

DYNAMIC PREMIUM YIELD PLUS FUND

ENHANCE YOUR OPTIONS

INTRODUCING DYNAMIC PREMIUM YIELD PLUS FUND

This Fund features a flexible investment strategy focused on acquiring quality U.S. equities at attractive valuations while also generating stable income through an options writing strategy*, and delivering systematic downside protection and capital preservation.

HOW IT WORKS

The Fund aims to provide the potential for capital appreciation primarily by investing directly in equity securities and writing options that provide valuable premiums. In addition, the systematic downside protection in place helps the Fund offer a defensive, low volatility alternative.

A COMPREHENSIVE STRATEGY

- Select quality stocks based on thorough fundamental and quantitative (“*quantamental*”) analysis
- Implement an options strategy to enhance the decision of buy, sell, or hold
- Write put and/or covered call options on quality stocks with robust premiums
- Employ judicious use of leverage to potentially enhance total returns
- Employ strategies to help reduce portfolio volatility
- By buying protective puts on the entire market, such as the S&P 500 ETF

This strategy is used in the management of Dynamic Premium Yield Fund, which was launched in October 2013.

**The yield is calculated based on a fixed, but not guaranteed, monthly distribution of 7.61 cents/unit and a net asset value per unit (NAVPU) of \$10.00 (for Series F) as of inception date. Monthly distribution yields may fluctuate as the month end NAVPU changes. A Fund’s distribution yield should not be confused with its performance or rate of return.

IT’S GOOD TO HAVE OPTIONS: KEY BENEFITS



HIGHER YIELD

Provide investors with a stable monthly income initially offering a 9.1%** yield (Series F).



LOW VOLATILITY

The addition of an options strategy to a portfolio can help lower volatility.



DIVERSIFICATION

Options strategies, specifically writing short-dated covered calls/puts, historically have shown minimal sensitivity to interest rates and zero-to-negative correlation to bonds.



SYSTEMATIC DOWNSIDE PROTECTION

The Fund uses two mechanisms:

- 1) Writing puts 4-8% below the current stock price provides a built-in safety margin in the event a stock’s price declines.
- 2) To further hedge equity risk, the Fund invests 15-20% of the options premiums collected by buying put options on various broad-based ETFs.

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AN OPTIONS STRATEGY YOU CAN UNDERSTAND

Dynamic Premium Yield PLUS Fund collects premiums while owning a portfolio of quality stocks. Here's how the process works:

STEP 1 **Proprietary equity research process**
The team employs a fundamental-based quantitative approach to rank all stocks within the S&P 500 using dozens of quality, value, growth as well as technical and risk metrics.

STEP 2 **Writing put options**
The team writes put options to acquire desirable stocks at a 4-8% discount to market. The put-writing strategy serves two purposes: potentially acquire quality stocks at a discounted price and generate income from the premium collected for writing the option.

STEP 3 **Buy and hold until full valuation**
If the put option is assigned (exercised by the buyer), the team adds an attractively priced quality stock to its portfolio. The stock is then held until it reaches the team's estimate of fair value.

STEP 4 **Writing call options**
When fair value is reached, the team can potentially write a covered-call option. If the stock is called away, the Fund will have earned both the premium income for writing the call and sold the security at fair value. If the call expires, the fund still collects the option premium and retains a quality stock in its portfolio.

Contact your Financial Advisor to learn more.

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Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compound total returns including changes in unit values and reinvestment of all distributions does not take into account sales, redemption or option changes or income taxes payable by any security holder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. Dynamic Funds® is a registered trademark of its owner, used under license, and a division of 1832 Asset Management L.P.

EXPERIENCED MANAGEMENT



Damian Hoang, B.A.Sc., MBA
Vice President, Portfolio Manager & Senior Derivatives Strategist

Damian Hoang joined Dynamic in 2012 as a Senior Derivatives Strategist and subsequently took on the role of Portfolio Manager. He has 10 years of industry experience, previously at Bank of America Merrill Lynch, where he structured and executed complex hedging and alpha enhancement strategies across multiple asset classes.

To enhance traditional equity investing and options income strategies, Damian has focused on researching, developing, and deploying fundamental-based quantitative (“*quantamental*”) strategies and techniques.

Over the past several years, he and his team have combined fundamental stock selection know-how with advanced technology to build a rigorous and robust *quantamental* investing framework that can systematically assess every stock in the U.S. large and mid-cap universe on a multitude of fundamental metrics.

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