

Interim Management Report of Fund Performance As at April 30, 2016 Front Street MLP and Infrastructure Income Class

This Interim Management Report of Fund Performance contains financial highlights but does not contain the complete interim financial statements for Front Street MLP Infrastructure and Income Class (the "Fund"), a class of shares of Front Street Mutual Funds Limited. The interim financials of the Fund are attached behind this report and you can also get a copy of the interim or annual financial statements at your request, and at no cost, by calling 1-800-513-2832, by writing to us at Front Street Capital 2004, 33 Yonge Street, Suite 600, Toronto, Ontario M5E 1G4 or by visiting our website at www.frontstreetcapital.com or SEDAR at www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure relating to the Fund.

Forward Looking Information

This Management Report of Fund Performance contains forward-looking information and statements relating, but not limited to, anticipated or prospective financial performance and results of operations of the Fund. Forward looking information involves known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. For this purpose, any statements that are contained herein that are not statements of historical fact may be deemed to be forward-looking information. Without limiting the foregoing, the words "believes", "anticipates", "plans", "intends", "will", "should", "expects", "projects", and similar expressions are intended to identify forward-looking information.

Although the Fund believes it has a reasonable basis for making the forecasts or projections included in this Management Report of Fund Performance, readers are cautioned not to place undue reliance on such forward-looking information. By its nature, the forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts and other forward-looking statements will not occur. These factors include, but are not limited to, those associated with the performance of the equity securities market, expectations about interest rates and factors incorporated by reference herein as risk factors.

The above list of important factors affecting forward looking information is not exhaustive, and reference should be made to the other risks discussed in the Fund's filings with Canadian securities regulatory authorities. The forward looking information is given as of the date of this Management Report of Fund Performance, and the Fund undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise.

Management Discussion of Fund Performance

INVESTMENT OBJECTIVES AND STRATEGIES

The fundamental investment objective of the Fund is to provide stable and long-term capital appreciation and income by investing primarily in, or providing economic exposure to, the securities of North American issuers that collect revenue based on the transportation of commodities between producers and consumers in sectors such as pipelines, terminals, marine transportation and midstream services energy infrastructure sector, including energy infrastructure master limited partnerships (“MLPs”) that are U.S. limited partnerships or limited liability companies that are (a) publicly traded on U.S. securities exchanges and (b) primarily engaged in the transportation, storage, processing, refining, marketing, exploration and production and mining of minerals or natural resources.

To meet its investment objectives, the Fund will provide Shareholders with economic exposure to the performance of an actively managed, diversified notional portfolio (the “Infrastructure MLP Portfolio”) of energy infrastructure MLPs and with exposure to a portfolio of North American energy infrastructure equity and income securities that are not MLPs (the “Infrastructure Portfolio”).

Front Street Capital 2004 is the manager of the Fund (the “Manager”). OFI SteelPath, Inc., New York, U.S.A. (the “MLP Advisor”) has been retained by the Manager, on behalf of the Fund, to provide investment advisory and portfolio management services on the Infrastructure MLP Portfolio. Front Street Investment Management Inc. (the “Investment Advisor”) has been retained by the Manager, on behalf of the Fund, to provide investment advisory and portfolio management services on the Infrastructure Portfolio. Front Street Capital 2004 assumed the portfolio management and investment advisory services from Front Street Investment Management Inc. on October 16, 2015. The allocation of the assets of the Fund between the Infrastructure MLP Portfolio and the Infrastructure Portfolio from time to time will be made by the Investment Advisor based on market conditions and the relative values of securities eligible for inclusion in such portfolios.

In order to obtain economic exposure to the Infrastructure MLP Portfolio, the Fund will enter into one or more equity swaps with a U.S. financial institution (the “Counterparty”) as counterparty (collectively, the “Infrastructure MLP Swap Agreement”). In accordance with its investment objectives, the return to Shareholders and the Fund is dependent upon the economic performance of the Infrastructure MLP Portfolio by virtue of the Swap Agreement to gain economic exposure to the Infrastructure MLP Portfolio. At any given time, all or a portion of the Fund’s assets may be exposed to the Infrastructure MLP Portfolio by virtue of the Swap Agreement, at the discretion of the Manager.

RISK

The risks associated with investing in the Fund are discussed in the Fund’s simplified prospectus, which is available on SEDAR at www.sedar.com or by visiting our website at www.frontstreetcapital.com. There were no changes over the period to the risks outlined in the simplified prospectus which would materially affect the overall risk of investing in the fund.

RESULTS OF OPERATIONS

For the six-month period ended April 30, 2016, the Front Street MLP and Infrastructure Income Class returned -2.0%.

During the period ended April 30, 2016 the Fund earned investment income of \$12,900 from interest. There were net realized gains on the financial assets held in the swap agreement of \$2,427,347, gains from foreign exchange forward contracts of \$5,228,641, and an unrealized appreciation on the value of swap agreements and forward foreign currency contracts of \$7,060,690.

Operating expenses, excluding management fees and servicing fees, totalled \$138,924 during the period ended April 30, 2016.

Midstream companies continue to collect fees to transport, store, or process oil, natural gas, and refined products, and continue to report mostly sound financial results and modestly growing cash flows. Despite the decline in MLP values and market sentiment, most holdings were able to increase or hold their distribution levels. The last time the asset class experienced such severe disruption was during the 2008 financial crisis. Prices recovered vigorously over the following six to 12 months.

Both the energy sector and the wider markets continued to be affected by volatility in the price of crude oil and struggling natural gas prices. Although the first months of the period saw a continuation of the oil price decline that began in late 2014, the latter months marked a positive reversal in both the price of crude oil and market sentiment, as supply and demand began to re-balance. U.S. crude oil production which reached a high of 9.7 million barrels/day in April 2015 fell to 9.1MMbbls/d by March 2016. Despite the huge declines in commodity prices and rig counts, the volume of commodities being transported by midstream energy infrastructure assets has been relatively unchanged, particularly for major infrastructure assets. In aggregate, the fundamentals of the midstream MLP entities have not been meaningfully impaired.

MPLX, Buckeye Partners and Magellan Midstream Partners contributed positively to the Fund's performance over the period, while Teekay LNG Partners and Targa Resource Partners were detractors.

RECENT DEVELOPMENTS

The manager continues to believe that there is a significant disconnect between the market perception of midstream MLPs and the realities of their underlying business fundamentals, although the situation is beginning to improve. The sustainability of distributions will be the primary focus for the remainder of 2016. The manager believes that current cash flows will be supported as high volumes of commodities continue to be transported and stored.

Fund Merger

On January 26, 2016, Front Street U.S. MLP Income Fund Ltd. ("FSUSMLP") and Front Street Mutual Funds Limited ("FSMFL", together with FSUSMLP, the "Funds") announced the amalgamation (the "Merger") of the Funds was completed.

In connection with the Merger, each shareholder of FSMFL was issued the class and series of shares of the Amalgamated Corporation that are of equal denomination as the class and series of FSMFL shares that he or she held immediately prior to the Merger, and these shares carry terms that are identical in all respects to the equivalent shares of FSMFL. For each equity share, series C, and equity share, series U that shareholders of FSUSMLP held immediately prior to the Merger, they received one series MC share, and one series MU share respectively, of the Amalgamated Corporation's "Front Street MLP and Infrastructure Income Class".

RELATED PARTY-TRANSACTIONS

During the period ended April 30, 2016 and 2015, fees paid to the Manager were as follows:

	2016	2015
Management fees	<u>\$ 427,500</u>	<u>\$ 118,844</u>
Servicing fees	<u>\$ 66,083</u>	<u>\$ 19,505</u>
Expenses waived or absorbed by Manager	<u>\$ -</u>	<u>\$ (\$177,250)</u>

Management fees payable and other payables included in the accrued expenses were as follows:

	April 30, 2016	October 31, 2015
Management fees payable	<u>\$ 99,108</u>	<u>\$ 37,008</u>
Servicing fees payable	<u>\$ 14,212</u>	<u>\$ 8,589</u>

The following are redeemable shares held by related parties of the Fund:

	April 30, 2016	October 31, 2015
Series F shares held by the Partners and Officers of the Manager	30,003.94	335,486.91
Percentage of Series F shares held by the Partners and Officers of the Manager	1.06%	18.52%
Series F shares held by the relatives of the Partners of the Manager	15,303.49	45,896.10
Percentage of Series F shares held by the relatives of the Partners of the Manager	0.54%	2.53%
Series MC shares held by the Partners and Officers of the Manager	159,195.65	-
Percentage of Series MC shares held by the Partners and Officers of the Manager	1.76%	Nil%
Series MC shares held by the relatives of the Partners of the Manager	657,462.55	-
Percentage of Series MC shares held by the relatives of the Partners of the Manager	7.25%	Nil%

As at April 30, 2016, Front Street Global Balanced Income Class, which is also managed by the Manager, held 111,002 (October 31, 2015 – 111,933) shares of Series I, representing 28.5% (October 31, 2015 – 16.0%) of Series I shares outstanding.

As at April 30, 2016, Front Street Global Opportunities Class, which is also managed by the Manager, held Nil (October 31, 2015 – 320,618) shares of Series I, representing Nil% (October 31, 2015 – 45.9%) of Series I shares outstanding.

As at April 30, 2016, Front Street Resource Growth and Income Class, which is also managed by the Manager, held 87,726 (October 31, 2015 – 84,264) shares of Series I, representing 22.6% (October 31, 2015 – 12.1%) of Series I shares outstanding.

The Fund may place a portion of its portfolio transactions with brokerage firms which are affiliates of the Manager provided it determines that these affiliates' trade execution abilities and costs are comparable to those non-affiliated, qualified brokerage firms, on an execution only basis. During the period ended April 30, 2016, Tuscarora Capital Inc., a company under common control to the Manager, received \$Nil in commissions on portfolio transactions for the Fund.

Management fees and servicing fees are measured at the consideration prescribed by the offering documents of the Fund. When related parties enter shareholder transactions with the Fund, the consideration is the transactional NAV available to all other shareholders on the trade date.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance. This information is derived from the Fund's audited annual and interim financial statements for the six months ended April 30, 2016.

Series A

The Fund's Net Assets per Redeemable Share⁽¹⁾

	April 30 2016 \$	For the period from commencement of operations on November 14, 2014 to October 31 2015 \$
Net assets, beginning of the period	7.19	10.00*
Increase (decrease) from operations:		
Total revenue	—	—
Total expenses	(0.09)	(0.19)
Realized gains (losses) for the period	0.16	(3.45)
Unrealized gains (losses) for the period	0.29	0.94
Total increase (decrease) from operations⁽²⁾	0.36	(2.70)
Distributions to redeemable Shareholders:		
From income (excluding dividends)	—	—
From dividends	—	—
From capital gains	—	—
Return of capital	(0.25)	(0.49)
Total distributions to redeemable Shareholders⁽³⁾	(0.25)	(0.49)
Net assets, end of the period	6.55	7.19

- (1) The information for April 30, 2016 and October 31, 2015 is derived from the Fund's unaudited interim and audited annual financial statements and is prepared in accordance with IFRS.
- (2) Net assets and distributions are based on the actual number of redeemable shares outstanding at the relevant time. The increase (decrease) from operations is based on the average number of redeemable shares outstanding over the financial period.
- (3) Distributions were paid in cash/reinvested in additional redeemable shares of the Fund or both.

Ratios and Supplemental Data

Total net asset value (000's) ⁽¹⁾	\$10,186	\$6,074
Number of redeemable shares outstanding ⁽¹⁾	1,555,683	845,081
Management expense ratio ⁽²⁾	2.88%	2.16%
Management expense ratio before waivers or absorptions ⁽²⁾	2.88%	3.31%
Trading expense ratio ⁽³⁾	—	—
Portfolio turnover rate ⁽⁴⁾	—	—
Net asset value per redeemable share ⁽⁵⁾	\$6.55	\$7.19

- (1) This information is provided as at end of the period shown.
- (2) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as annualized percentage of daily average net asset value during the period. The manager can waive certain fees or absorb certain expenses otherwise payable by the Fund. The amount of expenses waived or absorbed is at the discretion of the manager.
- (3) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.
- (4) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a fund's portfolio turnover rate in a period, the greater the trading costs payable by the fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund.
- (5) The information for April 30, 2016 and October 31, 2015 is derived from the Fund's unaudited interim and audited annual financial statements and is prepared in accordance with IFRS.

* Initial price

Series B
The Fund's Net Assets per Redeemable Share⁽¹⁾

	April 30 2016 \$	For the period from commencement of operations on November 11, 2014 to October 31 2015 \$
Net assets, beginning of the period	7.19	10.00*
Increase (decrease) from operations:		
Total revenue	—	—
Total expenses	(0.09)	(0.19)
Realized gains (losses) for the period	0.20	(3.39)
Unrealized gains (losses) for the period	0.44	0.88
Total increase from operations⁽²⁾	0.55	(2.70)
Distributions to redeemable Shareholders:		
From income (excluding dividends)	—	—
From dividends	—	—
From capital gains	—	—
Return of capital	(0.25)	(0.49)
Total distributions to redeemable Shareholders⁽³⁾	(0.25)	(0.49)
Net assets, end of the period	6.55	7.19

- (1) The information for April 30, 2016 and October 31, 2015 is derived from the Fund's unaudited interim and audited annual financial statements and is prepared in accordance with IFRS.
- (2) Net assets and distributions are based on the actual number of redeemable shares outstanding at the relevant time. The increase (decrease) from operations is based on the average number of redeemable shares outstanding over the financial period.
- (3) Distributions were paid in cash/reinvested in additional redeemable shares of the Fund or both.

Ratios and Supplemental Data

Total net asset value (000's) ⁽¹⁾	\$15,433	\$8,215
Number of redeemable shares outstanding ⁽¹⁾	2,355,810	1,141,928
Management expense ratio ⁽²⁾	2.95%	2.18%
Management expense ratio before waivers or absorptions ⁽²⁾	2.95%	3.32%
Trading expense ratio ⁽³⁾	—	—
Portfolio turnover rate ⁽⁴⁾	—	—
Net asset value per redeemable share ⁽⁵⁾	\$6.55	\$7.19

- (1) This information is provided as at end of the period shown.
- (2) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as annualized percentage of daily average net asset value during the period. The manager can waive certain fees or absorb certain expenses otherwise payable by the Fund. The amount of expenses waived or absorbed is at the discretion of the manager.
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* Initial price

Series F
The Fund's Net Assets per Redeemable Share⁽¹⁾

	April 30 2016 \$	For the period from commencement of operations on November 4, 2014 to October 31 2015 \$
Net assets, beginning of the period	7.26	10.00*
Increase (decrease) from operations:		
Total revenue	—	—
Total expenses	(0.06)	(0.13)
Realized gains (losses) for the period	0.07	(3.58)
Unrealized gains (losses) for the period	0.10	1.17
Total increase from operations⁽²⁾	0.11	(2.54)
Distributions to redeemable Shareholders:		
From income (excluding dividends)	—	—
From dividends	—	—
From capital gains	—	—
Return of capital	(0.25)	(0.49)
Total distributions to redeemable Shareholders⁽³⁾	(0.25)	(0.49)
Net assets, end of the period	6.64	7.26

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- (3) Distributions were paid in cash/reinvested in additional redeemable shares of the Fund or both.

Ratios and Supplemental Data

Total net asset value (000's) ⁽¹⁾	\$18,792	\$13,163
Number of redeemable shares outstanding ⁽¹⁾	2,830,793	1,811,924
Management expense ratio ⁽²⁾	2.16%	1.56%
Management expense ratio before waivers or absorptions ⁽²⁾	2.16%	2.70%
Trading expense ratio ⁽³⁾	—	—
Portfolio turnover rate ⁽⁴⁾	—	—
Net asset value per redeemable share ⁽⁵⁾	\$6.64	\$7.26

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- (2) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as annualized percentage of daily average net asset value during the period. The manager can waive certain fees or absorb certain expenses otherwise payable by the Fund. The amount of expenses waived or absorbed is at the discretion of the manager.
- (3) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.
- (4) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a fund's portfolio turnover rate in a period, the greater the trading costs payable by the fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund.
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* Initial price

Series I
The Fund's Net Assets per Redeemable Share⁽¹⁾

	April 30 2016	For the period from commencement of operations on December 8, 2014 to October 31 2015
	\$	\$
Net assets, beginning of the period	7.46	10.00*
Increase (decrease) from operations:		
Total revenue	—	—
Total expenses	(0.05)	(0.12)
Realized gains (losses) for the period	(0.62)	(2.99)
Unrealized gains (losses) for the period	(1.23)	0.94
Total increase from operations⁽²⁾	(1.90)	(2.17)
Distributions to redeemable Shareholders:		
From income (excluding dividends)	—	—
From dividends	—	—
From capital gains	—	—
Return of capital	(0.25)	(0.45)
Total distributions to redeemable Shareholders⁽³⁾	(0.25)	(0.45)
Net assets, end of the period	6.75	7.46

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Ratios and Supplemental Data

Total net asset value (000's) ⁽¹⁾	\$2,624	\$5,212
Number of redeemable shares outstanding ⁽¹⁾	388,835	699,039
Management expense ratio ⁽²⁾	1.51%	1.40%
Management expense ratio before waivers or absorptions ⁽²⁾	1.51%	2.54%
Trading expense ratio ⁽³⁾	—	—
Portfolio turnover rate ⁽⁴⁾	—	—
Net asset value per redeemable share ⁽⁵⁾	\$6.75	\$7.46

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* Initial price

Series X
The Fund's Net Assets per Redeemable Share⁽¹⁾

	April 30 2016 \$	For the period from commencement of operations on February 17, 2015 to October 31 2015 \$
Net assets, beginning of the period	7.65	10.00*
Increase (decrease) from operations:		
Total revenue	—	0.03
Total expenses	(0.08)	(0.11)
Realized gains (losses) for the period	(0.13)	(2.12)
Unrealized gains (losses) for the period	(0.16)	0.21
Total increase from operations⁽²⁾	(0.37)	(1.99)
Distributions to redeemable Shareholders:		
From income (excluding dividends)	—	—
From dividends	—	—
From capital gains	—	—
Return of capital	(0.25)	(0.37)
Total distributions to redeemable Shareholders⁽³⁾	(0.25)	(0.37)
Net assets, end of the period	6.99	7.65

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- (3) Distributions were paid in cash/reinvested in additional redeemable shares of the Fund or both.

Ratios and Supplemental Data

Total net asset value (000's) ⁽¹⁾	\$8	\$8
Number of redeemable shares outstanding ⁽¹⁾	1,084	1,043
Management expense ratio ⁽²⁾	2.53%	1.26%
Management expense ratio before waivers or absorptions ⁽²⁾	2.53%	2.40%
Trading expense ratio ⁽³⁾	—	—
Portfolio turnover rate ⁽⁴⁾	—	—
Net asset value per redeemable share ⁽⁵⁾	\$6.99	\$7.65

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* Initial price

Series UB
The Fund's Net Assets per Redeemable Share⁽¹⁾

	April 30 2016 \$	For the period from commencement of operations on November 11, 2014 to October 31 2015 \$
Net assets, beginning of the period	9.94	10.00*
Increase (decrease) from operations:		
Total revenue	—	0.03
Total expenses	(0.07)	(0.23)
Realized gains (losses) for the period	(0.35)	(2.69)
Unrealized gains (losses) for the period	(0.33)	1.31
Total increase from operations⁽²⁾	(0.75)	(1.58)
Distributions to redeemable Shareholders:		
From income (excluding dividends)	—	—
From dividends	—	—
From capital gains	—	—
Return of capital	(0.33)	(0.62)
Total distributions to redeemable Shareholders⁽³⁾	(0.33)	(0.62)
Net assets, end of the period	8.86	9.94

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(3) Distributions were paid in cash/reinvested in additional redeemable shares of the Fund or both.

Ratios and Supplemental Data

Total net asset value (000's) ⁽¹⁾	\$1,004	\$1,101
Number of redeemable shares outstanding ⁽¹⁾	113,386	110,847
Management expense ratio ⁽²⁾	1.66%	2.06%
Management expense ratio before waivers or absorptions ⁽²⁾	1.66%	3.20%
Trading expense ratio ⁽³⁾	—	—
Portfolio turnover rate ⁽⁴⁾	—	—
Net asset value per redeemable share ⁽⁵⁾	\$8.86	\$9.94

(1) This information is provided as at end of the period shown.

(2) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as annualized percentage of daily average net asset value during the period. The manager can waive certain fees or absorb certain expenses otherwise payable by the Fund. The amount of expenses waived or absorbed is at the discretion of the manager.

(3) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

(4) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a fund's portfolio turnover rate in a period, the greater the trading costs payable by the fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

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* Initial price

Series UF
The Fund's Net Assets per Redeemable Share⁽¹⁾

	April 30 2016 \$	For the period from commencement of operations on December 4, 2014 to October 31 2015 \$
Net assets, beginning of the period	9.77	10.00*
Increase (decrease) from operations:		
Total revenue	—	0.05
Total expenses	(0.04)	(0.06)
Realized gains (losses) for the period	(0.35)	(1.22)
Unrealized gains (losses) for the period	(0.36)	(0.44)
Total increase from operations⁽²⁾	(0.75)	(1.67)
Distributions to redeemable Shareholders:		
From income (excluding dividends)	—	—
From dividends	—	—
From capital gains	—	—
Return of capital	(0.33)	(0.53)
Total distributions to redeemable Shareholders⁽³⁾	(0.33)	(0.53)
Net assets, end of the period	8.65	9.77

(1) The information for April 30, 2016 and October 31, 2015 is derived from the Fund's unaudited interim and audited annual financial statements and is prepared in accordance with IFRS.

(2) Net assets and distributions are based on the actual number of redeemable shares outstanding at the relevant time. The increase (decrease) from operations is based on the average number of redeemable shares outstanding over the financial period.

(3) Distributions were paid in cash/reinvested in additional redeemable shares of the Fund or both.

Ratios and Supplemental Data

Total net asset value (000's) ⁽¹⁾	\$923	\$942
Number of redeemable shares outstanding ⁽¹⁾	106,628	96,413
Management expense ratio ⁽²⁾	0.96%	0.55%
Management expense ratio before waivers or absorptions ⁽²⁾	0.96%	1.69%
Trading expense ratio ⁽³⁾	—	—
Portfolio turnover rate ⁽⁴⁾	—	—
Net asset value per redeemable share ⁽⁵⁾	\$8.65	\$9.77

(1) This information is provided as at end of the period shown.

(2) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as annualized percentage of daily average net asset value during the period. The manager can waive certain fees or absorb certain expenses otherwise payable by the Fund. The amount of expenses waived or absorbed is at the discretion of the manager.

(3) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

(4) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a fund's portfolio turnover rate in a period, the greater the trading costs payable by the fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

(5) The information for April 30, 2016 and October 31, 2015 is derived from the Fund's unaudited interim and audited annual financial statements and is prepared in accordance with IFRS.

* Initial price

Series MC
The Fund's Net Assets per Redeemable Share⁽¹⁾

For the period from commencement
of operations on January 26, 2016 to April 30
2016
\$

Net assets, beginning of the period	4.08*
Increase (decrease) from operations:	
Total revenue	—
Total expenses	(0.02)
Realized gains (losses) for the period	0.43
Unrealized gains (losses) for the period	0.63
Total increase from operations⁽²⁾	1.04
Distributions to redeemable Shareholders:	
From income (excluding dividends)	—
From dividends	—
From capital gains	—
Return of capital	(0.23)
Total distributions to redeemable Shareholders⁽³⁾	(0.23)
Net assets, end of the period	4.91

- (1) The information for April 30, 2016 is derived from the Fund's unaudited interim and audited annual financial statements and is prepared in accordance with IFRS.
- (2) Net assets and distributions are based on the actual number of redeemable shares outstanding at the relevant time. The increase (decrease) from operations is based on the average number of redeemable shares outstanding over the financial period.
- (3) Distributions were paid in cash/reinvested in additional redeemable shares of the Fund or both.

Ratios and Supplemental Data

Total net asset value (000's) ⁽¹⁾	\$44,530
Number of redeemable shares outstanding ⁽¹⁾	9,061,251
Management expense ratio ⁽²⁾	1.06%
Management expense ratio before waivers or absorptions ⁽²⁾	1.06%
Trading expense ratio ⁽³⁾	—
Portfolio turnover rate ⁽⁴⁾	—
Net asset value per redeemable share ⁽⁵⁾	\$4.91

- (1) This information is provided as at end of the period shown.
- (2) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as annualized percentage of daily average net asset value during the period. The manager can waive certain fees or absorb certain expenses otherwise payable by the Fund. The amount of expenses waived or absorbed is at the discretion of the manager.
- (3) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.
- (4) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a fund's portfolio turnover rate in a period, the greater the trading costs payable by the fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund.
- (5) The information for April 30, 2016 is derived from the Fund's unaudited interim and audited annual financial statements and is prepared in accordance with IFRS.

* Initial price

Series MU
The Fund's Net Assets per Redeemable Share⁽¹⁾

For the period from commencement
of operations on January 26, 2016 to April 30
2016
\$

Net assets, beginning of the period	3.75*
Increase (decrease) from operations:	
Total revenue	—
Total expenses	(0.01)
Realized gains (losses) for the period	(0.08)
Unrealized gains (losses) for the period	0.48
Total increase from operations⁽²⁾	0.39
Distributions to redeemable Shareholders:	
From income (excluding dividends)	—
From dividends	—
From capital gains	—
Return of capital	(0.31)
Total distributions to redeemable Shareholders⁽³⁾	(0.31)
Net assets, end of the period	3.93

- (1) The information for April 30, 2016 is derived from the Fund's unaudited interim and audited annual financial statements and is prepared in accordance with IFRS.
- (2) Net assets and distributions are based on the actual number of redeemable shares outstanding at the relevant time. The increase (decrease) from operations is based on the average number of redeemable shares outstanding over the financial period.
- (3) Distributions were paid in cash/reinvested in additional redeemable shares of the Fund or both.

Ratios and Supplemental Data

Total net asset value (000's) ⁽¹⁾	\$72
Number of redeemable shares outstanding ⁽¹⁾	18,240
Management expense ratio ⁽²⁾	0.93%
Management expense ratio before waivers or absorptions ⁽²⁾	0.93%
Trading expense ratio ⁽³⁾	—
Portfolio turnover rate ⁽⁴⁾	—
Net asset value per redeemable share ⁽⁵⁾	\$3.93

- (1) This information is provided as at end of the period shown.
- (2) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as annualized percentage of daily average net asset value during the period. The manager can waive certain fees or absorb certain expenses otherwise payable by the Fund. The amount of expenses waived or absorbed is at the discretion of the manager.
- (3) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.
- (4) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a fund's portfolio turnover rate in a period, the greater the trading costs payable by the fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund.
- (5) The information for April 30, 2016 is derived from the Fund's unaudited interim and audited annual financial statements and is prepared in accordance with IFRS.

* Initial price

MANAGEMENT AND PERFORMANCE FEES

The Fund pays a monthly management fee equal to 1/12 of 1.35% of the net asset value of the Series A shares, Series B shares, Series F shares, Series X shares, Series UB shares, and Series UF shares and 1/12 of 0.90% of the net asset value of the Series I shares and Series UI shares calculated and paid at the end of each month in arrears.

In consideration of the management fees payable by the Fund to the Manager, the Manager is responsible for providing marketing and promotion, fund management and administration and investment advisory services to the Fund. Fund management and administration services include establishing investment objectives, selecting investment sub-advisors, if applicable, and establishing and maintaining an appropriate infrastructure to meet accounting, financial and taxation reporting requirements. The Manager is also responsible for establishing and maintaining a servicing and risk management framework to ensure regulatory compliance, which includes regular monitoring. The Manager does not charge or allocate corporate overhead or expenses to the Fund.

There are no performance fees payable by this Fund.

The Fund is responsible for payment of all operating and administrative expenses of the Fund. The main components of these expenses are legal and accounting fees, printing expenses, reporting issuer filing and sustaining fees, custodial fees, fees payable to, and expenses incurred by, the Fund's Independent Review Committee and expenses of making distributions to shareholders. As the Fund has more than one series of shares, the shareholders of each series bear their pro rata share of those expenses which are common to the operation of all series, as well as those expenses which are attributable solely to that series.

The Manager absorbed certain expenses relating to the operation of the Fund. These expenses include administration fees, audit fees, legal fees, securityholder reporting costs, custodial fees, management fees and independent review committee expenses.

The Fund pays fees to the Counterparty in respect of the Swap Agreements it enters into with the Counterparty equal to an amount calculated at the beginning of a particular month as the product of (i) the value of the MLP Portfolio and (ii) the 3-month London interbank offered rate plus a spread, which spread value is based on the specific MLPs selected for the MLP Portfolio. Total counterparty fees in 2015 amounted to \$197,446 and are included in the realized gain (loss) on Swap Agreement.

DEALER COMPENSATION

Brokers, dealers and advisors may be paid a “trailer commission” for assets that their sales representatives place in the Series A, Series B, Series X and Series UB Fund securities. The Fund may, at its discretion, negotiate, change the terms and conditions of, or discontinue the trailer commission with brokers, dealers and advisors.

The trailer commission is calculated as a percentage of assets each broker, dealer or advisor has placed in the Fund series. The trailer commission is calculated based on the closing balance of client accounts for each calendar month. The trailer commission will not be paid if the assets are removed from the Funds. Trailer commissions are paid monthly at rates set within ranges according to the following table.

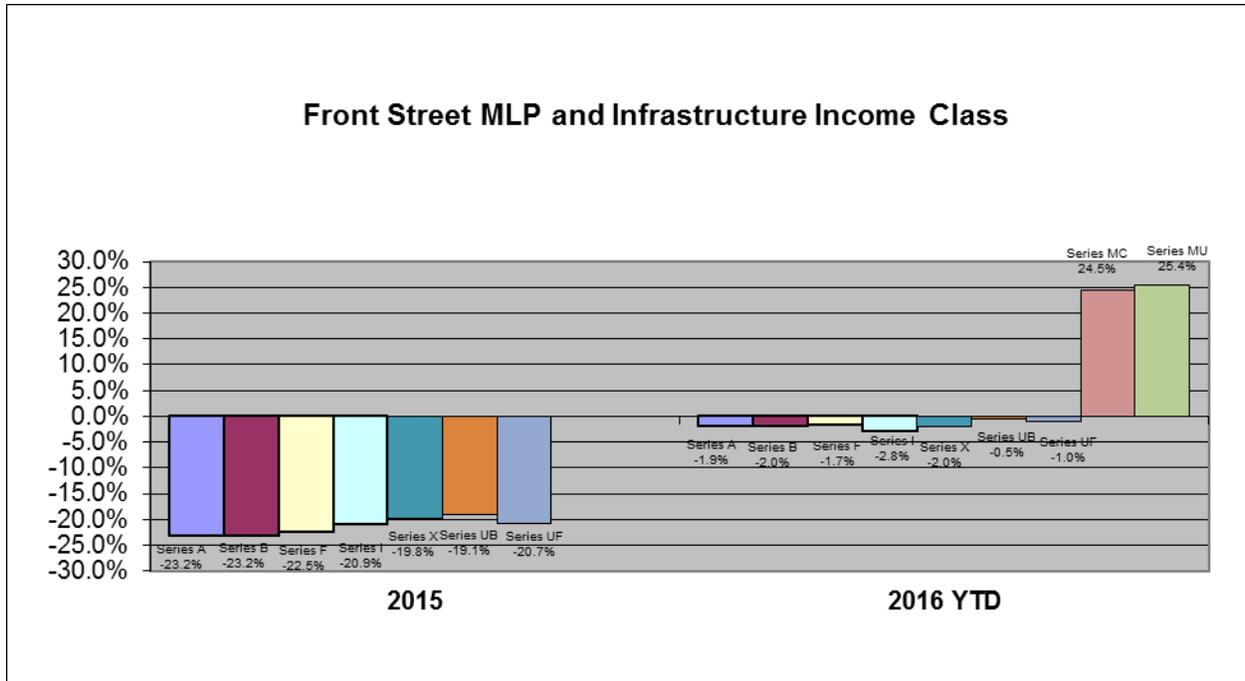
Series	Trailer Annual Rate	Annual Payment per \$1,000 of Fund securities held
A	0.75%	\$7.50
B	0.75%	\$7.50
F	0.00%	Nil
H	0.00%	Nil
I	0.00%	Nil
X	0.50%	\$5.00
UB	0.75%	\$7.50
UF	0.00%	Nil
UI	0.00%	Nil

PAST PERFORMANCE

The past performance of the Fund is set out below and includes year-by year returns.

With respect to the charts displayed below, please note the following:

- (a) the returns or performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional shares of the Fund;
- (b) the return or performance information does not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance; and
- (c) how the Fund has performed in the past does not necessarily indicate how it will perform in the future.



*Series UB, UF, and MU returns are calculated based on U.S. dollar net asset values.

Summary of MLP Portfolio as at April 30, 2016

The Fund obtains economic exposure to the MLP portfolio through a swap agreement. Accordingly, the investments in the MLP portfolio are as follows:

Underlying MLP portfolio	Percentage of MLP Portfolio
Energy Transfer Partners LP	6.8%
Buckeye Partners LP	6.7%
Genesis Energy LP	6.6%
Enterprise Products Partners LP	6.1%
Sunoco Logistics Partners LP	5.9%
TC Pipelines LP	5.5%
Tallgrass Energy Partners LP	4.6%
Enlink Midstream Partners LP	4.5%
MPLX LP	4.5%
Oneok Partners LP	4.2%
Crossamerica Partners LP	4.1%
Holly Energy Partners LP	4.0%
Enbridge Energy Partners LP	3.9%
Targa Resources Corp.	3.8%
Western Gas Partners LP	3.6%
Magellan Midstream Partners LP	3.5%
Transmontaigne Partners LP	3.3%
Tesoro Logistics LP	2.8%
DCP Midstream Partners LP	2.8%
Summit Midstream Partners LP	2.7%
NuStar Energy LP	1.5%
NGL Energy Partners LP	1.3%
Martin Midstream Partners LP	1.2%
Plains All American Pipeline LP	1.2%
Sunoco LP	1.1%
Energy Transfer Equity LP	1.1%
Archrock Partners LP	0.8%
USA Compression Partners LP	0.7%
Global Partners LP	0.6%
NuStar GP Holdings LLC	0.6%
	100.0%

The following table summarizes the sector breakdown of investments in MLP portfolio as at April 30, 2016:

Sector	%
Petroleum transportation	48.7%
Natural Gas Pipelines	28.2%
Gathering and Processing of Natural Gas	18.9%
Diversified	4.2%

The information contained in the foregoing list may change due to the ongoing portfolio transactions of the MLP portfolio. A quarterly update may be obtained by contacting Front Street Capital.



INTERIM FINANCIAL STATEMENTS

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

FOR THE SIX MONTHS ENDED APRIL 30, 2016

NOTICE OF NO AUDITOR REVIEW OF THE INTERIM FINANCIAL STATEMENTS

The accompanying interim financial statements have not been reviewed by the external auditors of the Fund in accordance with standards established by the Chartered Professional Accountants of Canada. The external auditors will be auditing the annual financial statements of the Fund in accordance with Canadian generally accepted auditing standards.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

**STATEMENTS OF FINANCIAL POSITION
AS AT APRIL 30, 2016 (UNAUDITED) AND OCTOBER 31, 2015 (AUDITED)**

	April 30, 2016 (Unaudited)	October 31, 2015 (Audited)
ASSETS		
Current		
Cash and cash equivalents	49,166,207 \$	23,517,076
Margin accounts	33,212,789	8,746,284
Financial assets at fair value through profit or loss*, note 5	10,973,786	2,092,279
Foreign exchange forward contracts at fair value through profit or loss*, note 5	915,870	62,376
Subscriptions receivable	168,531	558,965
	94,437,183 \$	34,976,980
LIABILITIES		
Current		
Redemptions payable	335,037 \$	27,214
Distributions payable	275,812	43,830
Accrued expenses, note 10	155,824	73,113
Management fees payable, note 10	99,108	37,008
Foreign exchange forward contracts at fair value through profit or loss*, note 5	-	80,955
	865,781	262,120
Liabilities before net assets attributable to shareholders of redeemable shares	865,781	262,120
Net assets attributable to shareholders of redeemable shares	93,571,402 \$	34,714,860
Net assets attributable to shareholders of redeemable shares		
Series A	\$ 10,186,354 \$	6,073,377
Series B	\$ 15,432,826 \$	8,214,572
Series F	\$ 18,791,650 \$	13,163,307
Series I	\$ 2,624,186 \$	5,212,346
Series X	\$ 7,582 \$	7,977
Series UB	\$ 1,004,403 \$	1,101,377
Series UF	\$ 922,724 \$	941,904
Series MC	\$ 44,530,077 \$	-
Series MU	\$ 71,600 \$	-
Number of redeemable shares outstanding, note 6		
Series A	1,555,683	845,081
Series B	2,355,810	1,141,928
Series F	2,830,793	1,811,924
Series I	388,835	699,039
Series X	1,084	1,043
Series UB	113,386	110,847
Series UF	106,628	96,413
Series MC	9,061,251	-
Series MU	18,240	-
Net assets attributable to shareholders of redeemable shares per share		
Series A	\$ 6.55 \$	7.19
Series B	\$ 6.55 \$	7.19
Series F	\$ 6.64 \$	7.26
Series I	\$ 6.75 \$	7.46
Series X	\$ 6.99 \$	7.65
Series UB	\$ 8.86 \$	9.94
Series UF	\$ 8.65 \$	9.77
Series MC	\$ 4.91 \$	-
Series MU	\$ 3.93 \$	-

* Cost of investments is reflected on the Schedule of Investment Portfolio.

Approved on behalf of the Board of Front Street Mutual Funds Limited:



Gerard Ferguson
Chief Executive Officer



Susan Johnson
Chief Financial Officer

See accompanying notes to the financial statements.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE PERIOD ENDED APRIL 30, 2016 AND FOR THE PERIOD FROM NOVEMBER 4, 2014
TO APRIL 30, 2015

	2016	2015
Investment Income		
Interest for distribution purposes and other	12,900	\$ 869
Foreign currency gain (loss) on cash and other net assets	(3,748,281)	124,964
Other net changes in fair value of financial assets and financial liabilities at fair value through profit or loss		
Net realized gain (loss) on financial assets held in swap agreement	2,427,347	(428,295)
Net realized gain (loss) on foreign exchange forward contracts	5,228,641	(856,721)
Change in unrealized appreciation (depreciation) on swap agreement and forward currency contracts	7,060,690	1,879,698
	<u>10,981,297</u>	<u>720,515</u>
Expenses		
Management fees, notes 7 and 10	427,500	118,844
Servicing fees, notes 7 and 10	66,083	19,505
Administration fees	62,495	42,818
Audit fees	34,176	15,000
Securityholder reporting costs	24,055	505
Legal fees	10,922	1,119
Independent review committee	6,867	-
Custodian fee	409	970
Total expenses before manager absorption	<u>632,507</u>	<u>198,761</u>
Expenses waived or absorbed by manager, notes 7 and 10	-	(177,250)
Total expenses after manager absorption	<u>632,507</u>	<u>21,511</u>
Increase (decrease) in net assets attributable to shareholders of redeemable shares from operations	<u>10,348,790</u>	<u>\$ 699,004</u>
Increase (decrease) in net assets attributable to shareholders of redeemable shares from operations		
Series A	\$ 413,063	\$ 73,159
Series B	\$ 954,661	\$ 203,776
Series F	\$ 235,703	\$ 276,462
Series I	\$ (996,984)	\$ 35,565
Series X	\$ (395)	\$ 333
Series UB	\$ (86,516)	\$ 65,040
Series UF	\$ (80,745)	\$ 44,669
Series MC	\$ 9,900,329	\$ -
Series MU	\$ 9,674	\$ -
Increase (decrease) in net assets attributable to shareholders of redeemable shares from operations per share		
Series A	\$ 0.36	\$ 0.32
Series B	\$ 0.55	\$ 0.69
Series F	\$ 0.11	\$ 0.60
Series I	\$ (1.90)	\$ 0.39
Series X	\$ (0.37)	\$ 0.33
Series UB	\$ (0.75)	\$ 1.34
Series UF	\$ (0.75)	\$ 0.20
Series MC	\$ 1.04	\$ -
Series MU	\$ 0.39	\$ -

See accompanying notes to the financial statements.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS OF REDEEMABLE SHARES (UNAUDITED)

FOR THE PERIOD ENDED APRIL 30, 2016 AND FOR THE PERIOD FROM NOVEMBER 4, 2014
TO APRIL 30, 2015

	2016	2015
Net assets attributable to shareholders of redeemable shares, beginning of period		
Series A	\$ 6,073,377.00	\$ -
Series B	8,214,572	-
Series F	13,163,307	-
Series I	5,212,346	-
Series X	7,977	-
Series UB	1,101,377	-
Series UF	941,904	-
Series MC	-	-
Series MU	-	-
	<u>34,714,860</u>	<u>-</u>
Increase (decrease) in net assets attributable to shareholders of redeemable shares from operations		
Series A	413,063	73,159
Series B	954,661	203,776
Series F	235,703	276,462
Series I	(996,984)	35,565
Series X	(395)	333
Series UB	(86,516)	65,040
Series UF	(80,745)	44,669
Series MC	9,900,329	-
Series MU	9,674	-
	<u>10,348,790</u>	<u>699,004</u>
Redeemable share transactions		
Proceeds from redeemable shares issued		
Series A	4,040,589	4,060,889
Series B	8,363,133	6,365,253
Series F	9,481,986	7,947,488
Series I	3,459,999	1,100,000
Series X	-	10,000
Series UB	140,156	835,375
Series UF	194,143	4,878,500
Series MC	40,242,793	-
Series MU	104,239	-
	<u>66,027,038</u>	<u>25,197,505</u>
Reinvestment of distributions to shareholders of redeemable shares		
Series A	190,661	44,364
Series B	361,109	72,014
Series F	415,826	89,639
Series I	122,538	19,476
Series X	265	126
Series UB	22,910	11,031
Series UF	28,076	7,211
Series MC	1,799,040	-
Series MU	7,149	-
	<u>2,947,574</u>	<u>243,861</u>

**STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO
SHAREHOLDERS OF REDEEMABLE SHARES (UNAUDITED)
FOR THE PERIOD ENDED APRIL 30, 2016 AND FOR THE PERIOD FROM NOVEMBER 4, 2014
TO APRIL 30, 2015**

	2016	2015
Redemption of redeemable shares		
Series A	(231,556)	-
Series B	(2,004,714)	(455,144)
Series F	(3,939,054)	(959,023)
Series I	(5,049,600)	-
Series X	-	-
Series UB	(134,981)	-
Series UF	(124,189)	(14,444)
Series MC	(5,211,396)	-
Series MU	(42,314)	-
	<u>(16,737,804)</u>	<u>(1,428,611)</u>
Net increase in net assets from redeemable share transactions	<u>52,236,808</u>	<u>24,012,755</u>
Distributions to shareholders of redeemable shares		
Return of capital		
Series A	(299,780)	(62,552)
Series B	(455,935)	(84,842)
Series F	(566,118)	(123,649)
Series I	(124,113)	(19,476)
Series X	(265)	(126)
Series UB	(38,543)	(15,658)
Series UF	(36,465)	(69,544)
Series C	(2,200,689)	-
Series U	(7,148)	-
	<u>(3,729,056)</u>	<u>(375,847)</u>
Net increase (decrease) in net assets attributable to shareholders of redeemable shares	<u>58,856,542</u>	<u>24,335,912</u>
Net assets attributable to shareholders of redeemable shares, end of period		
Series A	10,186,354	4,115,860
Series B	15,432,826	6,101,057
Series F	18,791,650	7,230,917
Series I	2,624,186	1,135,565
Series X	7,582	10,333
Series UB	1,004,403	895,788
Series UF	922,724	4,846,392
Series C	44,530,077	-
Series U	71,600	-
	<u>\$ 93,571,402</u>	<u>\$ 24,335,912</u>

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

STATEMENTS OF CASH FLOWS (UNAUDITED)

FOR THE PERIOD ENDED APRIL 30, 2016 AND FOR THE PERIOD FROM NOVEMBER 4, 2014
TO APRIL 30, 2015

	2016	2015
Cash flow from operating activities		
Increase (decrease) in net assets attributable to shareholders of redeemable shares	\$ 10,348,790	\$ 699,004
Adjustments for:		
Foreign currency (gain) loss on cash and other net assets	3,748,281	(124,964)
Net realized (gain) loss on foreign exchange forward contracts	(5,228,641)	856,721
Net realized (gain) loss on swap agreement	(2,427,347)	428,295
Change in unrealized (appreciation) depreciation		
on swap agreement and forward currency contracts	(7,060,690)	(1,879,698)
Increase (decrease) in other payable and accrued liabilities	144,811	6,762
Proceeds from (to) settlement of swap agreement	(327,919)	(428,295)
Proceeds from (to) settlement of foreign exchange forward contracts	5,228,641	(856,721)
Net cash generated (used) by operating activities	<u>4,425,926</u>	<u>(1,298,896)</u>
Cash flows from financing activities		
Distributions to shareholders of redeemable shares, net of reinvestment	(549,500)	(95,972)
Proceeds from redeemable shares issued	66,417,472	24,969,958
Amount paid on redemption of redeemable shares	(16,429,981)	(1,396,476)
Net cash generated (used) by financing activities	<u>49,437,991</u>	<u>23,477,510</u>
Net increase (decrease) in cash and cash equivalents	53,863,917	22,178,614
Foreign currency gain (loss) on cash and other net assets	(3,748,281)	124,964
Cash and cash equivalents, beginning of period	32,263,360	-
Cash and cash equivalents, end of period	<u>\$ 82,378,996</u>	<u>\$ 22,303,578</u>
Cash and cash equivalents comprise:		
Cash at bank	49,166,207	18,531,194
Margin deposits	33,212,789	3,772,384
	<u>\$ 82,378,996</u>	<u>\$ 22,303,578</u>
Interest received, net of withholding tax	\$ 12,900	\$ 869

See accompanying notes to the financial statements

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

SCHEDULE OF INVESTMENT PORTFOLIO (UNAUDITED) AS AT APRIL 30, 2016

	Number of Shares / Units/ Par Value	Cost \$	Fair Value \$
LONG POSITIONS (11.7%)			
MLP Portfolio - Swap agreement - Refer to Schedule A	1	\$ -	\$ 10,973,786
Forward Contracts, at fair value, note 5 (1.0%)			
Unrealized gain on currency forward foreign contracts held by Series A only - Refer to Schedule B	-	\$ -	\$ 101,405
Unrealized gain on currency forward foreign contracts held by Series B only - Refer to Schedule C	-	-	153,796
Unrealized loss on currency forward foreign contracts held by Series F only - Refer to Schedule D	-	-	184,345
Unrealized loss on currency forward foreign contracts held by Series I only - Refer to Schedule E	-	-	26,471
Unrealized loss on currency forward foreign contracts held by Series X only - Refer to Schedule F	-	-	77
Unrealized loss on currency forward foreign contracts held by Series MC only - Refer to Schedule G	-	-	449,776
		\$ -	\$ 915,870
Total Investments (12.7%)		\$ -	\$ 11,889,656
Cash and cash equivalents (88.0%)			82,378,996
Other assets in excess of other liabilities (-0.7%)			(697,250)
Net assets (100.0%)			\$ 93,571,402

See accompanying notes to the financial statements

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

SCHEDULE OF INVESTMENT PORTFOLIO

SCHEDULE A

AS AT APRIL 30, 2016

The indirect investments in the MLP Portfolio under the swap contract are as follows:

Notional shares	Underlying MLP Portfolio	Fair Value of Notional Shares*	Unrealized Gain (Loss) on Swap Agreement*
43,763	Archrock Partners LP	\$ 733,590	\$ 124,560
68,936	Buckeye Partners LP	6,227,568	445,960
128,200	Crossamerica Partners LP	3,788,077	(129,537)
62,545	DCP Midstream Partners LP	2,563,785	424,682
130,880	Enbridge Energy Partners LP	3,553,616	542,064
62,442	Energy Transfer Equity LP	973,840	414,652
142,663	Energy Transfer Partners LP	6,341,944	547,084
234,627	Enlink Midstream Partners LP	4,144,962	746,988
168,240	Enterprise Products Partners LP	5,634,012	526,124
148,784	Genesis Energy LP	6,052,142	236,975
32,847	Global Partners LP	556,377	(579)
-	Golar LNG Partners LP	-	(22,243)
86,010	Holly Energy Partners LP	3,692,911	118,583
35,395	Magellan Midstream Partners LP	3,200,636	177,681
36,827	Martin Midstream Partners LP	1,090,481	161,683
102,536	MPLX LP	4,141,305	425,805
74,500	NGL Energy Partners LP	1,194,612	527,403
22,091	NuStar Energy LP	1,398,075	277,119
17,082	NuStar GP Holdings LLC	545,464	100,700
86,309	Oneok Partners LP	3,840,031	521,678
37,493	Plains All American Pipeline LP	1,079,154	124,577
-	Rice Midstream Partners LP	-	15,259
92,500	Summit Midstream Partners LP	2,456,985	559,827
147,613	Sunoco Logistics Partners LP	5,422,950	875,680
21,760	Sunoco LP	979,879	74,413
81,500	Tallgrass Energy Partners LP	4,202,806	352,292
68,306	Targa Resources Corp.	3,467,565	1,054,717
72,900	TC Pipelines LP	5,009,682	675,930
44,756	Tesoro Logistics LP	2,596,624	54,930
58,582	Transmontaigne Partners LP	3,006,266	359,566
38,900	USA Compression Partners LP	657,441	108,977
54,700	Western Gas Partners LP	3,353,364	602,358
-	Williams Partners LP	-	(52,122)
		<u>\$ 91,906,144</u>	<u>\$ 10,973,786</u>

*Balances have been converted to Canadian dollars from USD @ 0.79700

See accompanying notes to the financial statements

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

Forward Currency Foreign Contracts AS AT APRIL 30, 2016

SERIES A Schedule B

Purchased Currency	Sold Currency	Forward Rate	Maturity Date	Fair Value (\$)	Counterparty	Credit Rating
CAD 9,892,500	USD (7,803,594)	1.26768	June 27, 2016	101,405	TD Securities	AA-

SERIES B Schedule C

Purchased Currency	Sold Currency	Forward Rate	Maturity Date	Fair Value (\$)	Counterparty	Credit Rating
CAD 10,000,000	USD (7,890,293)	1.26738	June 27, 2016	100,125	CIBC World Markets	A+
CAD 5,235,879	USD (4,130,268)	1.26769	June 27, 2016	53,671	TD Securities	AA-
				<u>153,796</u>		

SERIES F Schedule D

Purchased Currency	Sold Currency	Forward Rate	Maturity Date	Fair Value (\$)	Counterparty	Credit Rating
CAD 10,000,000	USD (7,890,293)	1.26738	June 27, 2016	100,125	CIBC World Markets	A+
CAD 8,216,001	USD (6,481,106)	1.26769	June 27, 2016	84,220	TD Securities	AA-
				<u>184,345</u>		

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

Forward Currency Foreign Contracts AS AT APRIL 30, 2016

SERIES I Schedule E

Purchased Currency	Sold Currency	Forward Rate	Maturity Date	Fair Value (\$)	Counterparty	Credit Rating
CAD 2,582,412	USD (2,037,108)	1.26768	June 27, 2016	26,471	TD Securities	AA-

SERIES X Schedule F

Purchased Currency	Sold Currency	Forward Rate	Maturity Date	Fair Value (\$)	Counterparty	Credit Rating
CAD 7,463	USD (5,887)	1.26768	June 27, 2016	77	TD Securities	AA-

Series MC Schedule G

Purchased Currency	Sold Currency	Forward Rate	Maturity Date	Fair Value (\$)	Counterparty	Credit Rating
CAD 39,469,681	USD (31,140,279)	1.26748	May 26, 2016	397,973	CIBC World Markets	A+
CAD 5,053,549	USD (3,986,439)	1.26768	June 27, 2016	51,803	TD Securities	AA-
				<u>449,776</u>		

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS

APRIL 30, 2016 AND 2015

(UNAUDITED)

1. THE FUND

Front Street MLP and Infrastructure Income Class (the "Fund") is a class of shares of Front Street Mutual Funds Limited (the "Corporation"), a mutual fund corporation incorporated under the Canada Business Corporations Act on April 11, 2006, and is authorized to issue an unlimited number of classes of shares in multiple series. Reference is made to the Fund's Simplified Prospectus for additional information on the Fund's structure. Series A commenced operations on November 14, 2014. Series B commenced operations on November 11, 2014. Series C commenced operations on January 26, 2016. Series F commenced operations on November 4, 2014. Series I commenced operations on December 8, 2014. Series X commenced operations on February 17, 2015. Series U commenced operations on January 26, 2016. Series UB commenced operations on November 11, 2014. Series UF commenced operations on December 4, 2014.

The foregoing interim financial statements and accompanying notes to the financial statements presented herein are for the Fund. Separate financial statements of each of the other classes of shares of the Corporation have also been prepared as at April 30, 2016.

Front Street Capital 2004 is the manager of the Fund (the "Manager"). OFI SteelPath, Inc., New York, U.S.A. (the "MLP Advisor") has been retained by the Manager, on behalf of the Fund, to provide investment advisory and portfolio management services on the MLP Portfolio. Front Street Investment Management Inc. (the "Investment Advisor") has been retained by the Manager, on behalf of the Fund, to provide investment advisory and portfolio management services on the Infrastructure Portfolio. Front Street Capital 2004 assumed the portfolio management and investment advisory services from Front Street Investment Management Inc. on October 16, 2015. CIBC Mellon is the custodian and also provides fund accounting services and shareholder recordkeeping services. Effective November 16, 2015, CIBC Mellon replaced Citibank Canada as the custodian of the Fund and replaced Citigroup Fund Services Canada, Inc. to provide shareholder recordkeeping services and fund accounting services.

The Fund's investment objective is to provide Shareholders with economic exposure to the performance of an actively managed, diversified notional portfolio (the "MLP Portfolio") of energy infrastructure MLPs and with exposure to a portfolio of North American energy infrastructure equity and income securities that are not MLPs (the "Infrastructure Portfolio"). MLPs are U.S. limited partnerships or limited liability companies that are (a) publicly traded on U.S. securities exchanges and (b) primarily engaged in the transportation, storage, processing, refining, marketing, exploration and production and mining of minerals or natural resources.

In order to obtain economic exposure to the MLP Portfolio, the Fund will enter into one or more equity swaps with a U.S. financial institution (the "Counterparty") as counterparty (collectively, the "Swap Agreement"). In accordance with its investment objectives, the return to Shareholders and the Fund is dependent upon the economic performance of the MLP Portfolio by virtue of the Swap Agreement to gain economic exposure to the MLP Portfolio. At any given time, all or a portion of the Fund's assets may be exposed to the MLP Portfolio by virtue of the Swap Agreement, at the discretion of the Manager.

The fundamental investment objective of the Fund cannot be changed without the approval of its shareholders.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS APRIL 30, 2016 AND 2015 (UNAUDITED)

1. THE FUND (Continued...)

Fund Merger

On January 26, 2016, Front Street U.S. MLP Income Fund Ltd. ("FSUSMLP") and Front Street Mutual Funds Limited ("FSMFL", together with FSUSMLP, the "Funds") announced the amalgamation (the "Merger") of the Funds was completed.

In connection with the Merger, each shareholder of FSMFL was issued the class and series of shares of the Amalgamated Corporation that are of equal denomination as the class and series of FSMFL shares that he or she held immediately prior to the Merger, and these shares carry terms that are identical in all respects to the equivalent shares of FSMFL. For each equity share, series C, and equity share, series U that shareholders of FSUSMLP held immediately prior to the Merger, they received one series MC share, and one series MU share respectively, of the Amalgamated Corporation's "Front Street MLP and Infrastructure Income Class".

2. BASIS OF PRESENTATION

(a) Statement of compliance

These interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as published by the International Accounting Standards Board ("IASB").

These interim financial statements have been prepared on the basis of IFRS standards that are published at the time of preparation and that are effective as at April 30, 2016, the Fund's interim reporting date.

These interim financial statements were authorized for issue by the Board of Directors on June 27, 2016.

(b) Basis of measurement

These interim financial statements have been prepared on the historical cost basis, except for financial assets and liabilities at fair value through profit or loss which are measured at fair value.

(c) Functional and presentation currency

The interim financial statements have been presented in Canadian dollars, which is the Fund's functional currency, and all values are rounded to the nearest dollar except where otherwise indicated.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS APRIL 30, 2016 AND 2015 (UNAUDITED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies described below have been applied consistently to all periods presented in these interim financial statements and in preparing the opening balance sheet as at November 1, 2013 for the purpose of the transition to IFRS.

(a) Financial instruments

Classification of financial instruments

The Fund classifies its financial assets and financial liabilities at initial recognition into the following categories, in accordance with IAS 39, Financial Instruments: Recognition and Measurement:

Financial assets and liabilities at fair value through profit or loss

The category of financial assets and liabilities at fair value through profit or loss is sub-divided into the following two sub-categories.

Financial assets and liabilities held for trading: financial assets are classified as held for trading if they are acquired for the purpose of selling and/or repurchasing in the near term. Derivatives are classified as held for trading unless they are designated as effective hedging instruments as defined by IAS 39. The Fund's policy is not to apply hedge accounting.

Financial instruments designated as fair value through profit or loss upon initial recognition: these include equities, treasury bills, and other interest-bearing investments. These financial assets are designated upon initial recognition on the basis that they are part of a group of financial assets that are managed and have their performance evaluated on a fair value basis, in accordance with risk management and investment strategies of the Fund as set out in the Fund's Investment Guidelines.

The Fund recognizes financial instruments at fair value upon initial recognition. Transaction costs include brokerage commissions incurred in the purchase and sale of portfolio investments in which the Fund invests. All such costs are expensed in the period incurred and presented in the statements of comprehensive income. Purchases and sales of financial assets are recognized at their trade date. The Fund's investments and derivative assets and liabilities are measured at fair value through profit or loss ("FVTPL"), including certain investments in debt securities which have been designated at FVTPL. The Fund's obligations for net assets attributable to shareholders of redeemable shares are presented at the redemption amount. All other financial assets and liabilities are measured at amortized cost. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contract's effective interest rate. The Fund's accounting policies for measuring the fair value of its investments and derivatives, except for warrants classified as level 2 are identical to those used in measuring its net asset value ("NAV") for transactions with shareholders.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS

APRIL 30, 2016 AND 2015

(UNAUDITED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued...)

(a) Financial instruments (Continued...)

Financial assets and financial liabilities are offset and the net amount reported in the statements of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. Quantitative information on the impact on the Fund's statements of financial position if all amounts were set off is required.

(b) Fair value measurement

The Fund's portfolio investments are classified as fair value through profit or loss ("FVTPL"). Any unrealized gain or loss arising due to changes in fair value during the reporting period is presented separately in the statements of comprehensive income. Portfolio investments cannot be reclassified out of the FVTPL category while they are held.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in a transaction between market participants at the measurement date. The fair value of financial instruments traded in active markets should be measured based on a price within the bid and ask spread that is most representative of fair value and allows the use of mid-market pricing or other pricing conventions that are used by market participants as a practical expedient for fair value measurement within a bid-ask spread. The Fund has determined the closing sale price to be most reflective of fair value unless this price is outside the bid and ask spread. When the closing sale price of financial instruments traded in active markets is outside the bid and ask spread, such financial instruments are measured based on the bid price for securities owned or held long and on the asking price for securities sold short. The fair value of financial instruments not traded in an active market (including, but not limited to securities in private companies, warrants and restricted securities) are determined using valuation techniques. Depending on the circumstances, the Fund may use several methods and make assumptions based on market conditions existing at each reporting date. Valuation techniques may include, without limitation, the use of comparable recent arm's length transactions, discounted cash flow analysis, option-pricing models and other valuation techniques commonly used by market participants. Estimated fair values for investments in securities not traded in an active market are based on inherent uncertainties and the resulting values may differ from values that would have been used had a ready market existed for such investments.

The fair value of financial instruments which are restricted as to transferability are valued at the fair value of the unrestricted investment as provided above less a discount of 2% per month up to four months.

Short-term investments, if any, are valued at the aggregate of cost and accrued interest receivable, which approximates fair value.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS

APRIL 30, 2016 AND 2015

(UNAUDITED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued...)

(b) Fair value measurement (Continued...)

For financial statement reporting purposes, under National Instrument 81-106 (“NI 81-106”) the Fund is required to disclose the differences between net assets attributable to redeemable shares per share and net asset value per share, including any differences in valuation principles or practices for the purposes of calculating net asset value versus those required under IFRS. A reconciliation between the net assets attributable to redeemable shares per share for financial reporting purposes and net asset value for investor transactions is presented in note 11 (Reconciliation of Net Asset Value to IFRS Net Assets Attributable to Shareholders of Redeemable Shares).

Investments in mutual funds or pooled funds are valued based on the net asset value per share at the close of trading on the financial statement date

Swap agreement

The value of the swap agreement on a valuation date is equal to the gain or loss that would be realized if the swap agreement were closed out. On cash settlement, the fair value of the Swap Agreement would equal the difference between the fair value of the notional securities held in the MLP portfolio, net of contractual expenses including counterparty fees plus any distributions on the notional shares, and the value of the notional securities held in the MLP portfolio at the previous reset date. Such calculation is performed on the last business day of each month. The MLP portfolio is valued at their closing prices on the valuation date for the purpose of determining the value of the Swap Agreement.

The unrealized gains (losses) arising from the swap agreement are recorded as part of change in unrealized appreciation (depreciation) on financial assets and financial liabilities held in a swap agreement at fair value through profit or loss in the statement of comprehensive income and financial assets held in swap agreement at fair value through profit or loss in the statements of financial position until the swap contract is closed out at such time as the gains (losses) are realized and reported as realized gain (loss) on financial assets held in swap agreement in the statements of comprehensive income.

(c) Cash and cash equivalents

Cash and cash equivalents comprise deposits with banks and highly liquid financial assets with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value and are used by the Fund in the management of short-term commitments, other than cash collateral provided in respect of derivatives and securities borrowing transactions.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS APRIL 30, 2016 AND 2015 (UNAUDITED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued...)

(d) Redeemable shares

The Fund classifies redeemable shares issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments. The Fund has multiple classes of redeemable shares that do not have identical features and therefore, do not qualify as equity under IAS 32, Financial Instruments. The redeemable shares, which are classified as financial liabilities and measured at redemption amount, provide investors with the right to require redemption, subject to available liquidity, for cash at a share price based on the Fund's valuation policies at each redemption date. The shares represent the residual interest in the Fund.

(e) Impairment of financial assets

At the end of each reporting period, the Fund reviews its financial assets that are carried at amortized cost for any objective evidence that a financial asset or group of financial assets is impaired. If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured and recognized as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss shall be reversed.

(f) Investment transactions and income recognition

Investment transactions are accounted for on a trade date basis. Realized gains and losses are calculated on a weighted average cost basis.

Revenue from investments is recognized on the accrual basis. Interest for distribution purposes shown on the statements of comprehensive income represents the coupon interest received by the Fund accounted for on an accrual basis and is recognized through profit or loss. Dividend revenue is recognized on the ex-dividend date.

(g) Securities lending, repurchase and reverse repurchase transactions

The Fund is permitted to enter into securities lending, repurchase and reverse repurchase transactions as set out in the Simplified Prospectus. These transactions involve the temporary exchange of securities for collateral with a commitment to redeliver the same securities on a future date. The value of cash or securities held as collateral must at least 102% of the fair value of the securities loaned, sold or purchased. Income is earned from these transactions in the form of fees paid by the counterparty and, in certain circumstances, interest paid on cash or securities held as collateral. Income earned from these transactions is recognized on an accrual basis and included in the statements of comprehensive income under the heading securities lending revenue.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS

APRIL 30, 2016 AND 2015

(UNAUDITED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued...)

(h) Foreign currency translation

The fair value of investments and derivatives, other assets and liabilities denominated in foreign currencies are translated at the exchange rate between the functional currency and the foreign currency at each of the valuation date. Foreign currency transactions, including purchase and sales of investments, investment income and expenses are translated at the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Realized and unrealized exchange gains and losses on foreign currency cash and cash equivalents and other assets and liabilities are presented as "Foreign currency gain (loss) on cash and cash equivalents and other net assets". Realized and unrealized exchange gains and losses on investments and derivatives are presented within "Other net changes in fair value of financial assets and financial liabilities at fair value through profit or loss".

(i) Increase (decrease) in net assets attributable to shareholders of redeemable shares from operations per share

Increase (decrease) in net assets attributable to shareholders of redeemable shares from operations per share is calculated by dividing the increase (decrease) in net assets attributable to shareholders of redeemable shares from operations of a series by the average number of shares outstanding of that series during the period.

(j) Net assets attributable to shareholders of redeemable shares per share

The net assets attributable to shareholders of redeemable shares per share are calculated by dividing the net assets of a series of shares by the total number of redeemable shares of that series outstanding at the end of the period.

(k) Transaction costs

Portfolio transaction costs are expensed and are included in "Transaction costs" in the statements of comprehensive income. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisors, brokers and dealers, levies by regulatory agencies and securities exchanges. The individual security's cost shown on the schedule of investment portfolio includes only those transaction costs incurred on the acquisition of portfolio investments.

(l) Provisions

The Fund recognizes a provision, if as a result of a prior event, the Fund has a current obligation requiring the outflow of resources to settle. Provisions are recorded at the Manager's best estimates of the most probable outcome of any future settlement.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS

APRIL 30, 2016 AND 2015

(UNAUDITED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued...)

(m) Interests in subsidiaries, associates and unconsolidated structured entities

The Fund meets the definition of an investment entity and as such, does not consolidate the entities it controls. Instead, interests in entities subject to control are classified as fair value through profit or loss, and measured at fair value.

The Fund may invest in redeemable units of other investment funds as part of its investment strategy. The nature and purpose of the investee funds generally is to manage assets on behalf of third party investors and generate fees for the investment manager, and are financed through the issue of redeemable units to investors.

The maximum exposure to loss from interests in investee funds is equal to the fair value of the investment in those respective funds, which are included in financial assets at fair value through profit or loss in the statements of financial position.

(n) Future changes in accounting standards:

IFRS 9 - Financial Instruments

IFRS 9 was issued in November 2009 with an implementation date of annual periods beginning on or after January 1, 2018. It addresses classification and measurement of financial assets and replaces the multiple categories and measurement models in IAS 39 for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit or loss. IFRS 9 also replaces the models for measuring equity instruments and such instruments are either recognized at fair value through profit or loss or at fair value through other comprehensive income. Where such equity instruments are measured at fair value through other comprehensive income, dividends, to the extent not clearly representing a return of investment, are recognized in profit or loss; however, other gains and losses (including impairments) associated with such instruments remain in accumulated comprehensive income indefinitely.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS

APRIL 30, 2016 AND 2015

(UNAUDITED)

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The timely preparation of financial statements requires the Fund to make estimates, judgments and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities. The following summarizes the accounting judgments, estimates and assumptions the Fund considers significant:

(a) Valuation of investments

Portfolio investments are measured and reported at fair value through profit or loss. Portfolio investments may include securities not traded in an active market, the fair value of which is determined using valuation techniques. Such estimates of fair value of portfolio investments not traded in an active market involve assumptions and uncertainties, and may include matters of significant judgment. Therefore, such estimates are subjective and cannot be determined with precision. Changes in assumptions may significantly affect the estimates.

(b) Other judgments, estimates and assumptions

Estimates are also used when determining the amount of impairment of assets and the likelihood of contingencies.

(c) Assessment as investment entity

The Manager has concluded that the Fund has the characteristics of an investment entity, in that it has more than one investment and is managed in accordance with the articles of incorporation and prospectus; the investments are predominantly in the form of equities and similar securities; it has more than one investor and its investors are not related parties. These conclusions will be reassessed on an annual basis, if any of these criteria or characteristics change.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS

APRIL 30, 2016 AND 2015

(UNAUDITED)

5. SWAP AGREEMENT AND FORWARD CURRENCY CONTRACTS

The Fund has entered into Equity Swaps with a U.S. financial institution as counterparty (collectively, the “Swap Agreement”). In accordance with its investment objectives, the return to Shareholders and the Fund is dependent upon the economic performance of the MLP Portfolio by virtue of the Swap Agreement to gain economic exposure to the MLP Portfolio.

The Fund obtains economic exposure to the MLP portfolio through a Swap Agreement with Citibank NA New York. The Swap Agreement has an initial term ending on November 16, 2016. The MLP portfolio has an initial invested amount equal to the amount of the proceeds of the subscription, net of fees, less 12.5% for margin requirements.

Citibank NA New York has entered into a total return swap in order to hedge its exposure to the economic performance of the MLP portfolio under the terms of the Swap Agreement. The Fund is exposed to counterparty risk, both from Citibank NA New York and from the total return swap counterparty, and tax uncertainty associated with withholding taxes. Currently, there is not expected to be US withholding or other taxes that would reduce the value of the amounts payable to the counterparty under the total return swap based on the MLP portfolio. The Fund is subject to the risk that changes in US tax laws or in the interpretation or application of such laws could result in the imposition of greater withholding or other taxes, which would have the effect of reducing the net amount received by the counterparty under the total return swap and, in turn, the amount payable to the Fund under the Swap Agreement.

The cash in the margin account has been pledged to Citibank NA New York as security for the obligations of the Fund under the swap agreement. Citibank NA New York will not have the right to sell, re-hypothecate, assign or otherwise dispose of the cash pledged.

On the settlement date of the swap agreement reset dates (month-end), payment or receipts will be made in US dollars.

As at April 30, 2016, the unrealized gain from Swap Agreement amounted to \$10,973,786.

The MLP Portfolio is denominated in U.S. dollars. Payments under the Swap Agreement will be made in United States dollars. Accordingly, the return of the Fund under the Swap Agreement for Shareholders of Series other than UB, UF and UI may be exposed to fluctuations in the Canadian/U.S. dollar exchange rate, except to the extent the Manager chooses to hedge such exposure. All or a portion of the value of the MLP Portfolio (other than the portion that is referable to Series UB, UF and UI Shares) may be hedged at any time, at the discretion of the Portfolio Advisor, and the portion of the MLP Portfolio that is hedged may vary based on market conditions.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS

APRIL 30, 2016 AND 2015

(UNAUDITED)

5. SWAP AGREEMENT AND FORWARD CURRENCY CONTRACTS (Continued...)

The Fund has entered into forward foreign currency contracts to protect against fluctuations in the U.S. dollar exchange rates at Series level. As at April 30, 2016, the Fund has contracted to sell U.S. dollar currency amounting to CDN \$90,457,485 at various forward rates.

The net unrealized gain (loss) from forward contracts is as follows:

Series A	\$	101,405
Series B		153,796
Series F		184,345
Series I		26,471
Series X		77
Series MC		<u>449,776</u>
	\$	<u>915,870</u>

6. REDEEMABLE SHARES

Net assets attributable to holders of redeemable shares consists of amounts paid for shares, undistributed income, realized gains and losses and unrealized appreciation (depreciation) of financial assets at FVTPL, and represents the capital of the Fund. The Fund may issue an unlimited number of redeemable shares. Each share is redeemable at the option of the shareholder in accordance with the articles of incorporation and prospectus, and entitles the shareholder to a proportionate interest in the net assets of the Fund. The Fund has no restrictions or specified capital requirements on subscriptions or redemptions of shares.

The authorized capital of the Fund consists of an unlimited number of mutual fund shares, available in eight series. Redemption and commission fees vary according to each series of shares as follows:

Series A shares

Redemption fees payable to the Manager may be applicable upon the sale of shares of this series based on the original cost amount and the time to disposition. A redemption fee of 3% applies to shares of this series sold within the first 18 months following acquisition. A redemption fee of 2% applies to shares of this series sold between the first 18 months to 36 months following acquisition. No redemption fee applies to shares of this series sold after the third period following acquisition.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS

APRIL 30, 2016 AND 2015

(UNAUDITED)

6. REDEEMABLE SHARES (Continued...)

Series B shares

Commission fees payable to brokers, dealers or advisors may be applicable upon the purchase of shares of this series up to 5% of the gross purchase amount, at the discretion of the broker, dealer or advisor.

Series F shares

No redemption or commission fees are applicable to shares of this series.

Series I shares

No redemption or commission fees are applicable to shares of this series.

Series X shares

Redemption fees payable to the Manager may be applicable upon the sale of shares of this series based on the original cost amount and the time to disposition. A redemption fee of 5% applies to shares of this series sold within the first period following acquisition. A redemption fee of 3% applies to shares of this series sold within the second period following acquisition. A redemption fee of 1.5% applies to shares of this series sold within the third period following acquisition. No redemption fee applies to shares of this series sold after the third period following acquisition.

Series UB

Commission fees payable to brokers, dealers or advisors may be applicable upon the purchase of shares of this series up to 5% of the gross purchase amount, at the discretion of the broker, dealer or advisor.

Series UF

No redemption or commission fees are applicable to shares of this series.

Series UI

No redemption or commission fees are applicable to shares of this series.

Series MC shares

No redemption or commission fees are applicable to shares of this series. Series MC shares are no longer offered for sale.

Series MU shares

No redemption or commission fees are applicable to shares of this series. Series MU shares are no longer offered for sale.

The Fund allocates income and expenses, and realized and unrealized capital gains and losses to each class of redeemable shares outstanding based on the average class allocation for the period.

UB, UF and UI series are denominated in U.S dollars. Holders of these series who exchange these shares for shares of another series will do so at the prevailing exchange rate where applicable.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS APRIL 30, 2016 AND 2015 (UNAUDITED)

6. REDEEMABLE SHARES (Continued...)

The following redeemable share transactions took place during the period ended April 30, 2016 and 2015:

	2016	2015
Redeemable shares outstanding, beginning of the period:		
Series A	845,081	-
Series B	1,141,928	-
Series F	1,811,924	-
Series I	699,039	-
Series X	1,043	-
Series UB	110,847	-
Series UF	96,413	-
Series MC	-	-
Series MU	-	-
Redeemable shares issued during the period:		
Series A	713,512	423,214
Series B	1,500,422	675,267
Series F	1,614,800	835,372
Series I	483,048	111,883
Series X	-	1,000
Series UB	15,252	72,220
Series UF	23,119	403,733
Series MC	9,861,924	-
Series MU	27,800	-
Redeemable shares reinvested during the period:		
Series A	31,862	4,712
Series B	60,385	7,650
Series F	68,433	9,470
Series I	19,256	2,013
Series X	41	13
Series UB	2,669	913
Series UF	3,359	601
Series MC	412,418	-
Series MU	1,927	-

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS APRIL 30, 2016 AND 2015 (UNAUDITED)

6. REDEEMABLE SHARES (Continued...)

Redeemable shares redeemed during the period:

Series A	34,772	-
Series B	346,925	49,623
Series F	664,364	101,281
Series I	812,508	-
Series U	11,487	-
Series X	-	-
Series UB	15,382	-
Series UF	16,263	1,210
Series MC	1,213,091	-
Series MU	11,487	-

Redeemable shares outstanding, end of the period

Series A	1,555,683	427,926
Series B	2,355,810	633,294
Series F	2,830,793	743,561
Series I	388,835	113,896
Series X	1,084	1,013
Series UB	113,386	73,133
Series UF	106,628	403,124
Series MC	9,061,251	-
Series MU	18,240	-

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS

APRIL 30, 2016 AND 2015

(UNAUDITED)

7. FEES AND EXPENSES

The Fund pays a monthly management fee equal to 1/12 of 1.35% of the net asset value of the Fund calculated and paid at the end of each month payable monthly in arrears for series A, B, F, X, UB and UF of the Fund. The Fund pays a monthly management fee equal to 1/12 of 0.90% of the net asset value of series I and UI calculated and paid at the end of each month payable monthly in arrears.

In consideration of the management fees payable by the Fund to the Manager, the Manager is responsible for providing marketing and promotion, fund management and administration and investment advisory services to the Fund. Fund management and administration services include establishing investment objectives, selecting investment sub-advisors, if applicable, and establishing and maintaining an appropriate infrastructure to meet accounting, financial and taxation reporting requirements. The Manager is also responsible for establishing and maintaining a servicing and risk management framework to ensure regulatory compliance, which includes regular monitoring. The Manager does not charge or allocate corporate overhead or expenses to the Fund.

The Fund pays a monthly service fee of 1/12 of 0.75% of the net asset value of the Series A share, Series B share and Series UB share calculated and paid at the end of each month. The Funds pays a monthly service fee of 1/12 of 0.50% of the net asset value of Series X shares calculated and paid at the end of each month.

The Fund is responsible for payment of all operating and administrative expenses of the Fund. The main components of these expenses are legal and accounting fees, printing expenses, reporting issuer filing and sustaining fees, custodial fees, fees payable to, and expenses incurred by, the Fund's Independent Review Committee and expenses of making distributions to shareholders. As the Fund has more than one series of shares, the shareholders of each series bear their pro rata share of those expenses which are common to the operation of all series, as well as those expenses which are attributable solely to that series.

No performance fees are payable by the Fund.

The Manager absorbed certain expenses relating to the operation of the Fund. These expenses include administration fees, legal fees, securityholder reporting costs, custodian fees, management fees and independent review committee expenses.

The Fund pays fees to the Counterparty in respect of the swap agreements it enters into with the Counterparty equal to an amount calculated at the beginning of a particular month as the product of (i) the value of the MLP Portfolio and (ii) the 3-month London interbank offered rate plus a spread, which spread value is based on the specific MLPs selected for the MLP Portfolio. Total counterparty fees in 2016 amounted to \$268,792 and are included in the realized gain (loss) on swap agreement.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS

APRIL 30, 2016 AND 2015

(UNAUDITED)

8. INCOME TAX DISTRIBUTION

The Fund qualifies as a mutual fund corporation under the Income Tax Act (Canada). The Corporation will earn three types of income, Canadian dividends, taxable capital gains and other net taxable income. The income of the Fund, including taxable capital gains, will be subject to income tax at applicable corporate tax rates, after claiming allowable deductions for expenses and applicable credits for foreign taxes paid on foreign-source income. Income tax on capital gains is refundable to the Fund to the extent that such gains are distributed to shareholders as capital gains dividends or the Fund's share are redeemed. Gains and losses realized by the Fund in relation to certain derivative transactions and short sale transactions may be taxed on account of income as opposed to on account of capital. Other income is subject to tax at normal corporate rates and is not subject to refundable tax treatment.

The Fund may elect in the prescribed manner and form in order to have the dividends it distributes treated as capital gains dividends to the extent that the dividends do not exceed the Fund's capital gains dividend account. The capital gains dividend account will be represented by the amount by which capital gains realized by the Fund while it was a mutual fund corporation exceed the aggregate of:

- (a) capital losses realized by the Fund while it was a mutual fund corporation;
- (b) certain capital gains dividends previously paid by it; and
- (c) amounts in respect of which the Fund received capital gains tax refunds.

The Corporation is a single legal entity for tax purposes and is not taxed on a fund-by-fund basis. Non-capital and capital losses of the Corporation may be applied against the income and/or capital gains attributable to the Corporation as a whole irrespective of the Fund from which the income, gains and/or losses arise. Therefore, where the Corporation has positive net taxable income, any current tax liability can be offset with the utilization of unused prior year tax losses of the Corporation. Further, the payment of capital gains dividends, will also reduce or eliminate any taxes payable by the Corporation. This eliminates the requirement for a net tax provision for the Fund.

The Corporation's shares are qualified investments for registered plans.

9. TRANSACTION COSTS AND SOFT DOLLARS

The total brokerage commissions paid by the Fund with respect to security transactions for the period ended April 30, 2016 was \$Nil (2015 - \$Nil).

There were no soft dollar amounts included in brokerage commissions.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS APRIL 30, 2016 AND 2015 (UNAUDITED)

10. RELATED PARTY TRANSACTIONS

During the period ended April 30, 2016 and 2015, fees paid to the Manager were as follows:

	2016	2015
Management fees, note 7	<u>\$ 427,500</u>	<u>\$ 118,844</u>
Servicing fees, note 7	<u>\$ 66,083</u>	<u>\$ 19,505</u>
Expenses waived or absorbed by Manager, note 7	<u>\$ -</u>	<u>\$ (\$177,250)</u>

Management fees payable and other payables included in the accrued expenses were as follows:

	April 30, 2016	October 31, 2015
Management fees payable, note 7	<u>\$ 99,108</u>	<u>\$ 37,008</u>
Servicing fees payable, note 7	<u>\$ 14,212</u>	<u>\$ 8,589</u>

The following are redeemable shares held by related parties of the Fund:

	April 30, 2016	October 31, 2015
Series F shares held by the Partners and Officers of the Manager	30,003.94	335,486.91
Percentage of Series F shares held by the Partners and Officers of the Manager	1.06%	18.52%
Series F shares held by the relatives of the Partners of the Manager	15,303.49	45,896.10
Percentage of Series F shares held by the relatives of the Partners of the Manager	0.54%	2.53%
Series MC shares held by the Partners and Officers of the Manager	159,195.65	-
Percentage of Series MC shares held by the Partners and Officers of the Manager	1.76%	Nil%
Series MC shares held by the relatives of the Partners of the Manager	657,462.55	-
Percentage of Series MC shares held by the relatives of the Partners of the Manager	7.25%	Nil%

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS APRIL 30, 2016 AND 2015 (UNAUDITED)

10. RELATED PARTY TRANSACTIONS (Continued...)

As at April 30, 2016, Front Street Global Balanced Income Class, which is also managed by the Manager, held 111,002 (October 31, 2015 – 111,933) shares of Series I, representing 28.5% (October 31, 2015 – 16.0%) of Series I shares outstanding.

As at April 30, 2016, Front Street Global Opportunities Class, which is also managed by the Manager, held Nil (October 31, 2015 – 320,618) shares of Series I, representing Nil% (October 31, 2015 – 45.9%) of Series I shares outstanding.

As at April 30, 2016, Front Street Resource Growth and Income Class, which is also managed by the Manager, held 87,726 (October 31, 2015 – 84,264) shares of Series I, representing 22.6% (October 31, 2015 – 12.1%) of Series I shares outstanding.

The Fund may place a portion of its portfolio transactions with brokerage firms which are affiliates of the Manager provided it determines that these affiliates' trade execution abilities and costs are comparable to those non-affiliated, qualified brokerage firms, on an execution only basis. During the period ended April 30, 2016, Tuscarora Capital Inc., a company under common control to the Manager, received \$Nil in commissions on portfolio transactions for the Fund.

Management fees and servicing fees are measured at the consideration prescribed by the offering documents of the Fund. When related parties enter shareholder transactions with the Fund, the consideration is the transactional NAV available to all other shareholders on the trade date.

11. RECONCILIATION OF NET ASSET VALUE TO IFRS NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS OF REDEEMABLE SHARES

Investment funds may have two different net asset values: (i) one for financial statements, which is prepared in accordance with IFRS (referred to as "IFRS NA") and (ii) another for all other purposes, including share pricing for investor transactions (referred to as "net asset value"). For investments that are traded in an active market where quoted prices are readily and regularly available, IFRS requires investments to be valued using the methods and principles described in note 4 (Summary of significant accounting policies – Fair value measurement), wherein the Fund may use closing sale prices for the purpose of determining net asset value. For investments that are not traded in an active market, IFRS requires the use of specific valuation techniques, rather than the use of valuation techniques in general practice in the investment funds industry. National Instrument 81-106 ("NI 81-106") requires that interim financial statements present a reconciliation of Net asset value per share to IFRS Net Assets Attributable to Shareholders of Redeemable Shares.

As at April 30, 2016 and October 31, 2015, there are no variances between the IFRS NA per share and net asset value per share.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS

APRIL 30, 2016 AND 2015

(UNAUDITED)

12. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS

The Fund's financial instruments consist of financial assets held in Swap Agreement at FVTPL, foreign exchange forward contracts at FVTPL, cash and cash equivalents, margin accounts, subscriptions receivable, accrued expenses, distributions payable and redemptions payable. It is the Manager's opinion that due to the short term nature of these financial instruments, the Fund is not exposed to significant market price, currency, interest rate, liquidity, cash flow, credit, and portfolio concentration risks arising from these financial instruments except as described below. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

All securities present a risk of loss of capital. The Manager seeks to minimize potential adverse effects of these risks on the Fund's performance by employing professional, experienced portfolio advisors, by daily monitoring of the Fund's positions and market events, and by diversifying the investment portfolio within the constraints of the investment objective. To assist in managing risk, the Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations.

The schedule of investment portfolio presents the securities held by the Fund as at April 30, 2016 and groups the securities by asset type, sector and/or market segment. Significant risks that are relevant to the Fund are discussed below.

The Fund is exposed to financial risks, including market risk, currency risk, interest rate risk, liquidity risk, cash flow risk, credit risk, and concentration risk. The Fund's overall risk management program seeks to minimize potentially adverse effects of those risks on the Fund's financial performance. The Fund moderates financial risks through the careful selection of portfolio investments and other financial instruments within the parameters of the investment guidelines, strategies and objectives.

i) Market price risk

Market price risk, is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument, its issuer, or factors affecting similar financial instruments traded in the market.

The Fund is exposed to market price risk arising from its investments in securities. The Investment Manager manages the Fund's market price risk on a daily basis in accordance with the Fund's investment objective and policies.

ii) Currency risk

The Fund may invest in financial instruments denominated in currencies other than its measurement currency. Consequently, the Fund is exposed to risks that the exchange rate of its currency relative to other currencies may change in a manner that has an adverse effect on the value of the portion of the Fund's assets or liabilities denominated in currencies other than Canadian dollars, absent any changes in market price or investment specific events.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS APRIL 30, 2016 AND 2015 (UNAUDITED)

12. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued...)

ii) Currency risk (Continued.....)

Included in the undernoted accounts are the following foreign currency balances:

As at April 30, 2016

Currency	Financial instruments at FVTPL	Cash and cash equivalents	Total	Percentage of Net Assets
United States Dollar	<u>\$ 10,973,786</u>	<u>\$ 82,322,749</u>	<u>\$ 93,296,535</u>	<u>99.71%</u>

As at October 31, 2015

Currency	Financial instruments at FVTPL	Cash and cash equivalents	Total	Percentage of Net Assets
United States Dollar	<u>\$ 2,092,279</u>	<u>\$ 32,104,399</u>	<u>\$ 34,196,678</u>	<u>98.51%</u>

The Fund has entered into forward foreign currency contracts to protect against fluctuations in the U.S. dollar exchange rates at Series level. As at April 30, 2016, on a net basis, the Fund has contracted to sell U.S. dollar currency amounting to CDN \$90,457,485 at various forward rates (Schedules B-F).

The net unrealized gain (loss) from forward contracts is as follows:

Series A	\$ 101,405
Series B	153,796
Series F	184,345
Series I	26,471
Series X	77
Series MC	<u>449,776</u>
	<u>\$ 915,870</u>

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS APRIL 30, 2016 AND 2015 (UNAUDITED)

12. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued...)

iii) Interest rate risk

The Fund may invest in fixed and floating rate securities. The income of the Fund may be affected by changes to interest rates relevant to particular securities or as a result of management being unable to secure similar returns on the expiry of contracts or sale of securities. The value of fixed interest securities may be affected by interest rate movements or the expectation of such movement in the future. Interest payable on bank overdraft or broker margin account positions will be affected by fluctuations in interest rates. As at April 30, 2016, there were no net assets invested in bonds. The remaining portion of the Fund's investments are substantially non-interest bearing equity investments.

As at April 30, 2016

Financial assets	Floating Rate Financial Instruments	Fixed Rate Financial Instruments	Non-interest Bearing	Total
Financial instruments at FVTPL	\$ -	\$ -	\$ 11,889,656	\$ 11,889,656
Cash and cash equivalents	82,378,996	-	-	82,378,996
Loans and receivables	<u>-</u>	<u>-</u>	<u>168,531</u>	<u>168,531</u>
Total	<u>\$ 82,378,996</u>	<u>\$ -</u>	<u>\$ 12,058,187</u>	<u>\$ 94,437,183</u>
Financial liabilities				
Financial liabilities at FVTPL	\$ -	\$ -	\$ -	\$ -
Other financial liabilities	<u>-</u>	<u>-</u>	<u>865,781</u>	<u>865,781</u>
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 865,781</u>	<u>\$ 865,781</u>
IFRS NA				<u>\$ 93,571,402</u>

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS APRIL 30, 2016 AND 2015 (UNAUDITED)

12. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued...)

iii) Interest rate risk (Continued...)

As at October 31, 2015

Financial assets	Floating Rate Financial Instruments	Fixed Rate Financial Instruments	Non-interest Bearing	Total
Financial instruments at FVTPL	\$ -	\$ -	\$ 2,154,655	\$ 2,154,655
Cash and cash equivalents	32,263,360	-	-	32,263,360
Loans and receivables	<u>-</u>	<u>-</u>	<u>558,965</u>	<u>558,965</u>
Total	<u>\$ 32,263,360</u>	<u>\$ -</u>	<u>\$ 2,713,620</u>	<u>\$ 34,976,980</u>
Financial liabilities				
Financial liabilities at FVTPL	\$ -	\$ -	\$ 80,955	\$ 80,955
Other financial liabilities	<u>-</u>	<u>-</u>	<u>181,165</u>	<u>181,165</u>
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 262,120</u>	<u>\$ 262,120</u>
IFRS NA				<u>\$ 34,714,860</u>

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS APRIL 30, 2016 AND 2015 (UNAUDITED)

12. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued...)

iv) Liquidity risk

Liquidity risk is the risk the Fund will encounter difficulty in meeting obligations associated with financial liabilities. Shareholder redemption requests are the main liquidity risk for the Fund.

The Fund maintains cash and marketable securities, and manages liquidity risk through its ability to close out market positions in a timely manner.

As at April 30, 2016

Financial assets	0 - 12 months	1 - 3 years	3 - 5 years	Beyond 5 years	Indefinite maturity	Total
Financial instruments at FVTPL	\$ 11,889,656	\$ -	\$ -	\$ -	\$ -	\$ 11,889,656
Loans and receivables	168,531	-	-	-	-	168,531
Cash and cash equivalents	<u>82,378,996</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>82,378,996</u>
Total	<u>\$ 94,437,183</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 94,437,183</u>
Financial liabilities						
Financial liabilities at FVTPL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other financial liabilities	<u>865,781</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>865,781</u>
Total	<u>\$ 865,781</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 865,781</u>
IFRS NA						<u>\$ 93,571,402</u>

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS APRIL 30, 2016 AND 2015 (UNAUDITED)

12. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued...)

iv) Liquidity risk (Continued...)

As at October 31, 2015

Financial assets	0 - 12 months	1 - 3 years	3 - 5 years	Beyond 5 years	Indefinite maturity	Total
Financial instruments at FVTPL	\$ 2,154,655	\$ -	\$ -	\$ -	\$ -	\$ 2,154,655
Loans and receivables	558,965	-	-	-	-	558,965
Cash and cash equivalents	<u>32,263,360</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,263,360</u>
Total	<u>\$ 34,976,980</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,976,980</u>
Financial liabilities						
Financial liabilities at FVTPL	\$ 80,955	\$ -	\$ -	\$ -	\$ -	\$ 80,955
Other financial liabilities	<u>181,165</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>181,165</u>
Total	<u>\$ 262,120</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 262,120</u>
IFRS NA						<u>\$ 34,714,860</u>

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS APRIL 30, 2016 AND 2015 (UNAUDITED)

12. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued...)

v) Cash flow risk

The risk that future cash flows associated with a monetary financial instrument will fluctuate in amount. In the case of a floating rate debt instrument, for example, such fluctuations could result from a change in the effective interest rate of the financial instrument, usually without a corresponding change in its fair value.

vi) Credit risk

The Fund is exposed to credit risk arising from its transactions with its counterparties and brokers, related to securities purchases and sales. Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

Financial assets which potentially expose the Fund to credit risk consist principally of Swap agreements and foreign exchange forward contracts. The Fund seeks to mitigate its exposure to credit risk by placing its cash, and transacting its securities activity with large financial institutions. The extent of the Fund's exposure to credit risk in respect of these financial assets is reflected in their carrying values as recorded in the fund's statements of financial position.

As at April 30, 2016 the Fund has no debt instruments. The net assets of the Fund include financial assets held in a swap agreement at FVTPL with fair value of \$10,973,786 and net foreign exchange forward contracts at FVTPL of \$915,870. The counterparty to the swap agreement and foreign exchange forward contracts is Citibank NA New York, which has a credit rating of A+ according to Standard & Poor's. The Manager monitors the risks associated with the swap agreements and forward contracts on a continuous basis.

vii) Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type, industry sector or counterparty type. The Fund's concentration risk by market segments/categories of financial instruments has been summarized as follows; as at April 30, 2016 and October 31, 2015:

	April 30, 2016	October 31, 2015
MLP portfolio - swap agreement	11.7%	6.0%
Forward foreign currency contracts	1.0%	0.0%
Cash and cash equivalents	88.0%	92.9%
Other assets less liabilities	(0.7)%	1.1%
Total	<u>100.0%</u>	<u>100.0%</u>

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS

APRIL 30, 2016 AND 2015

(UNAUDITED)

12. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued...)

vii) Concentration risk (Continued...)

The return to the Fund is dependent upon the economic performance of the MLP Portfolio by virtue of the swap agreement to gain economic exposure to the MLP Portfolio. The MLP Portfolio's concentration risk by market segments/categories of financial instruments has been summarized as follows; as at April 30, 2016 and October 31, 2015:

	April 30, 2016	October 31, 2015
Petroleum transportation	48.7%	49.3%
Natural Gas Pipelines	28.2%	17.7%
Gathering and Processing of Natural Gas	18.9%	21.1%
Diversified	4.2%	6.1%
Shipping	-	5.8%
Total	<u>100.0%</u>	<u>100.0%</u>

13. CAPITAL MANAGEMENT

The Fund considers financial instruments in the form of redeemable shares to represent capital. In managing this capital, the objectives of the Fund are:

- (a) to safeguard the Fund's ability to continue as a going concern, be flexible and take advantage of opportunities that might present themselves;
- (b) to provide an appropriate return to shareholders; and
- (c) to use active management strategies intended to enhance the returns of the Fund and concurrently minimize risk and preserve capital, consistent with the investment guidelines, strategies and objectives of the Fund.

The Fund follows, and is in compliance with, the Investment Guidelines described in the Prospectus.

The Fund is not subject to any externally imposed capital requirements.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS APRIL 30, 2016 AND 2015 (UNAUDITED)

14. FAIR VALUE HIERARCHY

IFRS requires the Fund to use a three-tier hierarchy as a framework for disclosing fair values, based on inputs used to value the Fund's investments in financial assets and financial liabilities. This hierarchy is summarized as follows:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., prices) or indirectly (i.e., derived from prices); and
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following tables summarize the inputs used as of April 30, 2016 and October 31, 2015 in valuing the Fund's financial assets and liabilities at FVTPL.

As at April 30, 2016

	Level 1	Level 2	Level 3	Total
Financial instruments at FVTPL	\$ <u> -</u>	\$ <u> 11,889,656</u>	\$ <u> -</u>	\$ <u> 11,889,656</u>
Financial liabilities at FVTPL	\$ <u> -</u>	\$ <u> -</u>	\$ <u> -</u>	\$ <u> -</u>

As at October 31, 2015

	Level 1	Level 2	Level 3	Total
Financial instruments at FVTPL	\$ <u> -</u>	\$ <u> 2,154,655</u>	\$ <u> -</u>	\$ <u> 2,154,655</u>
Financial liabilities at FVTPL	\$ <u> -</u>	\$ <u> 80,955</u>	\$ <u> -</u>	\$ <u> 80,955</u>

Valuation techniques and framework

The Fund's portfolio investments in equity securities are classified as Level 1 when the security is actively traded and a reliable price is observable. The Fund may not be able to trade certain equity securities of publicly listed issuers (primarily warrants and shares for which trading is restricted by a contractual hold period), and therefore observable prices may not be available. In such cases, fair value is determined based on observable market data (e.g., prices for transactions for similar securities of the same issuer) and the fair value is classified as Level 2. However, if the determination of fair value requires significant unobservable data, the measurement of such securities is classified as Level 3.

Valuation techniques are used for equity securities classified as Level 2 and Level 3 (primarily private companies).

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS APRIL 30, 2016 AND 2015 (UNAUDITED)

14. FAIR VALUE HIERARCHY (Continued...)

Valuation techniques and framework (Continued...)

Valuation techniques may include net present value and discounted cash flow models, comparison with similar instruments for which observable market prices exist and other valuation models, including but not limited to the Black-Scholes stock option model. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premiums used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity indices, EBITDA and/or revenue multiples and expected price volatilities and correlations. The objective of valuation techniques is to arrive at a fair value measurement for an asset to be sold or a liability to be transferred between market participants at a measurement date.

The Fund uses widely recognized valuation models for determining the fair value of common and simple financial instruments, such as warrants and temporarily restricted shares of public companies, which generally use observable market data and require some management judgment and estimation. Observable prices and model inputs are usually available in the market for listed debt and equity securities, exchange-traded derivatives and other simple derivatives. The availability of observable market prices and model inputs may reduce the need for management judgment and estimation and may reduce, but does not eliminate, uncertainty associated with determining fair values. The availability of observable inputs may vary and depends on the nature of the securities being valued and markets, and is subject to change based on specific events and general conditions in the financial markets. Management applies a certain discount to restricted securities in order to determine the fair value of these securities. To determine the fair value of warrants, management uses the Black-Scholes stock option model, which incorporates the volatility of the underlying stock.

The Fund may invest in equity securities of private companies, which are classified as Level 3 securities. These may be valued using the most recent rounds of financing, or in certain cases, using models. Some or all of the significant inputs into the valuation models may not be observable in the market, and are derived from market prices or rates or are estimated based on assumptions. Valuation models that employ significant unobservable inputs require a higher degree of management judgement and estimation in the determination of fair value. Management judgement and estimation are usually required for the selection of the appropriate valuation model to be used, determination of expected future cash flows on the security being valued, and other inputs (such as discount rate, liquidity risk, credit risk, as applicable), to the extent that the Fund believes that a third party market participant would take them into account in pricing a transaction.

The Fund has established a control framework for the measurement of fair value. The valuation process is overseen by management, who are responsible for developing the Fund's valuation processes and procedures, conducting periodic reviews of those policies and evaluating their consistent application. When third party information, such as broker quotes or pricing services or recent transactions, are used to measure value, then management assesses the evidence obtained from third parties to support the conclusion that such valuations meet the requirements of IFRS. This includes verifying the information provided, and analyzing the information to check for any material inconsistencies.