Cheques should be made payable to RBC Investor Services Trust, in Trust. The Funds do not issue certificates for units.

The price of a unit of a Fund is equal to the net asset value per unit of the class of the Fund. The net asset value per unit of a class of a Fund is determined by adding up the value of the class' proportionate share of the assets of the Fund, subtracting its share of common expenses of the Fund and its class expenses, and dividing the remainder by the number of units of the class that are outstanding.

Purchase orders for units of a Fund, except for Beutel Goodman International Equity Fund, Beutel Goodman World Focus Equity Fund, the Beutel Goodman Global Dividend Fund and the Beutel Goodman Global Equity Fund, which are received by BG & Co. at or prior to 4:00 p.m. Toronto time on any valuation date will be priced on that day. Purchase orders for units of the

Beutel Goodman International Equity Fund, Beutel Goodman World Focus Equity Fund, the Beutel Goodman Global Dividend Fund and the Beutel Goodman Global Equity Fund, which are received by BG & Co. at or prior to 2:00 p.m. Toronto time on any valuation date will be priced on that day. Any purchase orders received after the above-listed time restrictions on a valuation date will be priced on the next valuation date.

Within three business days following the valuation date on which a subscription for units is accepted, BG & Co. will issue the units subscribed for at the unit value on the valuation date. An investor may purchase units for cash or in exchange for acceptable securities that are qualified investments for the Fund based on the valuation rules described above.

BG & Co. has the right to accept or reject a purchase order. BG & Co. will decide to accept or reject a purchase order within one business day of receiving the purchase order. If BG & Co. rejects a purchase order, it will immediately return any monies received with the purchase order to the investor.

An initial investment in a Fund must be at least \$5,000, or \$500,000 for Class I units. Subsequent investments in the Fund must be at least \$100. For group registered plans, the minimum initial investment is \$50 per participant and an additional \$50 per month per participant. Despite the foregoing, investors in Class I units of a Fund must make an initial investment of at least \$500,000, and subsequent investments of at least \$1,000, unless such minimums are waived by BG & Co., in its sole discretion.

If BG & Co. does not receive payment for units of a Fund within three days of processing an investor's order, one day for Beutel Goodman Money Market Fund, BG & Co. will redeem the investor's units. If the proceeds of redemption are greater than what the investor owes, the Fund will keep the difference. If the proceeds are less than what the investor owes, BG & Co. will pay the difference to the Fund and will collect this amount from the investor's dealer, who may collect it from the investor.

Units of the Funds are distributed on a continuous basis in all of the provinces and territories of Canada by dealers qualified to sell mutual fund securities. See "Principal Distributor" at page 8 for further details.

A dealer may make provision in arrangements that it has with an investor who wants to buy units of a Fund, that will require the investor to compensate the dealer for any losses suffered by the dealer in connection with a failed settlement to buy units of the Fund which is caused by the investor.

Class B Units

An investor in Class B units of a Fund may have to pay his or her dealer a negotiable sales charge when he or she buys such units. The maximum sales charge an investor will pay is 4.17% of his or her net investment. BG & Co. may pay an investor's dealer a trailer fee if an investor buys Class B units of a Fund. An investor's dealer also may charge an advisory or asset-based fee for Class B units of a Fund.

Class D Units

An investor in Class D units of a Fund may have to pay his or her dealer a negotiable sales charge when he or she buys such units. The maximum sales charge an investor will pay is 4.17% of his or her net investment. BG & Co. may pay an investor's dealer a trailer fee if an investor buys Class D units of a Fund.

Class F Units

As described under "Description of Units of the Funds" – "Classes of Units" at page 3, Class F units of a Fund are available for investors enrolled in a dealer-sponsored fee-for-service or wrap program, or any other investor for whom BG & Co. does not incur distribution costs. No sales or redemption charges are payable for purchases or redemptions of Class F units, and BG & Co. does not pay any trailing or other commissions on them.

If you no longer participate in an approved program after you purchase Class F units, we may convert your Class F units into Class D units of the same Fund (Class B units in the case of the Beutel Goodman Fundamental Canadian Equity Fund, the Beutel Goodman Short Term Bond Fund or the Beutel Goodman Global Dividend Fund). Based on the administrative policies of the Canada Revenue Agency, this is not considered a disposition for tax purposes, so no gain or loss will result.

Class I Units

An investor in Class I units of a Fund does not pay any sales or redemption charges for purchases or redemptions of Class I units.

If you no longer satisfy the investment requirements after you purchase Class I units, we may convert your Class I units into Class D units of the same Fund. Based on the administrative policies of the Canada Revenue Agency, this is not considered a disposition for tax purposes, so no gain or loss will result. Despite the foregoing, at BG & Co.'s discretion, the minimum investment threshold may be waived.

Switches of Units

Switches between Funds

Units of one Fund may be switched for units of another Fund by an investor delivering to his or her dealer a properly completed and signed request to switch all or part of an investment in one Fund to one or more other Funds.

The investor may have to pay his or her dealer a fee when he or she switches from one Fund to another Fund.

On receipt of a switch request, the number of units to be switched will be redeemed in the manner described below under "Redemptions of Units" and the proceeds will be used to buy units in the other Fund as directed by the investor. The redemption of units may be a taxable transaction to an investor, as described under "Income Tax Considerations" below.

Where a unitholder requests a switch from one Fund to another Fund, the purchase of units of the second Fund will be completed at the unit value on the date of redemption from the first Fund.

Switches between Classes

Units of a Fund may be switched to units of a different class of the same Fund by an investor delivering to his or her dealer a properly completed and signed request to switch all or part of an investment in one class of units of a Fund to another class of units of the same Fund. An investor may only switch to a class if he or she meets the investment requirements of the particular class.

The investor may have to pay his or her dealer a fee when he or she switches from one class of units of a Fund to another class of units of the same Fund.

Based on the administrative policies of the Canada Revenue Agency, switching between classes of units of a Fund is not considered a disposition for tax purposes, so no gain or loss will result.

Where a unitholder requests a switch from one class of units of a Fund to another, he or she will receive units of equal value, although the number of units he or she receives from the new class may be different from the number he or she held prior to the switch.

Redemption of Units

A unitholder may redeem his or her units of a Fund by sending a redemption order to his or her dealer. The redemption price of the units of a Fund is based on the net asset value of the class of the unit next determined after the receipt by the Fund of the redemption order.

The Funds are long-term investments. Trading or switching often in order to time the market is generally not accepted. Frequent trading can also hurt a Fund's performance, affecting all the investors in a Fund, by forcing the Fund to keep cash or sell investments to meet redemption requests.

If you redeem or switch within 30 days of purchase, BG & Co. reserves the right to charge a short-term trading fee on top of any redemption or switch fees that may apply. Each additional switch would constitute a new purchase for these purposes.

The dealer is responsible for sending the unitholder's redemption order to BG & Co. on the same day that the dealer receives it from the unitholder. BG & Co. will sell the unitholder's units of a Fund on the business day BG & Co. receives the redemption order from the unitholder's dealer, provided BG & Co. receives it at or before 4:00 p.m. (Toronto time), or at or before 2:00 p.m. (Toronto time) for the Beutel Goodman International Equity Fund, the Beutel Goodman World Focus Equity Fund, the Beutel Goodman Global Dividend Fund and the Beutel Goodman Global Equity Fund. If BG & Co. does not receive the unitholder's redemption order from the unitholder's dealer until after 4:00 p.m. (Toronto time), or until after 2:00 p.m. (Toronto time) for the Beutel Goodman International Equity Fund, the Beutel Goodman World Focus Equity Fund, the Beutel Goodman Global Dividend Fund and the Beutel Goodman Global Equity Fund, BG & Co. will process the unitholder's redemption order on the next business day. Once BG & Co. receives from the unitholder's dealer the instructions necessary to complete the redemption, BG & Co. will send the redemption proceeds to the unitholder. If BG & Co. does not receive these instructions within 10 business days of the redemption, the Fund will repurchase the unitholder's units. If the redemption price is greater than the repurchase amount, the Fund keeps the

difference. If the redemption price is less than the repurchase amount, BG & Co. will pay the Fund the difference. BG & Co. will then collect this difference from the unitholder's dealer, who may collect it from the unitholder.

A dealer may make provision in arrangements that it has with an investor that will require the investor to compensate the dealer for any losses suffered by the dealer in connection with any failure of the investor to satisfy the requirements of a Fund or securities legislation for a redemption of units of a Fund.

BG & Co. may suspend the redemption of units of a Fund:

- (i) if normal trading is suspended on a stock exchange, options exchange or future exchange within or outside Canada on which securities are listed and traded, if those securities represent more than 50% by value, or underlying market exposure, of the total assets of the Fund without any allowance for liabilities and if those securities are not traded on any other exchange that represents a reasonably practical alternative for the Fund; or
- (ii) with the consent of the Ontario Securities Commission.

BG & Co. will not accept subscriptions for a Fund during any time while the right to redeem units of the Fund is suspended.

Fees and Expenses

The management fees paid by each Fund in respect of its Class B, D and F units are described in the simplified prospectus. The management fees applicable to Class I units are payable by the investor directly to BG & Co. and are negotiated between the investor and BG & Co.

Management Fee Distribution Program

To encourage investors to invest large amounts in the Funds and to achieve effective management fees which are competitive for those investments, BG & Co. may agree to a reduction in the management fees which it charges the Funds. In certain circumstances, BG & Co. may also waive its fees.

The current eligibility requirements for large unitholders of the Funds is determined on a Fund-by-Fund basis for each class of units they hold and are set out below for Class D units. For Class B and F units, any reduction to the management fee is determined on a case-by-case basis in the sole discretion of BG & Co.

Fund	Annual Management Fee as a Percentage of Large Class D Unitholders' Aggregate Unit Value of Class D Units in the Fund				
	On the First \$200,000 or Less	On the Next \$800,000	On the Next \$4,000,000	On the Next \$5,000,000	Above \$10,000,000
Beutel Goodman Balanced Fund	up to 1.00%	up to 0.90%	up to 0.50%	up to 0.40%	up to 0.35%
Beutel Goodman Canadian Equity Fund	up to 1.25%	up to 0.90%	up to 0.50%	up to 0.40%	up to 0.35%

Beutel Goodman Total World Equity Fund	up to 1.25%	up to 0.90%	up to 0.50%	up to 0.40%	up to 0.35%
Beutel Goodman North American Focused Equity Fund	up to 1.25%	up to 0.90%	up to 0.50%	up to 0.40%	up to 0.35%
Beutel Goodman Small Cap Fund	up to 1.25%	up to 0.90%	up to 0.50%	up to 0.40%	up to 0.35%
Beutel Goodman Canadian Dividend Fund	up to 1.25%	up to 0.90%	up to 0.50%	up to 0.40%	up to 0.35%
Beutel Goodman World Focus Equity Fund	up to 1.25%	up to 0.90%	up to 0.80%	up to 0.70%	up to 0.60%
Beutel Goodman Global Equity Fund	up to 1.25%	up to 0.90%	up to 0.80%	up to 0.70%	up to 0.60%
Beutel Goodman International Equity Fund	up to 1.25%	up to 0.90%	up to 0.80%	up to 0.70%	up to 0.60%
Beutel Goodman American Equity Fund	up to 1.25%	up to 0.90%	up to 0.50%	up to 0.40%	up to 0.35%
Beutel Goodman Income Fund	up to 0.70%	up to 0.69%	up to 0.40%	up to 0.35%	up to 0.30%
Beutel Goodman Long Term Bond Fund	up to 0.70%	up to 0.69%	up to 0.40%	up to 0.35%	up to 0.30%
Beutel Goodman Corporate/Provincial Active Bond Fund	up to 0.70%	up to 0.69%	up to 0.40%	up to 0.35%	up to 0.30%

The effectively reduced management fees apply only to that portion of a large Class D unitholder's account that falls within the above-noted unit value ranges. Entitlement to the benefit of effective management fee reductions is determined and calculated on a fund-by-fund basis.

The amount of effectively reduced management fees for large Class D unitholders may be increased at any time by BG & Co., but may only be decreased after large Class D unitholders are given at least 60 days' prior notice of the decrease.

Except as provided below, on the last day of each calendar quarter, large Class D unitholders are entitled to receive the benefit of reduced management fees for each day (since the last distribution) on which the large Class D unitholder owns Class D units of the Fund.

The benefits of reduced management fees, where applicable, are credited and paid to Class D unitholders on the last day of each calendar quarter. The distributions are generally paid first out of net income, then out of the net realized capital gains of the Fund, and then, to the extent necessary, out of the capital of the Fund. Distributions to a unitholder out of net income and net realized capital gains will be included in the income of that Class D unitholder for income tax purposes. The reduction in management fees will not have adverse tax consequences to a Fund. See "Income Tax Considerations" below.

Income Tax Considerations

The following is a summary of the principal Canadian federal income tax considerations with respect to acquiring, owning and disposing of units of the Funds. It applies only to an individual investor (other than a trust) who, for the purposes of the *Income Tax Act* (Canada) (the "**Tax Act**"), is resident in Canada, deals at arm's length with the Funds and holds the units as capital property.

This is a general summary and is not intended to be advice to any particular investor. You should seek independent advice about the income tax consequences of investing in units of the Funds, based on your own circumstances.

This summary is based on the current provisions of the Tax Act, the regulations under the Tax Act, specific proposals to amend the Tax Act and the regulations announced by the Minister of Finance (Canada) before the date of this annual information form and the administrative practices and policies published by the Canada Revenue Agency (“CRA”). This summary assumes that such practices and policies will continue to be applied in a consistent manner. This summary does not take into account or anticipate any other changes in law whether by legislative, regulatory, administrative or judicial action. It also does not take into account provincial, territorial, or foreign income tax legislation or considerations.

This summary assumes that (a) each Fund is a unit trust and a registered investment under the Tax Act, and (b) each Fund will qualify at all material times as a mutual fund trust under the Tax Act except for the following Funds: Beutel Goodman Total World Equity Fund, Beutel Goodman Fundamental Canadian Equity Fund, Beutel Goodman Global Equity Fund, Beutel Goodman Short Term Bond Fund and Beutel Goodman World Focus Equity Fund.

Taxation of the Funds

In each taxation year, each Fund is subject to tax under Part I of the Tax Act on the amount of its income for tax purposes for that taxation year, including net taxable capital gains, less the portion that is paid or payable to unitholders. Generally, each Fund will distribute to its unitholders in each calendar year enough of its net income and net realized capital gains so that the Fund should not be liable for tax under Part I of the Tax Act. Where a Fund is a mutual fund trust throughout a taxation year, the Fund is allowed to retain, without incurring a liability for tax, a portion of its net realized capital gains based on redemptions of its units during the year.

All of a Fund’s deductible expenses, including expenses common to all classes of the Fund and management fees and other expenses specific to a particular class of the Fund, will be taken into account in determining the income or loss of the Fund as a whole. Losses incurred by a Fund cannot be allocated to investors but may, subject to certain limitations, be deducted by the Fund from capital gains or other income realized in other years.

Each Fund is required to compute its net income and net realized capital gains in Canadian dollars for the purposes of the Tax Act and may, as a consequence, realize foreign exchange gains or losses that will be taken into account in computing its income for tax purposes.

Generally, gains and losses from using derivatives will be realized on income account rather than on capital account. Gains (and losses) from using derivatives for purposes of hedging foreign currency exposure on the market value of portfolio securities held as capital property may be (and may be treated by Beutel Goodman Canadian Dividend Fund as being) on capital account. If any such gains were instead on income account, after-tax returns to investors may be reduced.

In certain situations, where a Fund disposes of property and would otherwise realize a capital loss, the loss will be deemed to be a “suspended loss” and denied. This may occur if the Fund disposes of and acquires the same property during the period that begins thirty (30) days before and ends thirty (30) days after the disposition of property and holds it at the end of that period.

The Tax Act contains “loss restriction event” (“**LRE**”) rules that could potentially apply to a Fund. In general, a LRE will occur to a Fund if a person (or group of persons) acquires units of the Fund worth more than 50% of the fair market value of all the units of the Fund. If a LRE occurs (i) the Fund will be deemed to have a year-end for tax purposes, (ii) any net income and net realized capital gains of the Fund at such year-end that is not paid or payable in such year to unitholders of the Fund will be taxed in the Fund, and (iii) the Fund will be restricted in its ability to use tax losses (including any unrealized capital losses) that exist at the time of the LRE. However, a Fund will be exempt from the application of the LRE rules in most circumstances provided that the Fund is an “investment fund” which requires the Fund to satisfy certain investment diversification rules.

Each Fund which is a unit trust and a registered investment, but not a mutual fund trust, under the Tax Act may be liable for tax under Part X.2 of the Tax Act if it invests in investments that are not qualified investments for Registered Plans (as defined below). Each such Fund will restrict its investments so that they will not be liable for a material amount of tax under Part X.2 of the Tax Act.

For each Fund which is not a mutual fund trust under the Tax Act throughout the year, Part XII.2 of the Tax Act provides that such Fund is subject to a special tax under Part XII.2 of the Tax Act on the Fund’s “designated income” under the Tax Act if the Fund has a unitholder who is a “designated beneficiary” under the Tax Act at any time in the taxation year. “Designated beneficiaries” generally include non-resident persons, non-resident owned investment corporations, certain trusts, certain partnerships and certain tax-exempt persons in certain circumstances where the tax-exempt person acquires units from another beneficiary. “Designated income” generally includes income from businesses carried on in Canada (including from derivatives) and from Canadian real estate, timber resource properties and Canadian resource properties, and taxable capital gains from dispositions of “taxable Canadian property.” While these Funds may become liable for tax under these rules, BG & Co. expects that the amount of such tax will not be significant because BG & Co. does not anticipate any of these Funds having material designated income. In any event, unitholders of such Funds resident in Canada who are subject to tax under the Tax Act will be eligible for a tax credit in respect of their proportionate amount of any Part XII.2 tax.

Each Fund which is not a mutual fund trust under the Tax Act may, in certain circumstances, be subject to alternative minimum tax under the Tax Act for that year. This could occur, for example, in years in which the Fund has losses on income account, as well as capital gains. Any alternative minimum tax payable by the Fund may be carried forward to offset net income tax liability of the Fund in a subsequent year, subject to the rules in the Tax Act.

Taxation of Unitholders

Distributions

Unitholders, generally, will be required to include in computing their income the amount (computed in Canadian dollars) of the net income and the taxable portion of the net realized capital gains as is paid or payable to them by a Fund in the taxation year (which may include management fee distributions), whether or not such amount has been reinvested in additional units. A unitholder may be taxable on undistributed income and realized capital gains and

accrued but unrealized capital gains that are in a Fund at the time units are purchased to the extent that such amounts are subsequently distributed to the unitholder.

Provided that appropriate designations are made by the Funds, the amount, if any, of foreign source income, net taxable capital gains and taxable dividends from taxable Canadian corporations (including “eligible dividends”) of the Funds that are paid or payable to unitholders (including such amounts invested in additional units) will, effectively, retain their character for tax purposes and be treated as foreign source income, taxable capital gains and taxable dividends of the unitholders. “Eligible dividends” are subject to an enhanced gross-up and dividend tax credit. Foreign source income received by the Funds will generally be net of any taxes withheld in the foreign jurisdiction. The taxes so withheld will be included in the determination of the Fund’s income under the Tax Act. To the extent that the Funds so designate in accordance with the Tax Act, unitholders will, for the purpose of computing foreign tax credits, be entitled to treat their proportionate share of such taxes withheld as foreign taxes paid by the unitholders.

Generally, gains realized by Beutel Goodman Canadian Dividend Fund from the use of derivatives will result in the distribution of income rather than capital gains. However, Beutel Goodman Canadian Dividend Fund may treat gains (and losses) from using derivatives for purposes of hedging foreign currency exposure on the market value of portfolio securities held as capital property as being on capital account.

To the extent that distributions (including management fee distributions) to a unitholder by a Fund in any year exceed that unitholder’s share of the net income and net realized capital gains of that Fund allocated to that unitholder for that year, those distributions (except to the extent that they are proceeds of disposition of a unit as described below) will not be taxable to the unitholder but will reduce the adjusted cost base of the unitholder’s units. If the adjusted cost base of a unitholder’s units becomes a negative amount at any time in a taxation year, the unitholder will be deemed to realize a capital gain equal to that amount and the adjusted cost base of the unitholder’s units will be reset to zero. In certain circumstances, a Fund is permitted to elect to treat distributions to unitholders that exceed the Fund’s income for the year as a distribution of income and to deduct that amount in computing the income of the Fund in its next taxation year.

Capital Gains

Upon the disposition or deemed disposition by a unitholder of a unit, whether by redemption, switch or otherwise, a capital gain (or capital loss) will be realized to the extent that the proceeds of disposition, less any costs of disposition, are greater (or less) than the adjusted cost base to the unitholder of the unit. In particular, a disposition of a unit will occur on a switch to another Beutel Goodman Managed Fund. A switch between classes of the same Fund will not result in a disposition for tax purposes except to the extent that units are redeemed to pay any fees. If those redeemed units are held outside a Registered Plan, unitholders may realize a taxable capital gain. See “Taxation of Capital Gains” below.

Taxation of Capital Gains

In general, one-half of capital gains are included in income as taxable capital gains and one-half of capital losses are allowable capital losses which may be deducted from taxable capital gains subject to and in accordance with the detailed rules of the Tax Act.

The adjusted cost base to an investor of a unit of a class of a Fund will generally be the weighted average cost of all units of that class of the Fund that are owned by that investor, including units acquired on the reinvestment of a distribution. Accordingly, when a unit of a Fund is acquired, its cost would generally be averaged with the adjusted cost base of the other units of the same class of the Fund owned by the investor to determine the adjusted cost base of each unit of the class of the Fund then owned. Note that a separate adjusted cost base must be determined for each class of units of each Fund.

When calculating your gain or loss at the time that you dispose of units:

- You may include in the adjusted cost base of that class of units any sales fees you paid to your dealer when you purchased those units
- You may include in your reasonable disposition costs any fees you pay at the time of the disposition

In certain situations, where you dispose of units of a Fund and would otherwise realize a capital loss, the loss will be denied. This may occur if you, your spouse or another person affiliated with you (including a corporation controlled by you) has acquired units of the same Fund within thirty (30) days before or after you disposed of your units, which are considered to be “substituted property”. In these circumstances, your capital loss may be deemed to be a “superficial loss” and denied. The amount of the denied capital loss will be added to the adjusted cost base of the owner of the units which are substituted property.

The redemption of units of a Fund in order to satisfy any fee payable by a unitholder will be a disposition of such units to the unitholder and will give rise to a capital gain (capital loss) equal to the amount by which the proceeds of disposition of such units exceeds (or is less than) the aggregate of the adjusted cost base of such units and any reasonable costs of disposition.

Alternative Minimum Tax

Unitholders may be liable for alternative minimum tax in respect of distributions by a Fund that are designated as taxable dividends from taxable Canadian corporations or as taxable capital gains, and capital gains realized on a disposition of units of a Fund.

Taxation Rules Applicable to Registered Plans

If units of a Fund are held in a Registered Plan, the unitholder generally will pay no tax on distributions paid from the Fund on those units or on any capital gains that the Registered Plan realizes from redeeming or switching the units. However, withdrawals from Registered Plans, other than tax-free savings accounts and certain withdrawals from a registered education savings plan or registered disability savings plan, are generally taxable at the unitholder’s personal marginal income tax rate. Registered Plan holders are responsible for keeping a record of their investment.

Eligibility for Investment

The units of each Fund are qualified investments for a trust governed by a registered retirement savings plan (an “RRSP”), registered retirement income fund (a “RRIF”), deferred profit sharing plan (a “DPSP”), registered disability savings plan (an “RDSP”), registered education

savings plan (an “**RESP**”) or tax-free savings account (a “**TFSA**”) (collectively, “**Registered Plans**”).

Units of a Fund will not be a “prohibited investment” for a TFSA, RRSP or RRIF provided that certain provisions of the Tax Act dealing with non-arm’s length relationships and significant investments in a Fund do not apply to the holder or annuitant of the plan.

Exchange of Tax Information

Part XVIII of the Tax Act imposes due diligence and reporting obligations on “reporting Canadian financial institutions” in respect of their “U.S. reportable accounts”. Each Fund is a “reporting Canadian financial institution” and may be required to provide information to the CRA in respect of its unitholders who are “U.S. reportable accounts”. Such information generally relates to citizenship, residency and, if applicable, a U.S. federal tax identification number or such information relating to the controlling person(s) in the case of certain entities. If unitholders hold their units of a Fund through a dealer, the dealers will be subject to due diligence and reporting obligations with respect to financial accounts they maintain for their clients. Accordingly, unitholders may be requested to provide information to a Fund or their dealers to identify U.S. persons holding units of a Fund. If a unitholder (or any controlling person of certain entities) is identified as a U.S. person (including a U.S. citizen) or if a unitholder does not provide the requested information, Part XVIII of the Tax Act will generally require information about the unitholder’s investments held in the financial account maintained by the Fund or the dealer to be reported to the CRA, unless the investments are held within a RRSP, RRIF, DPSP, TFSA, RDSP or RESP. The CRA is expected to provide that information to the U.S. Internal Revenue Service.

On April 15, 2016, draft amendments to the Tax Act were released by the Department of Finance which propose similar rules to the foregoing that provide that, commencing in 2017, Canadian financial institutions (which, as defined, would include the Funds) would be required to have procedures in place to identify accounts held by residents of foreign countries (other than the U.S.) or by certain entities any of whose “controlling persons” are resident in such countries. Under these proposals, unitholders will be required to provide the required information regarding their investment in the Fund to the Fund or their dealer, unless the investment is held within certain registered plans.

Material Contracts

The material contracts pertaining to the Funds are listed below:

- (a) the trust indentures and declarations of trust referred to in the section entitled “Name, Formation and History of the Funds”; and
- (b) the Custodial Agreement, as amended, referred to in the section entitled “Responsibility for Fund Operations”.

Copies of the foregoing material contracts may be inspected by prospective or existing unitholders during normal business hours at the principal office of the Funds.

Legal and Administrative Proceedings

As at the date of this annual information form, there are no material legal proceedings pending to which any of the Funds, the manager or principal distributor is a party or which are known to be contemplated.

BG & Co., and the directors and officers of BG & Co. have not within the last 10 years been subject to any penalties or sanctions imposed by a court or securities regulator relating to trading in securities, promotion or management of a publicly traded mutual fund, or theft or fraud nor has BG & Co. or any of its directors or officers entered into a settlement agreement with a regulatory authority with respect to these matters.

Certificate of the Funds and their Manager, Promoter and Principal Distributor

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 each of the Provinces and Territories of Canada and do not contain any misrepresentations.

Dated: June 23, 2016.

“Mark D. Thomson”

Mark D. Thomson
Acting Chief Executive Officer
Beutel, Goodman & Company Ltd.

“Michael J. Gibson”

Michael J. Gibson
Acting Chief Financial Officer
Beutel, Goodman & Company Ltd.

On behalf of the Board of Directors of Beutel,
Goodman & Company Ltd. as Trustee,
Manager, Promoter and Principal Distributor of
the Funds

“Greg R. Latremoille”

Greg R. Latremoille
Director

“Bruce Shewfelt”

Bruce Shewfelt
Director

BEUTEL GOODMAN MANAGED FUNDS

Beutel Goodman Balanced Fund
Beutel Goodman Canadian Equity Fund
Beutel Goodman Total World Equity Fund
Beutel Goodman North American Focused Equity Fund
Beutel Goodman Fundamental Canadian Equity Fund
Beutel Goodman Small Cap Fund
Beutel Goodman Canadian Dividend Fund
Beutel Goodman Global Dividend Fund
Beutel Goodman World Focus Equity Fund
Beutel Goodman Global Equity Fund
Beutel Goodman International Equity Fund
Beutel Goodman American Equity Fund
Beutel Goodman Income Fund
Beutel Goodman Long Term Bond Fund
Beutel Goodman Corporate/Provincial Active Bond Fund
Beutel Goodman Short Term Bond Fund
Beutel Goodman Money Market Fund

Additional information about the Funds is available in the Funds' Fund Facts, Management Reports of Fund Performance and the financial statements.

You can get a copy of the above-noted documents at no cost by calling locally at 416-932-6403, toll-free at 1-855-247-9954, by e mail at mutualfunds@beutelgoodman.com or from your dealer.

These documents and other information about the Funds, such as information circulars and material contracts, are also available on the **Beutel, Goodman & Company Ltd.** Internet site at www.beutelgoodman.com or on the Internet site of SEDAR (the System for Electronic Document Analysis and Retrieval) at www.sedar.com.

Beutel, Goodman & Company Ltd.
Suite 2000, P.O. Box 2005
20 Eglinton Avenue West
Toronto, Ontario
M4R 1K8

Tel: (416) 932-6403
Toll-free: 1-855-247-9954
Fax: (416) 485-8194