

Fund Overview

The First Asset Active Credit ETF's ("FAO" or "the Fund") investment objective is to maximize long term risk adjusted total returns, delivered through cash distributions and long term capital appreciation, in a manner consistent with preservation of capital and prudent risk management by actively investing in fixed income securities

Potential opportunities for this fund include:

- (i) Issuers with strong market positions and attractive, sustainable business models;
- (ii) Companies with quantifiable assets and/or predictable cash flow characteristics; and
- (iii) Situations where markets have overreacted to actual or perceived risk.

In addition to effective individual security selection, our strategy allows us to vary allocations opportunistically between senior secured loans and high-yield bonds, as market conditions change. Investments are based on fundamental credit and relative value analysis to maximize long-term risk-adjusted total returns and enable us to prudently manage the credit and duration profile of FAO.

Market and Strategy Update

	2017 Q2	2017 Q1	2016
First Asset Active Credit ETF (FAO)	1.50%	2.30%	13.90%
Credit Suisse Leveraged Loan Index	0.76%	1.20%	9.87%
Credit Suisse High-Yield Index	1.97%	2.35%	18.26%
S&P 500 TR Index	3.09%	6.07%	11.96%

Source: First Asset and Morningstar Direct as at June 30, 2017
See page 3 for full performance data

The Fund returned 1.50% in the second quarter of 2017. The Fund performed in-line with a comparable asset mix of the Credit Suisse Leveraged Loan and the Credit Suisse High-Yield Indexes, which returned 0.76% and 1.97%, respectively.

The quarter was a continuation of the earlier part of the year, with optimism amongst investors, driven in large part by equity markets trading near all time highs. Despite credit markets in which prices continue to grind higher and spreads remain near year-to-date lows, high-yield bonds and leveraged loans performed modestly well, though credit markets tempered late in the quarter as oil prices fell further and elevated rates triggered moderate volatility.

The Fund performed well during the period, in large part as a result of our active management style and diligent credit selection. Results were generated fairly evenly throughout the Fund's portfolio, with four of the five most significant positive contributors being holdings in high-yield bonds. Top performing companies during the quarter included LPL Holding (Technology), and other investments such as Valeant (Pharmaceuticals) and KB Home (Homebuilding).

There were only five negative contributors to performance, with a cumulative loss of 0.14%, based on average Fund capital during the quarter. Despite the volatility in oil prices, and consequently, broader impact on high-yield, energy-related credits noted above, all of the Fund's investments in energy or related businesses were positive contributors to performance this quarter.

Though the near-term economic outlook remains encouraging, there are a number of factors – both domestic and international – which could cause a market disruption and we continue to exercise caution in our investment decisions. We entered into a few new positions during the quarter, namely Ascend Learning (Education, 0.8%), DTI Holdco (Business Services, 2%) and Petsmart Inc (Retail, 1%). We know these companies well and have investments in their loans and notes across our various strategies.

We believe we have an advantage as a result of our team's ability, decades of investing experience and deep familiarity with the broader markets and individual borrowers in which we invest.

Top 5 Profit and Loss Contributors in Q2 2017¹

Strongest	Weakest
LPL Holding	Calpine
Valeant	Albertson's
KB Home	American Comm Lines
Gartner Inc	Petsmart Inc
iShares IBOXX High Yield Corporate Bond ETF	American Axle

Firm Update

Onex Credit now manages approximately \$8.2 billion in assets under management.

As a brief team update, Kevin Connors, a portfolio manager at Onex Credit who joined us several years ago, has decided to retire. We thank him for his contribution and wish him well in his next chapter.

Thank you for your continued support,
Onex Credit Partners, LLC.

Fund Performance (%)

	1 Month	3 Month	6 Month	YTD	1 Year	3 Year	5 Year	SI
First Asset Active Credit ETF	0.05	1.50	3.83	3.83	11.69	-	-	5.72
Credit Suisse High Yield Index	0.02	1.97	4.37	4.37	13.02	-	-	
Credit Suisse Leveraged Loan Index	-0.06	0.76	1.96	1.96	7.49	-	-	

Source: First Asset and Morningstar Direct as at June 30, 2016

Inception date: Jan 16, 2015¹

¹ This chart shows the top five strongest and weakest holdings contributing to the Fund's performance for the second quarter of 2017. These holdings do not represent all of the securities held, purchased or sold during the respective periods. Past performance is not indicative of future results.

1 (877) 642-1289 | www.firstasset.com | info@firstasset.com



First Asset - Smart Solutions™

First Asset, a CI Financial Company, is a Canadian investment firm delivering a comprehensive suite of smart ETF solutions. Rooted in strong fundamentals, First Asset's smart solutions strive to deliver better risk-adjusted returns than the broad market while helping investors achieve their personal financial goals.

This communication is intended for informational purposes only and is not, and should not be construed as, investment and/or tax advice to any individual. Particular investments and/or trading strategies should be evaluated relative to each individual's circumstances. Individuals should seek the advice of professionals, as appropriate, regarding any particular investment.

Commissions, trailing commissions, management fees and expenses all may be associated with investments in exchange traded funds. Please read the prospectus before investing. Exchange traded funds are not guaranteed, their values change frequently and past performance may not be repeated. The indicated rates of return of the Fund are the historical annual compounded total returns, including changes in unit value and do not take into account sales, redemption or optional charges or income taxes payable by a security holder that would have reduced returns. Performance is calculated net of fees. The opinions contained in this document are solely those of the Portfolio Manager, Onex Credit Partners, LLC, at the indicated date of the information and are subject to change without notice. Some of the statements contained in this document may be considered forward looking statements which provide current expectations or forecasts of future events. Such forward-looking statements reflect the Portfolio Manager's current expectations or forecasts of future events and are based on information currently available to the Portfolio Manager. Such forward looking statements are not guarantees of future performance or events and involve risks and uncertainties. Actual results may differ materially from those described in such forward-looking statements as a result of various factors. These factors include, but are not limited to, general economic, political and market factors globally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events. First Asset and the Portfolio Manager do not undertake any obligation to publicly update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as expressly required by law. This document includes information that has been obtained from third party sources. Although the Portfolio Manager believes that these independent sources are generally reliable, the accuracy and completeness of such information is not guaranteed and has not been independently verified. The Portfolio Manager and First Asset assume no responsibility for any losses or damages, whether direct or indirect, which arise from the use of this information and expressly disclaims liability for any errors or omissions in this information. The Fund is managed by First Asset Investment Management Inc., a subsidiary of First Asset Capital Corp. (FA Capital). TMFirst Asset and its logo are trademarks of FA Capital, a wholly owned subsidiary of CI Financial Corp. which is listed on the Toronto Stock Exchange under the symbol "CIX". ©CI FINANCIAL is a registered trademark of CI Investment Inc., used under license.