

# Morningstar Emerging Markets Composite Bond Index ETF

AS AT 04/30/2013

## Fund Overview

The First Asset Morningstar Emerging Markets Composite Bond Index ETF has been designed to replicate, to the extent possible, the performance of the Morningstar® Emerging Markets Composite Bond Index<sup>SM</sup> (the "Index"), net of expenses.

## Fund Data – Common Units

Ticker symbol	EXM
Inception Date	October 1, 2012
Initial Unit Price	\$10.00
Distribution Frequency	Monthly
CUSIP Symbol	31863R101
Management Fee	0.50%

Source: First Asset. The Fund also offers Advisor Units

## Fund Characteristics

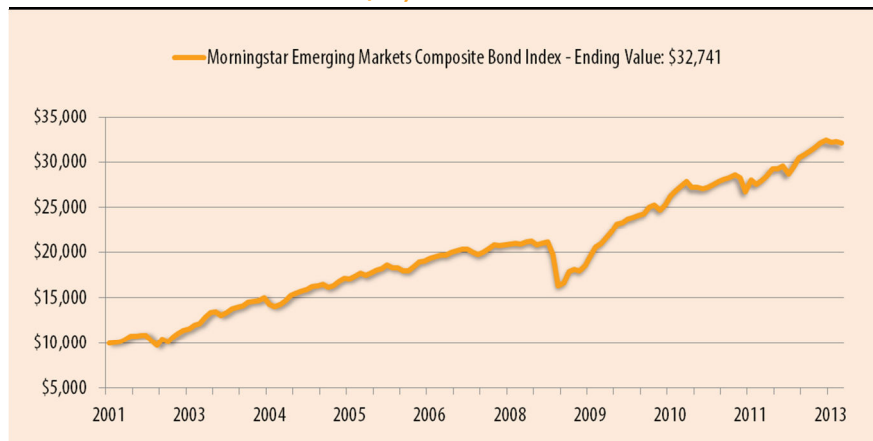
Weighted Avg. Coupon %	7.02
Index Mkt Cap*	\$889 billion
Yield to Maturity %	3.88
Average Effective Duration	6.36
Average Effective Maturity	9.51
Average Credit Quality	BBB

## Index Risk Return Measures\*

Time Period: 05/01/2008 to 04/30/2012	
Return (% annualized)	9.18
Std Dev	11.52

\*Source: Morningstar Direct

## Index Performance – Growth of \$10,000\*



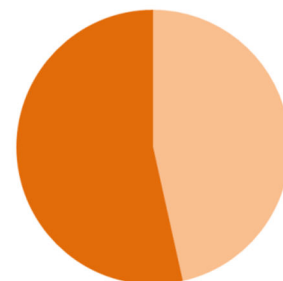
All performance data for all indices assumes the reinvestment of all distributions. Returns of the Index do not represent the Fund's returns. An investor cannot invest directly in the Index. Index performance data results prior to 05/08/2008 are hypothetical, but are calculated using the same methodology that has been in use by the index provider since the Index was first published. Information regarding the Index, including the applicable index methodology, is available at <http://indexes.morningstar.com>. As a result of the risks and limitations inherent in hypothetical performance data, hypothetical results may differ from actual Index performance.

## Trailing Total Returns (%)

	YTD	1 Year	3 Years	5 Years	10 Years
Morningstar EM Composite Bond Index*	0.88	10.64	8.98	9.18	9.78

## Sector Breakdown

	%
• Corporate	57.8
• Sovereign	42.2
<b>Total</b>	<b>100.0</b>



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## Investment Objective

The Fund has been designed to provide investors with tax-advantaged economic exposure to the performance of the Morningstar® Emerging Markets Composite Bond Index<sup>SM</sup>, net of expenses. This index includes the most liquid sovereign and corporate bonds issued in U.S. dollars by governments and corporations in Latin America, emerging Europe, Africa, Middle-East and Asia. For inclusion in the Emerging Markets Composite Bond Index, a security must be in the Emerging Markets Sovereign Bond Index or the Emerging Markets Corporate Bond Index based upon the following criteria.

### Emerging Markets Sovereign Bond Index:

- Only bonds issued by a country or its central bank (sovereign bonds) are included in the index.
- Development banks and sovereign-owned companies (quasi-sovereign) are not included in the index.
- Only U.S. dollar-denominated bonds are included in the index.
- Only fixed-rate coupon bonds are included in the index.
- The index includes bonds domiciled in Latin America, Eastern Europe, the Middle East, Africa and Asia (ex-Japan) whose credit ratings are A+ or below, based on the lower of Standard & Poor's and Moody's.
- A minimum of \$500 million remaining face amount outstanding for the issue is required for a bond to be included in the index.
- A minimum of \$1 billion remaining face amount outstanding for the issuer is required for a bond to be included in the index.
- All bonds must be issued under U.S. or U.K. jurisdiction.
- All securities must have a minimum of 13 months remaining to maturity.
- All securities must have a minimum of 36 months' maturity or greater at time of issuance.
- Bonds with embedded options, such as calls and puts, are included.
- Bonds with sinking funds are included.

### Emerging Markets Corporate Bond Index:

- Only U.S. dollar-denominated bonds are included in the index.
- Only fixed-rate coupon bonds are included in the index.
- Only bonds issued by corporations based in Latin America, Eastern Europe, the Middle East, Africa and Asia (ex-Japan) whose credit ratings are A+ or below, based on the lower of Standard & Poor's and Moody's.
- There are no ratings restrictions on either the corporate bonds, or the country of risk. However, all corporate issuers must have at least one rating from Standard & Poor's, Moody's or Fitch.
- A minimum of \$500 million remaining face amount outstanding for the issue is required for a bond to be included in the index.
- A minimum of \$1 billion remaining face amount outstanding for the issuer is required for a bond to be included in the index.
- All securities must have a minimum of 13 months remaining to maturity.
- All securities must have a minimum of 36 months' maturity or greater at time of issuance.
- Bonds with embedded options, such as calls and puts, are included.
- Bonds with sinking funds are included.
- Bonds issued under Regulation S will be included in the index only after an appropriate seasoning period. Similar guidelines will be followed if there are obstacles that prevent a broad investor base from participating in a new bond offering.

## How To Purchase First Asset Exchange Traded Funds

First Asset exchange traded funds are listed on the Toronto Stock Exchange in the same manner as shares of a publicly-traded company. First Asset exchange traded funds can be purchased through most brokerage accounts. They can be bought and sold throughout the day on the TSX during normal trading hours.

## Risks and Other Considerations

*There is no assurance that the fund will achieve its investment objectives. 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 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. Morningstar® is a trademark of Morningstar, Inc. and has been licensed for use for certain purposes by First Asset Investment Management Inc. This fund is not sponsored, endorsed, sold or promoted by Morningstar or any of its affiliates (collectively, "Morningstar"), and Morningstar makes no representation regarding the advisability of investing in the fund. 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.*



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### Company Overview

First Asset is an independent Canadian investment management company focused on delivering superior risk-adjusted investment returns to Canadian investors and their investment advisors. Founded in 1996, First Asset is a leading manager of ETFs, mutual funds, and closed end funds in Canada.