

FRONT STREET GROWTH FUND

Annual Information Form (Series A, B and F units) dated July 8, 2015

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

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NAME, FORMATION AND HISTORY OF THE FUND

This annual information form contains information about Front Street Growth Fund (the “Fund”). The address of the principal office of the Fund is Suite 600, 33 Yonge Street, Toronto, Ontario, M5E 1G4.

The Fund is an unincorporated open-ended mutual fund trust created under the laws of British Columbia by a trust agreement dated for reference July 26, 1985, as amended effective January 1, 1988, January 7, 1994, restated as of January 4, 2001, restated as of March 31, 2001, amended and restated as of December 31, 2001 and amended and restated as of March 10, 2003 (referred to throughout this document as the “Trust Agreement”). Prior to June 9, 2008, the name of the Fund was Front Street Small Cap Canadian Fund, and prior to March 10, 2003, the name of the Fund was Multiple Opportunities Fund.

RESPONSIBILITY FOR FUND OPERATIONS

Manager of the Fund

The manager of the Fund is Front Street Capital 2004 (referred to throughout this document as the “Manager” or “Front Street Capital”). Front Street Capital’s address is Suite 600, 33 Yonge Street, Toronto, Ontario, M5E 1G4. Its telephone number is 1(800) 513-2832, its e-mail address is advisorservice@frontstreetcapital.com and its website address is www.frontstreetcapital.com. Prior to September 23, 2004, Front Street Capital, the predecessor partnership to the Manager, was the manager of the Fund. Prior to March 10, 2003, Front Street Investment Management Inc. was the manager of the Fund. Prior to February 14, 2003, the name of Front Street Investment Management Inc. was Tuscarora Investment Management Inc.

Front Street Capital provides management and administrative services to a wide variety of investment funds, mutual funds and alternative class funds. The principals of Front Street Capital are Normand Lamarche, Gary Selke, Frank Mersch and David Conway, who collectively have over 80 years of experience in a variety of investment activities including portfolio management and investment banking. Details of their role with the Manager are set out in the chart below.

The Trust Agreement provides that the Manager has full authority and responsibility to manage the business and affairs of the Fund, including coordinating the activities of the Fund’s trustee, custodian and other persons engaged on behalf of the Fund and providing administrative services and facilities to the Fund. The Manager also has oversight responsibility for the Fund’s Independent Review Committee (“IRC”).

Front Street Capital assumes no responsibility under the Trust Agreement other than to render its services in good faith and in the best interests of the Fund and to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances. Front Street Capital’s term under the Trust Agreement is indefinite and will end only on its resignation, its assignment of its rights, or on its bankruptcy, insolvency, or liquidation.

Front Street Capital may resign as Manager by giving 90 days’ written notice to the trustee and the unitholders. Upon the Manager’s resignation, the Manager shall appoint a successor manager of the Fund, and unless the successor manager is an affiliate of the Manager, such appointment must be approved by the unitholders of the Fund. If they do not do so before the end of the ninety-day notice period, then the Fund will terminate.

Front Street Capital may also assign its rights and most of its obligations under the Trust Agreement. A change in the manager of the Fund, other than to an affiliate of the Manager, will require the approval of the

applicable securities regulatory authorities. As a condition of that approval, the regulatory authorities will require the approval of the unitholders.

Front Street Capital and every other person who acts on behalf of the Fund will be indemnified by the Fund in respect of all liabilities and costs incurred in respect of any proceeding that is proposed or commenced against it in respect of the execution of its office or incurred in respect of the affairs of the Fund (other than expenses which the Manager is obliged to pay on behalf of the Fund), provided the Manager or such other person is not adjudged to have failed to exercise the standard of care applicable under the Trust Agreement.

Members of the management committee (who perform a function equivalent to that of a director of a corporation) and executive officers of Front Street Capital are:

Name and residence	Position held with Front Street Capital	Principal occupation for the last 5 years
Gary P. Selke Toronto, Ontario	Chief Executive Officer and President; Member of Management Committee	Chief Executive Officer and President and Member of Management Committee of Front Street Capital and Chairman, President, Chief Executive Officer and Director of Front Street Investment Management Inc.
Normand G. Lamarche Toronto, Ontario	Vice-President; Member of Management Committee	Member of Management Committee of Front Street Capital and Senior Portfolio Manager of Front Street Investment Management Inc.
Frank L. Mersch Toronto, Ontario	Chairman and Vice-President; Member of Management Committee	Member of Management Committee of Front Street Capital and Chief Investment Officer and Senior Portfolio Manager of Front Street Investment Management Inc.
David A. Conway Stouffville, Ontario	Vice President, Corporate Secretary and Chief Operating Officer	Vice President, Corporate Secretary and Chief Operating Officer of the Manager and Front Street Investment Management Inc.
Linda D. Hryma Oakville, Ontario	Assistant Corporate Secretary and Vice President, Sales Administration	Vice President, Sales Administration and Assistant Corporate Secretary of the Manager and Front Street Investment Management Inc.
Terence Lui Toronto, Ontario	Vice President, General Counsel and Chief Compliance Officer	Vice President, General Counsel and Chief Compliance Officer of the Manager, Front Street Investment Management Inc. and Tuscarora Capital Inc.
Susan Johnson Oakville, Ontario	Chief Financial Officer	Chief Financial Officer of the Manager, Front Street Investment Management Inc. and Tuscarora Capital Inc.

⁽¹⁾ Joined Front Street Capital in May 2012. Formerly a partner with Borden Ladner Gervais LLP.

⁽²⁾ Joined Front Street Capital in January 2010. Formerly Chief Financial Officer of MRS Securities Services Inc., Vice President, Finance of McKenzie Financial Corporation and Vice-President, Finance & Controller of CIBC Asset Management Inc.

Brokerage Arrangements

The purchase and sale of portfolio securities will be arranged through registered brokers or dealers selected on the basis of the Manager's assessment of the ability of the broker or dealer to execute transactions promptly and on favourable terms, and the quality and value of services provided to the Fund by the broker or dealer, such as research, statistical and other services used in assessing potential investments. Brokerage fees will be paid at the most favourable rates available to the Fund as permitted by the rules of the appropriate stock exchange. Subject to the foregoing, the Manager may in its discretion choose to effect portfolio transactions with brokers who place orders for mutual fund shares.

The Manager may also choose to effect up to 20% of the Fund's portfolio transactions with Tuscarora Capital Inc. ("Tuscarora") (a company owned by the same group of owners as Front Street Investment Management Inc. and members of the ownership group of the Manager) on terms as favourable or more favourable to the Fund as those effected through other brokers or dealers.

Investment Advisor

As investment advisor to the Fund, Front Street Investment Management Inc., Toronto, Ontario (the "Investment Advisor") provides investment analysis and recommendations, decides which securities to buy and sell and executes portfolio transactions. The individual who is primarily responsible for investment decisions is Normand Lamarche. Investment decisions made by Mr. Lamarche are not subject to the oversight, approval or ratification of a committee. Prior to March 10, 2003, Tuscarora was the investment advisor to the Fund.

Normand G. Lamarche holds a Chartered Financial Analyst designation and has been engaged in the business of providing investment advisory services and portfolio management since 1987. Mr. Lamarche was a portfolio manager with Altamira Management Ltd. from August 1987 to March 1995. From February 1, 1991 to January 31, 1995, Mr. Lamarche was the manager of the Altamira Resource Fund and the Orbitex Resource Fund. From January 1, 1993 to January 31, 1995 he managed Altamira's AltaFund Investment Corp. and during that period was also responsible for the equity component of the Altamira Balanced Fund. Mr. Lamarche left Altamira in 1995 and in 1996 established Tuscarora Capital Inc., an affiliated dealer of Front Street Investment Management Inc., with Mr. Gary Selke. Mr. Lamarche manages the portfolios of the Fund, Front Street Energy and Power Performance Offshore Fund Inc., Front Street Energy Venture Fund Ltd. and Front Street Energy Growth Fund. He also co-manages the portfolios of CIBC Precious Metals Fund, CIBC Energy Fund and the Front Street Flow-Through Limited Partnerships. Mr. Lamarche holds a Bachelor of Arts degree in economics from Carleton University.

The portfolio advisor agreement between the Fund and the Investment Advisor dated March 10, 2003 (the "Portfolio Advisor Agreement") provides that the Investment Advisor will manage the investments of the Fund in accordance with the fundamental investment objectives and investment strategies. This agreement may be terminated by either party upon 90 days' written notice.

Directors, Officers and Trustee

As a trust, the Fund does not have directors or officers. Under the Trust Agreement, RBC Investor Services Trust, Toronto, Ontario (the "Trustee"), is the trustee of the Fund. The Trustee may resign, or be removed by the Manager, upon 90 days' written notice. For the year ended December 31, 2014, the Fund paid \$46,553 to the Trustee for its services as trustee and custodian.

Custodial Services

Under the Trust Agreement, RBC Investor Services Trust, Toronto, Ontario, is the custodian of the Fund's portfolio.

Registrar

Citigroup Fund Services Canada, Inc., Toronto, Ontario, is the Fund's registrar.

Auditors

The auditors of the Fund are Segal LLP, Chartered Professional Accountants, Toronto, Ontario.

Securities Lending

The Manager will be responsible for setting and reviewing any securities lending agreements. If a securities lending agent is appointed for the Fund, such agent will be responsible for the ongoing administration of the securities loans, including the obligation to mark-to-market collateral on a daily basis. The Fund has not yet engaged in, and does not currently intend to engage in, any securities lending, repurchase or reverse purchase transactions. Prior to commencing any securities lending, the Manager will adopt written policies and procedures that prescribe the risk management procedures applicable to securities lending.

CONFLICTS OF INTEREST

As of the date of this annual information form, the effective ownership interests in the Manager are as follows:

<u>Name and Address</u>	<u>Equity Capital</u>	<u>Percentage Interest</u>
Lamarche Partner Corporation ¹	\$27.92	27.92%
Selke Partner Corporation ²	\$27.92	27.92%
Mersch (AFAB) Partner Corporation ³	\$27.92	27.92%
Mistere Partner Corporation ⁴	\$5.00	5.00%
Hryma Partner Corporation ⁵	\$4.25	4.25%
Porter Partner Corporation ⁶	\$3.50	3.50%
Fontana Partner Corporation ⁷	\$3.50	3.50%

^{1.} All of the voting securities of this corporation are directly owned by 1582568 Ontario Inc., a company controlled by Normand Lamarche.

^{2.} All of the voting securities of this corporation are directly owned by Rolling Range (1997) Inc., itself owned by Brandy Rock Holdings Ltd., a company controlled by Gary Selke.

^{3.} All of the voting securities of this corporation are directly owned by Milisenic Limited, a company controlled by Frank Mersch.

^{4.} All of the voting securities of this corporation are directly owned by Mistere Holdings Ltd., a corporation controlled by the Conway Family Trust.

^{5.} All of the voting securities of this corporation are directly owned by 2190621 Ontario Inc., a corporation controlled by Linda Hryma.

^{6.} All of the voting securities of this corporation are controlled by Craig Porter.

^{7.} All of the voting securities of this corporation are controlled by Christopher Fontana.

As of the date of this Annual Information Form, the officers of the Manager (i) indirectly owned 100% of the interest in the Manager and (ii) 100% of the voting shares and 100% of the non-voting shares of the Investment Advisor.

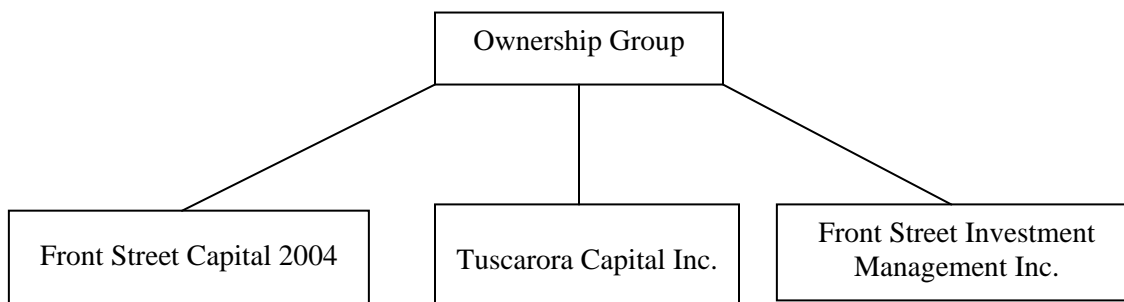
As at the date of this Annual Information Form, to the knowledge of the Manager, there was no person or company that owned of record or beneficially, directly or indirectly, more than 10% of the outstanding units of any series of the Fund.

Principal Holders of Securities

The Independent Review Committee members in aggregate do not beneficially own, directly or indirectly, more than 10% of the securities of the Fund.

AFFILIATED ENTITIES

Members of the ownership group of the Manager also own the Investment Advisor and Tuscarora as shown in the diagram below:



Tuscarora is an IIROC regulated investment dealer affiliated with the Investment Advisor in that Tuscarora's ultimate shareholders are the same as the ultimate shareholders of the Investment Advisor. The voting shareholders of the Investment Advisor and Tuscarora are: Rolling Range 1997 Inc. (30.25%); Milisenic Limited (30.25%); 1582568 Ontario Inc. (30.25%); Mistere Partner Corporation (5.0%), each of which is controlled, directly or indirectly, by Gary P. Selke, Frank L. Mersch, Normand G. Lamarche and a trust established for the benefit of David A. Conway and his family, respectively; and Linda Hryma (4.25%).

The amount of fees received from the Fund by Front Street Investment Management Inc. and Tuscarora Capital Inc., if any, are disclosed in the audited financial statements of the Fund.

INVESTMENT RESTRICTIONS

The Fund is subject to certain restrictions and practices contained in securities legislation, including National Instrument 81-102 *Investment Funds* ("NI 81-102"), which are designed in part to ensure that the investments of the Fund are diversified and relatively liquid and to ensure the proper administration of the Fund. These restrictions and practices may only be varied with the prior consent of the Canadian Securities Administrators.

The Fund qualifies as a mutual fund trust under the *Income Tax Act* (Canada) (the "Tax Act"). The Fund has so qualified throughout the last year and the Manager expects that the Fund will continue to so qualify at all material times. The Fund will therefore not engage in any undertaking other than the investment of its funds in property for the purposes of the Tax Act and will not do or omit to do anything which would cause it not to be a mutual fund trust for purposes of the Tax Act. See "*Canadian Federal Income Tax Considerations*".

Units of the Fund are qualified investments for registered plans (i.e., trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax-free savings accounts) under the Tax Act. The Fund is a registered investment under the Tax Act. The Manager expects the Fund to continue to be registered as a registered investment at all material times.

While the Manager did not raise any conflict of interest matters with the IRC in the last fiscal year of the Fund, the Manager acted in the following conflicts of interest matters where the IRC had previously provided Standing Instructions in accordance with the Manager's Conflict of Interest Policies:

- a) execution of fund trades through Tuscarora (including the receipt by Tuscarora of associated commissions);
- b) inter-fund trading by the Fund; and
- c) allocation of trades amongst funds at the discretion of the Manager. Any change in the fundamental investment objectives of the Fund may only be made with the consent of the majority of the unitholders at a meeting called to consider such a matter.

DESCRIPTION OF UNITS

The Units

The capital of the Fund consists of an unlimited number of units, available in three different series, Series A, B and F. Each unit is entitled to one vote at all meetings of unitholders. Each unit is entitled to receive an equal portion of all payments made to unitholders of the relevant series in the form of income or capital distributions (other than in respect of management fee distributions and redemption distributions, if any) and participate equally with all other units of the same series in the net assets of the Fund remaining after satisfaction of outstanding liabilities if the Fund is liquidated. Units will be fully paid and non-assessable when issued. Unitholders are entitled to redeem units. The units are not transferable except on the death or bankruptcy of a unitholder or in certain other circumstances. The rights which attach to the units may only be changed by amending the Trust Agreement.

Changes to the Trust Agreement

The Trust Agreement may be amended by the Manager to (i) comply with applicable laws affecting the Fund, (ii) provide additional protection to unitholders, or (iii) correct any ambiguity, error or omission so long as the rights of unitholders are not prejudiced. The Manager, with the consent of the Trustee and without the approval of unitholders, may make certain amendments to the Trust Agreement upon 60 days written notice to unitholders, so long as such amendment does not reduce the amount payable upon liquidation of the Fund or reduce the voting rights of unitholders. Amendments to the Trust Agreement, other than those above, may be made with the consent of unitholders given by those unitholders at a meeting duly called to consider the change.

Changes Requiring Unitholder Approval

NI 81-102 stipulates that the following changes to the Fund may only be made with the consent of the majority of the unitholders of the Fund at a meeting called to consider the matter:

1. any change in the basis of calculating the fees or other expenses that are charged to the Fund, or directly to unitholders by the Fund or the Manager, which could result in an increase in charges to the Fund or to its unitholders;

2. the introduction of a new fee or expense, to be charged to the Fund or its unitholders by the Fund or the Manager, that could result in an increase in charges to the Fund or to its unitholders;
3. any change in the manager of the Fund (other than to an affiliate of the manager);
4. any change in the fundamental investment objectives of the Fund;
5. any decrease in the frequency of calculating the net asset value per unit or share of the Fund;
6. the Fund undertakes a reorganization with, or transfers assets to, another mutual fund, if (i) the Fund ceases to continue after the reorganization or transfer of assets, and (ii) the transaction results in unitholders of the Fund becoming securityholders in the other mutual fund;
7. the Fund undertakes a reorganization with, or acquires assets from, another mutual fund, if (i) the Fund continues after the reorganization or acquisition of assets, (ii) the transaction results in the securityholders of the other mutual fund becoming unitholders in the Fund, and (iii) the transaction would be a significant change to the Fund; or
8. any restructuring of the Fund into a non-redeemable investment fund or into an issuer which is not an investment fund.

Valuation of Portfolio Securities and Calculation of Net Asset Value

The Fund's net asset value on a Valuation Day (as defined below) shall be the sum of each of the series of units' net asset values on that Valuation Day. The price of a unit or share of the Fund is equal to the net asset value of the Fund per series unit or share. The net asset value per series unit is currently calculated at 4:00 p.m. on each Valuation Day or such other time as the Manager may determine. A "Valuation Day" for the Fund is any day on which the Toronto Stock Exchange is open for business, and in any event, December 31 of each year or any such other day as determined by the Manager. The net asset value per security is equal to the quotient obtained by dividing the net asset value of the series (being the value of the applicable assets of the Fund calculated using the formula set out below, less its applicable liabilities) by the total number of units of that series outstanding on that date.

In computing the Fund's net asset value or a series' net asset value, the aggregate amount of the liabilities of the Fund or series will be subtracted from the aggregate amount of the assets of the Fund or series, considering the following:

- (a) the value of any cash on hand, on deposit or on call, bills, demand notes and accounts receivable, prepaid expenses, cash distributions received (or to be received, if declared to security holders of record on a date before the date as of which the net asset value is being determined) and interest accrued and not yet received, shall be deemed to be the full amount thereof but if the Manager has determined that any deposit, bill, demand note or account receivable is not worth the full amount thereof, the value thereof shall be deemed to be such value as the Manager determines to be the fair value thereof;
- (b) the value of treasury bills shall be the amount paid to acquire the obligation plus the amount of any interest accrued on such obligation since the time of acquisition;
- (c) the value of any security which is a debt obligation which, at the time of acquisition, had a remaining term to maturity of 365 days or less shall be marked to market;

- (d) the value of any security or commodity which is listed or dealt in upon a stock or commodities exchange shall be determined by taking the latest available sale price of recent date, or lacking any recent sales or any record thereof, at a price, determined by the Manager, which shall be no higher than the latest available ask price and no lower than the latest available bid price, as at the valuation time on the valuation day on which the net asset value is being determined, all as reported by any means in common use;
- (e) the value of any security or commodity which is not listed or dealt in upon any exchange shall be determined on the basis of such price or yield equivalent quotations (which may be public quotations or may be obtained from major market makers) as the Manager determines best reflects its fair value;
- (f) the value of any security, the resale of which is restricted or limited by reason of a representation, undertaking or agreement by the Fund or by the Fund's predecessor in title, shall be based on the value otherwise determined based on the valuation principles set forth herein, less a discount of 2% per month for each month during the term of the restricted period, to a maximum of four months;
- (g) the value of any clearing corporation option shall be its current market value, determined in accordance with the principles herein set out; provided that (A) where a covered clearing corporation option is written, the premium received shall be offset by a deferred credit which shall be valued at an amount equal to the current market value of an option that would have the effect of closing the position; (B) any difference resulting from revaluation shall be treated as an unrealized gain or loss on investment; (C) the deferred credit shall be deducted in arriving at the net asset value of the Fund or series and (D) the securities which are the subject of a clearing corporation option shall be valued as provided above;
- (h) the value of a futures or a forward contract shall be the gain or loss with respect thereto that would be realized if, on the valuation day, the position in the futures contract or the forward contract, as the case may be, were closed out unless "daily limits" are in effect, in which case fair value shall be based on the current market value of the underlying interest;
- (i) the value of any security or property to which, in the opinion of the Manager, the above principles cannot be applied (whether because no price or yield equivalent quotations are available as above provided, or for any other reason) shall be the fair value thereof determined in such manner as the Manager from time to time provides;
- (j) the liabilities of the Fund or series shall be deemed to include:
 - (i) all bills, notes and accounts payable;
 - (ii) all administrative expenses payable or accrued, or both (including management fees);
 - (iii) all contractual obligations for the payment of money or property, including any amount of cumulative net income or cumulative net capital gains to become payable at the valuation time as of which the net asset value of the Fund or series is being determined to unitholders who are unitholders at the record time on the immediately preceding valuation day;

- (iv) all allowances authorized or approved by the Manager for taxes (if any) or contingencies; and
 - (v) all other liabilities of the Fund or series of whatsoever kind and nature, except liabilities represented by outstanding units of the Fund or series;
- (k) Fund transactions, being transactions of purchase and sale of an investment effected by the Fund, shall be reflected in the computation of the net asset value of the Fund or series not later than the first such computation made after the date on which any transaction becomes binding;
- (l) where a subscription for units has been accepted by the Manager, the units so subscribed for shall be deemed to become outstanding immediately after the valuation time as at which the net asset value which was the offering price of the units was determined and as at the same time as such units are so deemed to become outstanding, the subscription price shall be deemed to be an asset of the Fund or series;
- (m) where a notice of redemption of units has been received by the Manager, such units shall be deemed to have been redeemed and ceased to be outstanding immediately after the valuation time as at which the net asset value is computed for purposes of the redemption of the units and thereafter, until paid, the redemption price shall be deemed to be a liability of the Fund or series;
- (n) all liquid assets and securities of the Fund valued in terms of currency other than Canadian dollars and contractual obligations payable to the Fund in currency other than Canadian dollars and all obligations payable by the Fund in currency other than Canadian dollars shall be translated into Canadian dollars at the applicable rate of exchange prevailing at the valuation time, as determined by the Manager; and
- (o) management fee distributions shall not be included in the assets of the Fund for purposes of determining the net asset value of the Fund or series at any valuation time after the declaration of such a distribution.

The Fund is required under National Instrument 81-106 - *Investment Fund Continuous Disclosure* to calculate its net asset value using “fair value”. The Manager believes that the valuation principles set forth above will result in a calculation of the fair value of the Fund. For financial statements reporting purposes, on the other hand, the Fund is required to follow International Financial Reporting Standards, which include IAS 32 – Financial instruments: presentation and IAS 39 – Financial instruments: recognition and measurement of the CPA Canada Handbook. This may result in a calculation of a different net asset value for Fund transaction purposes (such as purchasing or redeeming units) than for financial statement reporting purposes. The notes to the Fund’s financial statements will include a reconciliation of the net asset values calculated for purposes of determining the purchase price or redemption price of the Fund’s units and the net asset values calculated for financial statement reporting purposes.

The redemption or purchase price of units of a series of the Fund is based on the Fund’s series net asset value next determined after receipt of the written redemption or purchase order.

The net asset value of the Fund and of each series of units will be made available on the Manager’s website at www.frontstreetcapital.com and will be available at no cost to the public.

PURCHASES, SWITCHES AND REDEMPTIONS

Units of the Fund are offered for sale to residents of Canada over the age of majority on a continuous basis, which means you can purchase, switch, convert or redeem any number of units of the Fund on any Valuation Day. You may buy units of the Fund by contacting your broker, dealer or adviser. We believe there is a limit (capacity) to the amount of money we can manage while preserving the integrity of our investment process. Therefore, as a commitment to our existing clients, we may close the Fund to new clients or new purchases, on a Series basis, in advance of any potential capacity constraints. Please note that individual series within the Fund may be assigned different closure dates.

Units of the Fund are categorized into series, each of which is targeted at a specific type of investor. Series F units are available to investors who participate in certain programs or are members of certain groups, including investors who participate in fee-based programs through their broker, dealer or adviser. These investors pay an annual fee for ongoing financial planning advice. We reduce or eliminate the commissions or service fees paid to their broker, dealer or adviser.

We charge a lower management fee on Series F units because our distribution and servicing costs are reduced. You can only buy Series F units if we and your broker, dealer or adviser approve it first. Your broker, dealer or adviser's participation in the Series F program is subject to our terms and conditions.

If we become aware that you no longer qualify to hold Series F units of the Fund, we may exchange your units for Series A units of the Fund after we give you 10 days' notice.

Series A and Series B units of the Fund are also available. You will pay a deferred sales charge if you purchase Series A units and redeem your units within a specified time period. The charge is based on the original cost of your units and how long you held them. When you purchase Series B units, your broker, dealer or advisor may charge a commission fee of up to 5% at the time of purchase which will reduce the amount of money you invest in the Fund. 5% of the purchase price represents 5.26% of the net amount you invest. The choice of different purchase options affects the amount of compensation paid by a member of the organization of the mutual fund to the dealer.

Your purchase order should be sent to your broker, dealer or adviser. Cheques should be made payable to "Front Street Growth Fund" or "Citigroup Fund Services Canada, Inc." We do not issue certificates representing units of the Fund.

If your cheque is returned or we do not otherwise receive payment within three business days (not including the day the net asset value of the Fund is determined), we will cancel your order and redeem the units. If we redeem the units for more than you paid, the difference will go to the Fund. If we redeem the units for less than you paid, your broker, dealer or adviser will be required to reimburse the Fund for the difference, including any additional costs, expenses and lost interest. You may then be responsible to your broker, dealer or adviser depending upon your arrangements with your broker, dealer or adviser.

You may redeem units by providing us with a written request. Your signature must be guaranteed by a Canadian chartered bank, a trust company, or an investment dealer acceptable to us. When redeeming units you must indicate the number of units you wish to redeem. This number may include fractional units. The redemption or purchase price of units of a series of the Fund is based on the net asset value per series security next determined after receipt of the written redemption or purchase order.

If you redeem or switch units of the Fund within 90 days of purchase, we reserve the right to charge a short-term trading fee of up to 2% of the net asset value of the units redeemed or switched. This fee will be in addition to any redemption or switch fees that may apply.

As a security measure, telephone or electronically transmitted redemption requests will normally not be accepted. When you redeem units of the Fund, we will send you the proceeds within three business days after the date of calculation of the net asset value per series security used in establishing the redemption price.

If we have not received all documentation needed to settle your redemption request within ten business days, we are required under securities legislation to repurchase your units. If the redemption proceeds are less than the repurchase amount, we will pay the Fund the difference and may seek reimbursement from your broker, dealer or adviser, together with any banking costs charged to the Fund. Your broker, dealer or adviser may be entitled to recover any losses from you. If the redemption proceeds are greater than the repurchase amount, the Fund will keep the difference.

Unitholders who hold units with a minimum net asset value per series security of at least \$10,000, or another amount the Manager may determine, may also be given the opportunity to request monthly redemption of units.

You may switch units of the Fund for units of other open-ended mutual funds managed by the Manager if those units are qualified for sale in the province or territory where you reside and if you meet the minimum initial investment and minimum account balance requirements, as the case may be. You will also have to pay any deferred sales charges, if applicable, and your broker, dealer or advisor may charge you a switch fee. We will only switch your units if you complete the necessary documents and send them to us, and the minimum subscription requirements of the other mutual fund are met. Switching of units is a disposition for income tax purposes and may result in a capital gain or capital loss to a switching unitholder. See “*Canadian Federal Income Tax Considerations*”.

You can convert from one series of units to another series of units of the Fund, as long as you meet the minimum initial investment and minimum account balance requirements, as the case may be. This is called a conversion. You can convert through your broker, dealer or adviser. Your broker, dealer or adviser may charge you a conversion fee. A conversion does not result in a disposition for tax purposes and consequently does not result in a capital gain or capital loss to a converting unitholder. See “*Canadian Federal Income Tax Considerations*.”

Your initial investment in Series A, B or F units of the Fund must be at least \$500. Subsequent investments in Series A, B or F units, must be at least \$100. These minimums also apply to purchases made under a pre-authorized automatic purchase plan.

We may reject a purchase order within two days of receiving it. If we reject your order, we will refund your money immediately.

Suspension of Redemptions

As permitted by the NI 81-102, we may suspend your right to redeem units of the Fund if normal trading is halted or suspended on any stock exchanges, options exchange or derivatives exchange within or outside Canada on which securities are listed and posted for trading or in which derivatives are traded, if those securities or derivatives represent more than 50% by value or underlying market exposure of the total assets of the relevant Fund without allowance for liabilities, if these securities or derivatives are not traded on any other exchange that represents a reasonably practical alternative for the Fund.

If the Manager suspends the right to redeem units in the Fund, it will also suspend the right to purchase units in the Fund.

The suspension may, at the discretion of Front Street Capital, apply to all requests for redemption received prior to the suspension but as to which payment has not been made, as well as to all requests received while the suspension is in effect. If you make a request for redemption during a suspension (unless the suspension lasts for less than 48 hours), you will be advised by Front Street Capital of the suspension and that the redemption will be in effect on the basis of the net asset value per series security determined on the first Valuation Day following the termination of the suspension. You will have and will (unless the suspension lasts for less than 48 hours) be advised that you have the right to withdraw your request for redemption. The suspension will terminate in any event on the first day on which the condition giving rise to the suspension has ceased to exist, provided that no other condition under which a suspension is authorized then exists. To the extent that it is not inconsistent with rules and regulations promulgated by any government body having jurisdiction over the Fund, any declaration or suspension made by Front Street Capital shall be conclusive.

FUND GOVERNANCE

Front Street Capital, which is responsible for the governance of the Fund, has adopted no formal policies, practices or guidelines relating to business practices, sales practices, or risk management controls or internal conflicts of interest. Front Street Capital strives at all times to ensure that the Fund's business and sales practices are of the highest standard, that risk is controlled in accordance with the investment objectives of the Fund, and that any internal conflicts of interest are addressed in an appropriate manner.

Policies Regarding Derivatives

Front Street Capital has adopted no formal policies or procedures which set out the objectives and goals for derivatives trading by the Fund, or any formal risk management procedures. Front Street Capital strives at all times to minimize the risk inherent in derivatives trading by the Fund.

Policies Regarding Short Selling

Prior to engaging in short selling on behalf of the Fund, Front Street Capital will adopt written policies and procedures which set out the objectives and goals for short selling and the risk management procedures applicable to short selling consistent with requirements on short selling imposed by NI 81-102. Front Street Capital is responsible for setting and reviewing these policies and procedures, which will be reviewed on an annual basis. The trustee of the Fund will not be involved in the risk management process.

Front Street Capital's Management Committee will be responsible for authorizing the trading and placing of limits or such other controls on the trading. No individuals or groups will monitor the risks independently of those who trade and no risk measurement procedures or simulations will be used to test the portfolio under stress conditions.

Proxy Voting Policies and Procedures

The proxies associated with securities held by the Fund will be voted in accordance with the best interests of the unitholders of the Fund determined at the time the vote is cast. The Investment Advisor maintains policies and procedures that are designed to be guidelines for the voting of proxies; however, each vote is ultimately cast on a case-by-case basis, taking into consideration the relevant facts and circumstances at the time of the vote. Any conflict of interest must be resolved in a way that most benefits unitholders of the Fund. The Investment Advisor's proxy voting policies and procedures set out various considerations that the Investment Advisor will address when voting, or refraining from voting, proxies, including the following:

- (a) *Routine Matters* – The Investment Advisor will generally vote with management on routine matters such as voting on the size and composition of the board of directors, appointing

external auditors and adopting or amending management compensation plans unless it is determined that supporting management's position would not be in the best interests of unitholders of the Fund.

- (b) *Non-Routine Matters* – The Investment Advisor will address on a case-by-case basis, non-routine matters, including those business issues specific to the issuer such as shareholder rights plans, corporate restructuring plans and takeover bids, or proposals made by shareholders, with a focus on the potential impact of the vote on the Fund's value.
- (c) *Procedures* – The Investment Advisor will log proxies received and ensure they are dealt with and that a voting record is maintained. The Investment Advisor will, prior to voting, review and analyze the content of the circular, management performance, corporate governance and any other factors considered relevant by the Investment Advisor. The Investment Advisor has the discretion whether or not to vote on routine or non-routine matters. In cases where the Investment Advisor determines that it is not in the best interests of the unitholders of the Fund to cast a vote, or in cases where no value is added by voting, there is no requirement to vote. Decisions on voting that deviate from standing policy will be approved by the Chief Compliance Officer of the Investment Advisor.

The proxy voting policies and procedures followed by the Fund when voting proxies relating to portfolio securities are available on request, at no cost, by calling 1 (800) 513-2832 or by writing to the Manager at 33 Yonge Street, Suite 600, Toronto, Ontario, M5E 1G4. The Fund's proxy voting record for the most recent period ended June 30 of each year will be available free of charge to any unitholder of the Fund upon request at any time after August 31 of that year. The proxy voting record is also available at www.frontstreetcapital.com.

Independent Review Committee

The IRC, is responsible for reviewing, and if desirable providing input on, the Fund's written policies and procedures on conflicts of interest involving the Fund. The IRC will also review conflicts of interest matters referred to it by the Investment Advisor. The current members of the IRC are John Clarke (Chairman), Frank Cooper and Gary Huggins.

John N. Clarke is an experienced director of an investment fund management company and has considerable management and committee experience in large public companies and industry associations. He also has considerable human resources management and corporate governance experience. Prior to being appointed to the Front Street Capital 2004 Independent Review Committee, Mr. Clarke served as Vice-President and General Manager, North America Chlorate Operations for ERCO Worldwide, a division of Superior Plus Inc. From 1974 to 2005, Mr. Clarke held a number of positions at BASF Canada, the Cdn\$1 billion Canadian subsidiary of one of the world's largest integrated chemical companies, including Vice President, Consumer Products, Life Sciences, Coatings & Colourants, from 1991-1999, and President from 1999-2005. Mr. Clarke has also served as a member of the Compliance Committee for a number of Front Street Capital funds that are listed on the TSX.

Frank B. Cooper is the principal of Cooper Estate & Trust Services, a firm providing family office services to high net-worth families and accounting services to the Canadian trust industry. Mr. Cooper has over 40 years' experience in the trust industry, including 18 years with a major Toronto law firm and five years as a Vice-President and Fiduciary Services Director at the Bank of Bermuda. Mr. Cooper is an associate member of the UK Institute of Bankers (Trustee Diploma) and a member of the Trust Companies Institute in Canada.

Gary W. Huggins is a Managing Director/Owner in the Toronto office of Boyden Global Executive Search, specializing in senior-level searches for technology, industrial and supply chain companies. Mr. Huggins was a founder and Managing Partner with a Toronto-based boutique search firm that was merged in 2007 into the Toronto office of Boyden Global Executive Search. He was previously a Managing Director in Korn/Ferry International's Toronto office and head of their Advanced Technology practice for Canada. Prior to joining Korn/Ferry, Mr. Huggins was Founder, Chairman and Chief Executive Officer of Nuvo Network Management Inc., a publicly traded company focused on delivering comprehensive telecommunications network operations solutions to companies. He previously held the position of Vice Chairman and Chief Executive Officer for SoftKey Software Products Inc., a publicly traded consumer software package distributor, which ultimately became The Learning Company. Mr. Huggins also has considerable community involvement and leadership experience. With this extensive and diverse background, Mr. Huggins has gained significant experience and expertise with human resources and strategic planning issues. Mr. Huggins has a Bachelor of Arts Degree in Economics from the University of Waterloo.

Each member is independent as that term is defined under National Instrument 81-107 Independent Review Committee for Investment Funds. As at July 3, 2015, (i) the aggregate percentage of securities of each class or series of voting or equity securities beneficially owned, directly or indirectly, by members of the IRC did not exceed 10%; (ii) no member of the IRC beneficially owned, directly or indirectly, any class or series of voting or equity securities of the Manager; and (iii) the percentage of securities of each class of voting or equity securities of any person or company that provides services to the Fund or the Manager beneficially owned, directly or indirectly, in aggregate, by all members of the IRC was less than 0.01%.

The chair of the IRC receives an annual retainer of \$30,000 and each other member receives an annual retainer of \$25,000, plus in the case of each member an additional fee per diem of \$1,000 for each meeting attended in person and \$250 for each meeting held by telephone beyond regularly scheduled meetings. These amounts are pro rated among the Fund and the other funds of the Manager for which the IRC acts. For the fiscal year of the Fund ended December 31, 2014, the Fund paid an aggregate of \$12,251 to the IRC.

Short-Term Trading

The Manager has not entered into any arrangements with a person to permit that person to engage in short-term trading in the Fund's units. No individuals or groups will monitor those who make short-term trades of the units.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following general summary does not constitute tax advice to anyone. A person who is considering investing in units of the Fund is advised to consult his or her own tax adviser with respect to his or her particular tax position.

As of the date of this annual information form, the following is a general summary of the principal Canadian federal income tax considerations for holders of units of the Fund who are individuals (i.e., not corporations, partnerships, or trusts other than Registered Plans dealt with below), who are resident in Canada, who deal with the Fund at arm's length and are not affiliated with the Fund and who hold the units of the Fund as capital property for the purposes of the Tax Act. Generally, units will be considered to be capital property to a holder of units provided that such holder does not hold the units in the course of carrying on a business and has not acquired them in one or more transactions considered to be an adventure in the nature of trade. Certain unitholders who might not otherwise be considered to hold their units as capital property may, in certain circumstances, be entitled to have their units (and any other "Canadian securities" owned by them in the taxation year of the election or subsequently acquired by them) treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. This summary does not apply to a holder

of units of the Fund who has entered or will enter into a “derivative forward agreement” as that term is defined in the Tax Act with respect to the units of the Fund.

This summary is based on the current provisions of the Tax Act and the regulations to the Tax Act (the “Regulations”), the published administrative policies and assessing practices of the Canada Revenue Agency (the “CRA”) made public prior to the date hereof, and proposals to amend the Tax Act and Regulations released by the federal government to the public before the date of this annual information form (“Tax Proposals”). This summary assumes that the Tax Proposals will be enacted as proposed. No assurances can be given that the Tax Proposals will be enacted in the form currently proposed, or at all.

This summary is not exhaustive of all possible Canadian federal income tax considerations and, except for the Tax Proposals, does not take into account or anticipate any change in law or administrative policy or assessing practice, whether by legislative, governmental or judicial decision or action, nor does it take into account or consider any provincial, territorial or foreign tax legislation or consideration. Unitholders should consult their own tax advisors for advice having regard to their specific circumstances and in particular the income tax considerations relating to the deductibility of interest on money borrowed to acquire units.

This summary is premised on the assumption that at all material times the Fund qualifies and will continue to qualify as a mutual fund trust and is registered with CRA and will continue to be so registered as a registered investment under the Tax Act for certain Registered Plans. In order for the Fund to so qualify, it must satisfy various requirements which the Manager believes have been satisfied, including minimum distribution requirements relating to the units and a requirement that it has not been established or maintained primarily for the benefit of non-residents unless, at that time, substantially all of its property is property other than “taxable Canadian property” (if the definition of such term in the Tax Act were read without reference to paragraph (b) thereof). The Fund has made an election so that it qualified under the Tax Act as a mutual fund trust from the commencement of its first taxation year. In the event the Fund were not to qualify as a mutual fund trust at all times, the income tax consequences described below would, in some respects, be materially different.

This summary is based on the assumption that none of the issuers of the securities comprising the portfolio of the Fund is a controlled foreign affiliate of the Fund or any holder of units and that none of the securities comprising the portfolio of the Fund is a tax shelter investment.

Further, this summary assumes that none of the securities held by the Fund will be: (i) securities of or an interest in any non-resident entity, an interest in or a right or option to acquire such property, or an interest in a partnership which holds any such property if the Fund (or the partnership) would be required to include any significant amounts in income pursuant to section 94.1 of the Tax Act, (ii) an interest in a trust (or a partnership which holds such an interest) which would require the Fund (or the partnership) to report income in connection with such interest pursuant to the rules in section 94.2 of the Tax Act, or (iii) any interest in a non-resident trust (or a partnership which holds such an interest) other than an “exempt foreign trust” for the purposes of section 94 of the Tax Act.

This summary is also based on the assumption that the Fund will at no time be a “SIFT trust” as defined in the rules in the Tax Act relating to the tax for SIFT trusts and SIFT partnerships (the “SIFT Rules”). One of the conditions for a trust to be a SIFT trust is that investments in the trust must be listed or traded on a stock exchange or other public market, which includes a trading system or other organized facility on which securities that are qualified for public distribution are listed or traded, but does not include a facility that is operated solely to carry out the issuance of a security or its redemption, acquisition or cancellation by the issuer. The units are not and will continue not to be listed or traded on a stock exchange and it is not expected that the units will trade on any other trading system or organized facility. On this basis, the Fund should not be a SIFT trust.

Tax Status of the Fund

As a mutual fund trust, the Fund is generally subject to tax in each taxation year on the amount of its net income for the taxation year, including net realized taxable capital gains, less the portion of net income and net realized taxable capital gains that is paid or made payable to unitholders in the year.

The Fund intends to pay or make payable to unitholders, on or before the end of each taxation year, that portion of the amount of its net income and net taxable capital gains, if any, as is required so that it will not incur any liability for tax under Part I of the Tax Act for the year (taking into account the Fund's capital gains refund). The "suspended loss" rules in the Tax Act may prevent the Fund from recognizing capital losses on the disposition of securities in certain circumstances which may increase the amount the Fund must make payable to unitholders.

The Fund will be required to include in its income for each taxation year any dividends received (or deemed to be received) by it in such year and all interest that accrues to it to the end of the year, or becomes receivable or is received by it before the end of the year, except to the extent that such interest was included in computing its income for a preceding taxation year. Upon the actual or deemed disposition of indebtedness, the Fund will be required to include in computing its income for the year of disposition all interest that accrued on such indebtedness from the last interest payment date to the date of disposition except to the extent such interest was included in computing the Fund's income for that or another taxation year and such income inclusion will be excluded from the proceeds of disposition for purposes of computing any capital gain or loss.

In computing its income for tax purposes, the Fund may deduct reasonable administrative and other expenses incurred to earn income. Losses incurred by the Fund cannot be allocated to unitholders but may, subject to certain limitations, be deducted by the Fund from its net realized taxable capital gains or net income in subsequent years in accordance with the Tax Act.

The Fund intends to treat and report transactions undertaken in respect of portfolio securities on capital account. Generally, the Fund will be considered to hold such portfolio securities on capital account unless the Fund is considered to be trading or dealing in securities or otherwise carrying on a business of buying and selling securities or the Fund has acquired the securities in a transaction or transactions considered to be an adventure in the nature of trade. The Fund has elected in accordance with the Tax Act to have each of its properties which are "Canadian securities" within the meaning of the Tax Act, including Canadian securities acquired in connection with a short sale of such Canadian securities, be deemed to be capital property to the Fund. Gains and losses in respect of certain derivatives, including short sales of securities, may be treated as being on income account, except where such derivatives are used to hedge securities in the Fund's portfolio held on capital account provided there is sufficient linkage and subject to the DFA Rules discussed below or the short sale is a short sale of "Canadian securities" within the meaning of the Tax Act.

The Tax Act contains certain rules (the "DFA Rules") that target certain financial arrangements (described in the DFA Rules as "derivative forward agreements") that seek to reduce tax by converting, through the use of derivative contracts, the return on an investment that would have the character of ordinary income to capital gains. The DFA Rules are broad in scope and could apply to other agreements or transactions (including certain forward currency contracts). If the DFA Rules were to apply in respect of derivatives utilized by the Fund, gains realized in respect of the property underlying such derivatives could be treated as ordinary income rather than capital gains.

With respect to an income fund that is a trust resident in Canada whose securities are included in the portfolio and held as capital property for the purpose of the Tax Act, and that is not subject in a taxation year to the tax under the SIFT Rules, the Fund is required to include in the calculation of its income such portion of the net

income and the taxable portion of net realized capital gains of such income fund as is paid or becomes payable to the Fund in the year, notwithstanding that certain of such amounts may be reinvested in additional securities of the income fund. Provided appropriate designations are made by the income fund, any net taxable capital gains realized by the income fund, foreign source income, and taxable dividends received by the income fund from taxable Canadian corporations that are paid or become payable to the Fund will effectively retain their character as such in the hands of the Fund.

The Fund is generally required to reduce the adjusted cost base of units of such income fund owned by the Fund to the extent that all amounts paid or payable in a year by the income fund to the Fund exceed the amounts included in the income of the Fund for the year plus the Fund's share of the non-taxable portion of capital gains of such income fund for the year, the taxable portion of which was designated in respect of the Fund. To the extent that the adjusted cost base of those units becomes a negative amount, the negative amount will be deemed to be a capital gain realized by the Fund and the Fund's adjusted cost base of such units will be increased by the same amount.

With respect to an income fund that is a limited partnership that is a "Canadian partnership" for the purposes of the Tax Act whose securities are included in the portfolio and held as capital property for the purpose of the Tax Act, and that is not subject in a taxation year to the tax under the SIFT Rules, the Fund is required to include or, subject to certain restrictions, is entitled to deduct, in computing its income, its share of the net income or loss for tax purposes of the income fund allocated to the Fund for the fiscal period of the income fund ending in the Fund's taxation year, whether or not a distribution is received. In general, the adjusted cost base to the Fund of the securities of such an income fund at a particular time will be equal to the actual cost of such securities plus the share of the income of the income fund allocated to the Fund for fiscal years of the income fund ending before the particular time less the share of losses of the income fund allocated to the Fund for fiscal years of the income fund ending before the particular time, and less the Fund's share of any distributions received from the income fund before the particular time. If the adjusted cost base to the Fund of the securities of such an income fund would otherwise become negative at the end of the fiscal year of the limited partnership, such negative amount is deemed to be a capital gain realized by the Fund and the Fund's adjusted cost base of such securities is increased by the amount of such deemed capital gain.

Under the SIFT Rules, each income fund in the portfolio that is a SIFT trust or SIFT partnership (which will generally include certain trusts, other than certain REITs, and certain partnerships, the units of which are listed or traded on a stock exchange or other public market) will be subject to a special tax in respect of (i) income from business carried on in Canada, and (ii) certain income (other than taxable dividends) and capital gains in respect of "non-portfolio properties" (collectively, "Non-Portfolio Earnings"). The SIFT Rules provide that Non-Portfolio Earnings that are earned by a partnership that is a SIFT partnership, or are distributed by a trust that is a SIFT trust to its unitholders, will be taxed at a rate that is equivalent to the federal general corporate tax rate plus a prescribed amount on account of provincial tax. The SIFT Rules stipulate that any Non-Portfolio Earnings that become payable by an income fund that is a SIFT trust, or that are earned by a partnership that is a SIFT partnership, will generally be taxed as though they were a taxable dividend from a taxable Canadian corporation and will be deemed to be an "eligible dividend" subject to the enhanced gross-up and dividend tax credit rules in the Tax Act.

The Fund may hold portfolio securities that are not denominated in Canadian dollars. Proceeds of disposition of securities, distributions, interest and all other amounts will be determined for the purposes of the Tax Act in Canadian dollars at the exchange rate determined in accordance with the detailed rules in the Tax Act in that regard. The Fund intends to take the position that gains or losses in respect of foreign currency hedges entered into in respect of amounts invested in its portfolio will constitute capital gains and capital losses to the Fund if the portfolio securities are capital property to the Fund and there is sufficient linkage, subject to the DFA Rules discussed above. The Fund may realize gains or losses by virtue of the fluctuation in the value of foreign currencies relative to Canadian dollars.

The Fund may derive income or gains from investments in countries other than Canada and, as a result, may be liable to pay income or profits tax to such countries. To the extent that such foreign tax paid does not exceed 15% of such amount and has not been deducted in computing the Fund's income, the Fund may designate a portion of its foreign source income in respect of a unitholder so that such income and a portion of the foreign tax paid by the Fund may be regarded as foreign source income of, and foreign tax paid by, the unitholder for the purposes of the foreign tax credit provisions of the Tax Act. To the extent that such foreign tax paid by the Fund exceeds 15% of the amount included in the Fund's income from such investments, such excess may generally be deducted by the Fund in computing its income for the purposes of the Tax Act.

The Fund will be entitled for each taxation year throughout which it is a mutual fund trust to reduce (or receive a refund in respect of) its liability, if any, for tax on its net realized capital gains by an amount determined under the Tax Act based on the redemptions of units during the year ("capital gains refund"). In certain circumstances, the capital gains refund in a particular taxation year may not completely offset the tax liability of the Fund for such taxation year which may arise upon the sale of securities in connection with redemptions of units.

Tax Status of Unitholders

Distributions

Generally, each unitholder who is not exempt from tax will be required, in each taxation year, to include in computing his or her income that portion of the net income and net realized taxable capital gains, if any, of the Fund that is paid or payable to the unitholder in the year (whether such amount is paid in cash, reinvested in additional units or by way of management fee distributions).

A unitholder may be subject to tax on income or capital gains earned by the Fund before the unitholder acquired the units, to the extent such amounts are distributed after the unitholder acquired the units, and despite the fact that such income or gains are reflected in the cost of the units acquired.

The Fund intends to make appropriate designations under the Tax Act so that those portions of the income of the Fund paid or payable to a unitholder that relate to taxable dividends received from taxable Canadian corporations, net realized taxable capital gains and income from foreign sources will retain the same character and source for income tax purposes in the hands of the unitholder as to the Fund. Amounts designated by the Fund as taxable dividends received from taxable Canadian corporations and distributed to a unitholder will generally be subject to the dividend gross-up and tax credit rules applicable to taxable dividends paid to an individual by a taxable Canadian corporation. An enhanced gross-up and dividend tax credit is available on "eligible dividends" received from a corporation that are so designated by the corporation.

Adjusted Cost Base of Units

The "adjusted cost base" (as that term is defined in the Tax Act) to a holder of units is generally the price he or she paid for the units (including any up-front sales commission), subject to adjustments under the Tax Act. Generally, such adjustments include an addition for the amount of reinvested distributions on the units, a reduction for the capital returned in any distribution and a reduction the adjusted cost base of units previously redeemed.

Under the Tax Act, the Fund is permitted to deduct in computing its income for a taxation year an amount which is less than the amount of its distributions of income for the year to the extent necessary to enable the Fund to utilize, in the taxation year, losses from prior years without affecting the ability of the Fund to distribute its income annually. Such amount distributed to a unitholder but not deducted by the Fund will not be included in the unitholder's income. However, the adjusted cost base of the unitholder's units will be

reduced by that amount. Any amount in excess of the unitholder's share of the net income (including taxable capital gains) and the non-taxable portion of the capital gains of the Fund, the taxable portion of which was allocated and designated as payable to the unitholder, that is paid or payable to a unitholder in a year will constitute a return of capital and should not be included in computing his or her income for the year. However, any such excess amount which is paid or payable as a distribution will generally reduce the adjusted cost base to the unitholder of his or her units to the extent of such excess. To the extent that the adjusted cost base of a unit would otherwise be less than zero, the negative amount will be deemed to be a capital gain realized by the unitholder from the disposition of the unit and the unitholder's adjusted cost base will be increased by the amount of such deemed capital gain.

If amounts distributed to a unitholder are reinvested in additional units, the reinvestment will affect the adjusted cost base of the units held by the unitholder. Specifically, additional units acquired by a unitholder on a reinvestment will have an initial cost equal to the amount of the distribution so reinvested. For the purposes of determining the adjusted cost base to the unitholder at any time of all of the unitholder's units of a particular series, including those acquired pursuant to the reinvestment, the cost of such newly acquired units will be averaged with the adjusted cost base of all of the unitholder's units of that series of the Fund owned by the unitholder as capital property immediately before that time.

Each unitholder should keep records of the adjusted cost base of his or her units so he or she can calculate any capital gain or capital loss arising on a redemption, switch or other disposition of units.

Dispositions and Redemptions of Units

An actual or deemed disposition of units, including a redemption or a switch of units, will give rise to a capital gain (or a capital loss) to the extent that the proceeds of disposition, less certain disposition costs (including deferred sales charges), exceed (or are exceeded by) the adjusted cost base to the unitholder of the units redeemed, switched or otherwise disposed of. For further discussion on the rules under the Tax Act for the taxation of capital gains see "*Taxation of Capital Gains*" below. Based on the published administrative policies and assessing practices of the CRA, upon a conversion from one series of units to another series of units of the Fund, a unitholder will not be considered to have disposed of the converted units.

Taxation of Capital Gains

Generally, one-half of a capital gain (a "taxable capital gain") realized in a year or a taxable capital gain designated by the Fund in respect of a unitholder in the year must be included in the income of the unitholder for the year for income tax purposes, and one-half of a capital loss (an "allowable capital loss") incurred in a year must be deducted by the unitholder from taxable capital gains in such year, but not from other income. Allowable capital losses in excess of taxable capital gains realized in a year may be carried back three years and carried forward indefinitely, and applied against taxable capital gains in such previous or subsequent years in accordance with the detailed rules in the Tax Act.

In certain situations where a unitholder disposes of units of the Fund and would otherwise realize a capital loss, the loss will be denied. This may occur if the unitholder, the unitholder's spouse or a person affiliated with the unitholder for purposes of the Tax Act (including a corporation controlled by the unitholder) has acquired units of the Fund within 30 days before or after the unitholder disposed of the units, which are considered to be "substituted property". In these circumstances, the capital loss may be deemed to be a "superficial loss" and denied. The amount of the denied capital loss will be added to the adjusted cost base of the units which are substituted property.

Minimum Tax

Individuals (other than certain trusts) are subject to an alternative minimum tax. Net income of the Fund paid or payable to a unitholder that is designated as dividends received on shares of taxable Canadian corporations or net realized taxable capital gains or taxable capital gains realized on the disposition of units of the Fund may give rise to liability for such minimum tax.

Tax Reporting

The Fund will provide unitholders each year with income tax information necessary to complete their income tax returns for the previous year.

Tax Status of Registered Plans

Units of the Fund are “qualified investments” (as that term is defined in the Tax Act) for trusts governed by registered retirement saving plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax-free savings accounts (“Registered Plans”).

The units of the Fund will not be a “prohibited investment” for trusts governed by a tax-free savings account, registered retirement savings plan or registered retirement income fund unless the holder of the tax-free savings account or the annuitant under the registered retirement savings plan or registered retirement income fund, as applicable, (i) does not deal at arm’s length with the Fund for purposes of the Tax Act, or (ii) has a “significant interest” as defined in the Tax Act in the Fund. Generally, a holder or annuitant, as the case may be, will not have a significant interest in the Fund unless the holder or annuitant, as the case may be, owns interests as a beneficiary under the Fund that have a fair market value of 10% or more of the fair market value of the interests of all beneficiaries under the Fund, either alone or together with persons and partnerships with which the holder or annuitant, as the case may be, does not deal at arm’s length. In addition, the units of the Fund will not be a “prohibited investment” if the units of the Fund are “excluded property” as defined in the Tax Act for a trust governed by a tax-free savings account, registered retirement savings plan or registered retirement income fund.

Holders or annuitants should consult their own tax advisors with respect to whether units of the Fund would be prohibited investments, including with respect to whether the units of the Fund would be excluded property.

Registered Plans, as holders of units, generally will not be liable for tax on any distribution by the Fund or on any capital gain realized upon the redemption or other disposition of a security. If and when cash or securities are withdrawn from a Registered Plan, other than a tax-free savings account, the holder of the plan generally will be liable to pay income tax based on the amount of cash or the fair market value of the securities withdrawn, unless the cash or securities are transferred to another Registered Plan in accordance with the Tax Act. Unitholders are urged to consult their own tax advisors regarding the implications of establishing, amending, terminating or withdrawing amounts from a Registered Plan under the Tax Act and applicable provincial legislation.

MATERIAL CONTRACTS OF THE FUND

The material contracts pertaining to the Fund are:

- (a) the Trust Agreement referred to in “*Responsibility for Fund Operations*”; and

- (b) the Portfolio Adviser Agreement between the Fund and the Investment Advisor referred to in “*Responsibility for Fund Operations*”.

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

**CERTIFICATE OF FRONT STREET GROWTH FUND
AND OF THE MANAGER OF THE FUND**

This annual information form, together with the simplified prospectus and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus as required by the securities legislation of each of the provinces and territories of Canada and do not contain any misrepresentations.

Dated: July 8, 2015

FRONT STREET CAPITAL 2004,
as Manager of Front Street Growth Fund
and on behalf of the Fund

(signed) "Gary P. Selke"

Gary P. Selke
Chief Executive Officer, Front Street Capital
2004 and Member of Management Committee

(signed) "Susan Johnson"

Susan Johnson
Chief Financial Officer,
Front Street Capital 2004

(signed) "Normand G. Lamarche"

Normand G. Lamarche
Vice-President, Front Street Capital 2004 and
Member of Management Committee

(signed) "Frank L. Mersch"

Frank L. Mersch
Chairman and Vice President, Front Street Capital
2004 and Member of Management Committee

FRONT STREET GROWTH FUND

Additional information about the Fund is available in the Fund's Fund Facts, management reports of fund performance and financial statements.

You can get a copy of these documents, at no cost by calling 1(800) 513-2832 or from your dealer or by e-mail at advisorservice@frontstreetcapital.com.

These documents and other information about the Fund, such as information circulars and material contracts, are also available at www.sedar.com.

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