

NBIMC UNIT TRUST FUNDS

Financial Statements

Year ended March 31, 2014

(Comparative information for the year ended March 31, 2013 unaudited and April 1, 2012 unaudited)

Financial Statements¹

Statements of Financial Position, Comprehensive Income, Changes in Net Assets Attributable to Holders of Redeemable Units and Cash Flows:

• NBIMC Nominal Bond Fund.....	1
• NBIMC Corporate Bond Fund.....	4
• NBIMC Canadian Long-Term Bond Fund.....	7
• NBIMC New Brunswick Fixed Income Opportunity Fund.....	10
• NBIMC Money Market Fund.....	13
• NBIMC Student Investment Fund.....	16
• NBIMC Canadian Equity Index Fund.....	19
• NBIMC Low Volatility Canadian Equity Fund.....	22
• NBIMC External Canadian Equity Fund.....	25
• NBIMC S&P/TSX Completion Index Fund.....	28
• NBIMC Canadian Equity Active Long Strategy Fund.....	31
• NBIMC External International Equity Fund.....	34
• NBIMC EAFE Equity Index Fund.....	37
• NBIMC Low Volatility International Equity Fund.....	40
• NBIMC U.S. Equity Index Fund.....	43
• NBIMC Low Volatility U.S. Equity Fund.....	46
• NBIMC Inflation Linked Securities Fund.....	49
• NBIMC Canadian Real Estate Fund.....	52
• NBIMC Canadian Real Estate Investment Trust Fund.....	55
• NBIMC International Real Estate Fund.....	58
• NBIMC Infrastructure Fund.....	61
• NBIMC North American Market Neutral Fund.....	64
• NBIMC Quantitative Strategies Fund.....	67
• NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund.....	70
• NBIMC Private Equity Fund.....	73
Notes to Financial Statement.....	76

¹ Excluding inactive unit trust funds:

- NBIMC PSSF Foreign Exchange Hedging Fund
- NBIMC TPF Foreign Exchange Hedging Fund
- NBIMC JSF Foreign Exchange Hedging Fund
- NBIMC Commodity Fund
- NBIMC Low Volatility Emerging Markets Equity Fund

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INDEPENDENT AUDITORS' REPORT

To the Directors of New Brunswick Investment Management Corporation:

NBIMC Nominal Bond Fund
NBIMC Corporate Bond Fund
NBIMC Canadian Long-Term Bond Fund
NBIMC New Brunswick Fixed Income Opportunity Fund
NBIMC Money Market Fund
NBIMC Student Investment Fund
NBIMC Canadian Equity Index Fund
NBIMC Low Volatility Canadian Equity Fund
NBIMC External Canadian Equity Fund
NBIMC S&P/TSX Completion Index Fund
NBIMC Canadian Equity Active Long Strategy Fund
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NBIMC Low Volatility International Equity Fund
NBIMC U.S. Equity Index Fund
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NBIMC Inflation Linked Securities Fund
NBIMC Canadian Real Estate Fund
NBIMC Real Estate Investment Trust Fund
NBIMC International Real Estate Fund
NBIMC Infrastructure Fund
NBIMC North American Market Neutral Fund
NBIMC Quantitative Strategies Fund
NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund
NBIMC Private Equity Fund

(collectively, the Funds)

We have audited the accompanying financial statements of the Funds which comprise the statements of financial position as at March 31, 2014, the statements of comprehensive income, changes in net assets attributable to holders of redeemable units and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Funds as at March 31, 2014, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.



Comparative Information

Without modifying our opinion, we draw attention to Note 1 to the financial statements which describes that the Funds adopted International Financial Reporting Standards on April 1, 2013 with a transition date of April 1, 2012. These standards were applied retrospectively by management to the comparative information in these financial statements, including the statements of financial position as at March 31, 2013 and April 1, 2012, and the statements of comprehensive income, changes in net assets attributable to holders of redeemable units and cash flows for the year ended March 31, 2013 and related disclosures. We were not engaged to report on the restated comparative information, and as such, it is unaudited.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font. Below the signature is a long, horizontal, slightly wavy line.

Chartered Accountants

June 30, 2014

Fredericton, Canada

NBIMC UNIT TRUST FUNDS**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

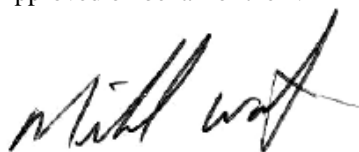
As at March 31, 2014

NBIMC Nominal Bond Fund

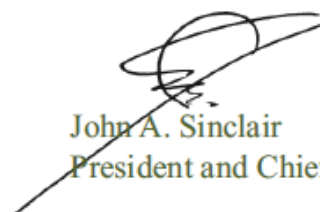
	March 31, 2014	March 31, 2013 <i>(Unaudited)</i>	April 1, 2012 <i>(Unaudited)</i>
Assets			
Investments	\$ 1,820,003	\$ 1,705,571	\$ 2,155,472
Cash	11,268	—	—
Interest receivable	17,913	18,445	22,396
Receivable for investment sales	31,927	41,436	11,081
Derivative assets <i>(note 5)</i>	—	—	88
Total assets	1,881,111	1,765,452	2,189,037
Liabilities			
Indebtedness	—	41,436	11,081
Payable for investment purchases	43,194	—	—
Derivative liabilities	—	—	150
Liabilities (excluding net assets attributable to holders of redeemable units)	43,194	41,436	11,231
Net assets attributable to holders of redeemable units <i>(note 10)</i>	\$ 1,837,917	\$ 1,724,016	\$ 2,177,806
Net assets attributable to holders of redeemable units per unit	\$ 2,337.36	\$ 2,322.28	\$ 2,229.87

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the NBIMC Board as Trustee:



Michael W. Walton
Chairman of the Board



John A. Sinclair
President and Chief Executive Officer

NBIMC UNIT TRUST FUNDS**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC Nominal Bond Fund			
	2014		2013	
			<i>(Unaudited)</i>	
Income				
Interest income	\$	63,067	\$	73,248
Securities lending income		349		317
Net realized (loss) gain on investments		(16,608)		36,720
Net change in unrealized loss on investments		(33,875)		(30,545)
Total income		12,933		79,740
Increase in net assets attributable to holders of redeemable units	\$	12,933	\$	79,740

*The accompanying notes are an integral part of these financial statements.***NBIMC UNIT TRUST FUNDS****Statement of Changes in Net Assets Attributable to Holders of Redeemable Units***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC Nominal Bond Fund			
	2014		2013	
			<i>(Unaudited)</i>	
Net assets attributable to holders of redeemable units, beginning of year (note 10)	\$	1,724,016	\$	2,177,806
Increase in net assets attributable to holders of redeemable units		12,933		79,740
Proceeds from issuance of redeemable units		246,213		102,784
Amounts paid on redemption of redeemable units		(145,245)		(636,314)
Net assets attributable to holders of redeemable units, end of year	\$	1,837,917	\$	1,724,016

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS

Statement of Cash Flows

(All amounts in thousands of Canadian dollars, except per unit amounts)

For the year ended March 31, 2014

	NBIMC Nominal Bond Fund	
	2014	2013
		(Unaudited)
Cash flows from (used in) operating activities		
Increase in net assets attributable to holders of redeemable units	\$ 12,933	\$ 79,740
Adjustments for:		
Foreign exchange loss on cash	3	108
Net realized loss (gain) on sale of investments	16,608	(36,720)
Net change in unrealized loss on investments	33,875	30,545
Purchases of investments	(2,507,918)	(2,756,882)
Proceeds from sale and maturity of investments	2,343,000	3,212,850
Interest receivable	532	3,951
Receivable for investment sales	9,509	(30,355)
Derivative assets	—	88
Payable for investment purchases	43,194	—
Derivative liabilities	—	(150)
Net cash (used in) from operating activities	(48,264)	503,175
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	246,213	102,784
Amounts paid on redemption of redeemable units	(145,245)	(636,314)
Net cash from (used in) financing activities	100,968	(533,530)
Net increase (decrease) in cash	52,704	(30,355)
Indebtedness, beginning of year	(41,436)	(11,081)
Cash (indebtedness), end of year	\$ 11,268	\$ (41,436)

Supplemental information:

Interest received	\$ 63,599	\$ 77,199
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The accompanying notes are an integral part of these financial statements.

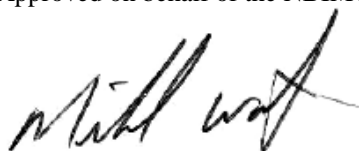
NBIMC UNIT TRUST FUNDS**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

As at March 31, 2014

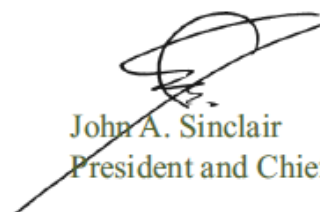
NBIMC Corporate Bond Fund				
	March 31, 2014	March 31, 2013	April 1, 2012	
		<i>(Unaudited)</i>	<i>(Unaudited)</i>	
Assets				
Investments	\$ 820,221	\$ 667,300	\$ 254,764	
Cash	1,350	38,247	—	
Interest receivable	6,564	4,575	1,371	
Receivable for investment sales	10,150	—	—	
Total assets	838,285	710,122	256,135	
Liabilities				
Payable for investment purchases	11,500	38,122	—	
Liabilities (excluding net assets attributable to holders of redeemable units)	11,500	38,122	—	
Net assets attributable to holders of redeemable units (note 10)	\$ 826,785	\$ 672,000	\$ 256,135	
Net assets attributable to holders of redeemable units per unit	\$ 1,111.04	\$ 1,087.06	\$ 1,022.59	

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the NBIMC Board as Trustee:



Michael W. Walton
Chairman of the Board



John A. Sinclair
President and Chief Executive Officer

NBIMC UNIT TRUST FUNDS**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC Corporate Bond Fund	
	2014	2013
		<i>(Unaudited)</i>
Income		
Interest income	\$ 23,640	\$ 14,004
Securities lending income	28	6
Net realized (loss) gain on investments	(62)	2,477
Net change in unrealized (loss) gain on investments	(6,065)	11,056
Total income	17,541	27,543
Increase in net assets attributable to holders of redeemable units	\$ 17,541	\$ 27,543

*The accompanying notes are an integral part of these financial statements.***NBIMC UNIT TRUST FUNDS****Statement of Changes in Net Assets Attributable to Holders of Redeemable Units***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC Corporate Bond Fund	
	2014	2013
		<i>(Unaudited)</i>
Net assets attributable to holders of redeemable units, beginning of year (note 10)	\$ 672,000	\$ 256,135
Increase in net assets attributable to holders of redeemable units	17,541	27,543
Proceeds from issuance of redeemable units	150,105	389,548
Amounts paid on redemption of redeemable units	(12,861)	(1,226)
Net assets attributable to holders of redeemable units, end of year	\$ 826,785	\$ 672,000

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS**Statement of Cash Flows***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC Corporate Bond Fund	
	2014	2013
		<i>(Unaudited)</i>
Cash flows from (used in) operating activities		
Increase in net assets attributable to holders of redeemable units	\$ 17,541	\$ 27,543
Adjustments for:		
Net realized loss (gain) on sale of investments	62	(2,477)
Net change in unrealized loss (gain) on investments	6,065	(11,056)
Purchases of investments	(583,749)	(822,529)
Proceeds from sale and maturity of investments	424,701	423,526
Interest receivable	(1,989)	(3,204)
Receivable for investment sales	(10,150)	—
Payable for investment purchases	(26,622)	38,122
Net cash used in operating activities	(174,141)	(350,075)
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	150,105	389,548
Amounts paid on redemption of redeemable units	(12,861)	(1,226)
Net cash from financing activities	137,244	388,322
Net (decrease) increase in cash	(36,897)	38,247
Cash, beginning of year	38,247	—
Cash, end of year	\$ 1,350	\$ 38,247
<i>Supplemental information:</i>		
Interest received	\$ 21,651	\$ 10,800
<i>The accompanying notes are an integral part of these financial statements.</i>		

NBIMC UNIT TRUST FUNDS**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

As at March 31, 2014

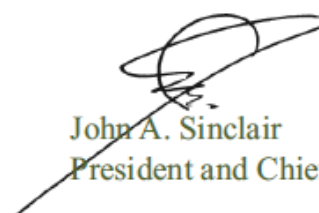
NBIMC Canadian Long-Term Bond Fund				
	March 31, 2014	March 31, 2013	April 1, 2012	
		<i>(Unaudited)</i>	<i>(Unaudited)</i>	
Assets				
Investments	\$ 134,385	\$ —	\$ —	
Cash	11,571	—	—	
Interest receivable	958	—	—	
Total assets	146,914	—	—	
Liabilities				
Payable for investment purchases	11,571	—	—	
Liabilities (excluding net assets attributable to holders of redeemable units)	11,571	—	—	
Net assets attributable to holders of redeemable units (note 10)	\$ 135,343	\$ —	\$ —	
Net assets attributable to holders of redeemable units per unit	\$ 1,006.20	\$ —	\$ —	

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the NBIMC Board as Trustee:



Michael W. Walton
Chairman of the Board



John A. Sinclair
President and Chief Executive Officer

NBIMC UNIT TRUST FUNDS**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC Canadian Long-Term Bond Fund	
	2014	2013
		<i>(Unaudited)</i>
Income		
Interest income	\$ 488	\$ —
Securities lending income	1	—
Net realized (loss) on investments	(14)	—
Net change in unrealized gain on investments	319	—
Total income	794	—
Increase in net assets attributable to holders of redeemable units	\$ 794	\$ —

*The accompanying notes are an integral part of these financial statements.***NBIMC UNIT TRUST FUNDS****Statement of Changes in Net Assets Attributable to Holders of Redeemable Units***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC Canadian Long-Term Bond Fund	
	2014	2013
		<i>(Unaudited)</i>
Net assets attributable to holders of redeemable units, beginning of year (note 10)	\$ —	\$ —
Increase in net assets attributable to holders of redeemable units	794	—
Proceeds from issuance of redeemable units	144,549	—
Amounts paid on redemption of redeemable units	(10,000)	—
Net assets attributable to holders of redeemable units, end of year	\$ 135,343	\$ —

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS**Statement of Cash Flows***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC Canadian Long-Term Bond Fund	
	2014	2013
		<i>(Unaudited)</i>
Cash flows from (used in) operating activities		
Increase in net assets attributable to holders of redeemable units	\$ 794	\$ —
Adjustments for:		
Net realized loss on sale of investments	14	—
Net change in unrealized gain on investments	(319)	—
Purchases of investments	(135,809)	—
Proceeds from sale and maturity of investments	1,729	—
Interest receivable	(958)	—
Payable for investment purchases	11,571	—
Net cash used in operating activities	(122,978)	—
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	144,549	—
Amounts paid on redemption of redeemable units	(10,000)	—
Net cash from financing activities	134,549	—
Net increase in cash	11,571	—
Cash, beginning of year	—	—
Cash, end of year	\$ 11,571	\$ —
<i>Supplemental information:</i>		
Interest paid	\$ 470	\$ —
<i>The accompanying notes are an integral part of these financial statements.</i>		

NBIMC UNIT TRUST FUNDS**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

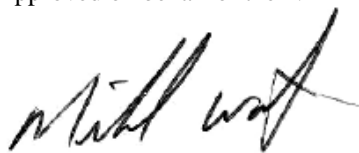
As at March 31, 2014

	NBIMC New Brunswick Fixed Income Opportunity Fund		
	March 31, 2014	March 31, 2013	April 1, 2012
		<i>(Unaudited)</i>	<i>(Unaudited)</i>
Assets			
Investments	\$ 15,453	\$ 16,714	\$ 21,721
Cash	—	—	52
Interest receivable	74	77	80
Total assets	15,527	16,791	21,853
Liabilities			
Payable for investment purchases	—	—	—
Liabilities (excluding net assets attributable to holders of redeemable units)	—	—	—
Net assets attributable to holders of redeemable units (note 10)	\$ 15,527	\$ 16,791	\$ 21,853

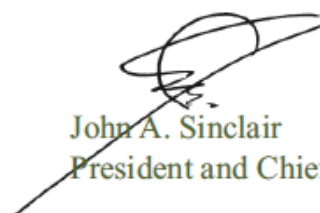
Net assets attributable to holders of redeemable units per unit	\$ 2,792.12	\$ 2,760.46	\$ 2,630.92
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The accompanying notes are an integral part of these financial statements.

Approved on behalf of the NBIMC Board as Trustee:



Michael W. Walton
Chairman of the Board



John A. Sinclair
President and Chief Executive Officer

NBIMC UNIT TRUST FUNDS**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

NBIMC New Brunswick Fixed Income Opportunity Fund			
	2014		2013 <i>(Unaudited)</i>
Income			
Interest income	\$ 919	\$	977
Net realized gain on investments	1		1
Net change in unrealized loss on investments	(752)		(121)
Total income	168		857
Increase in net assets attributable to holders of redeemable units	\$ 168	\$	857

*The accompanying notes are an integral part of these financial statements.***NBIMC UNIT TRUST FUNDS****Statement of Changes in Net Assets Attributable to Holders of Redeemable Units***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

NBIMC New Brunswick Fixed Income Opportunity Fund			
	2014		2013 <i>(Unaudited)</i>
Net assets attributable to holders of redeemable units, beginning of year (note 10)	\$ 16,791	\$	21,853
Increase in net assets attributable to holders of redeemable units	168		857
Proceeds from issuance of redeemable units	47		32
Amounts paid on redemption of redeemable units	(1,479)		(5,951)
Net assets attributable to holders of redeemable units, end of year	\$ 15,527	\$	16,791

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS**Statement of Cash Flows***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC New Brunswick Fixed Income Opportunity Fund	
	2014	2013 <i>(Unaudited)</i>
Cash flows from (used in) operating activities		
Increase in net assets attributable to holders of redeemable units	\$ 168	\$ 857
Adjustments for:		
Net realized gain on sale of investments	(1)	(1)
Net change in unrealized loss on investments	752	121
Proceeds from sale and maturity of investments	510	4,887
Interest receivable	3	3
Net cash from operating activities	1,432	5,867
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	47	32
Amounts paid on redemption of redeemable units	(1,479)	(5,951)
Net cash used in financing activities	(1,432)	(5,919)
Net decrease in cash	—	(52)
Cash, beginning of year	—	52
Cash, end of year	\$ —	\$ —
<i>Supplemental information:</i>		
Interest received	\$ 922	\$ 980
<i>The accompanying notes are an integral part of these financial statements.</i>		

NBIMC UNIT TRUST FUNDS**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

As at March 31, 2014

	NBIMC Money Market Fund		
	March 31, 2014	March 31, 2013 <i>(Unaudited)</i>	April 1, 2012 <i>(Unaudited)</i>
Assets			
Investments	\$ 742,664	\$ 604,407	\$ 454,500
Cash	—	5,128	4,990
Interest receivable	1,269	1,124	1,027
Total assets	743,933	610,659	460,517
Liabilities			
Indebtedness	6,239	—	—
Liabilities (excluding net assets attributable to holders of redeemable units)	6,239	—	—
Net assets attributable to holders of redeemable units (note 10)	\$ 737,694	\$ 610,659	\$ 460,517

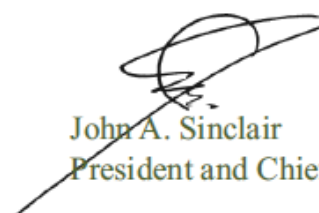
Net assets attributable to holders of redeemable units per unit	\$ 1,561.31	\$ 1,540.50	\$ 1,518.07
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The accompanying notes are an integral part of these financial statements.

Approved on behalf of the NBIMC Board as Trustee:



Michael W. Walton
Chairman of the Board



John A. Sinclair
President and Chief Executive Officer

NBIMC UNIT TRUST FUNDS**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC Money Market Fund	
	2014	2013
		<i>(Unaudited)</i>
Income		
Interest income	\$ 8,137	\$ 6,668
Net realized gain on investments	23	44
Net change in unrealized (loss) gain on investments	(183)	295
Total income	7,977	7,007
Increase in net assets attributable to holders of redeemable units	\$ 7,977	\$ 7,007

*The accompanying notes are an integral part of these financial statements.***NBIMC UNIT TRUST FUNDS****Statement of Changes in Net Assets Attributable to Holders of Redeemable Units***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC Money Market Fund	
	2014	2013
		<i>(Unaudited)</i>
Net assets attributable to holders of redeemable units, beginning of year (note 10)	\$ 610,659	\$ 460,517
Increase in net assets attributable to holders of redeemable units	7,977	7,007
Proceeds from issuance of redeemable units	1,525,267	1,782,137
Amounts paid on redemption of redeemable units	(1,406,209)	(1,639,002)
Net assets attributable to holders of redeemable units, end of year	\$ 737,694	\$ 610,659

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS

Statement of Cash Flows

(All amounts in thousands of Canadian dollars, except per unit amounts)

For the year ended March 31, 2014

	NBIMC Money Market Fund	
	2014	2013
		<i>(Unaudited)</i>
Cash flows from (used in) operating activities		
Increase in net assets attributable to holders of redeemable units	\$ 7,977	\$ 7,007
Adjustments for:		
Foreign exchange loss on cash	1	10
Net realized gain on sale of investments	(23)	(44)
Net change in unrealized loss (gain) on investments	183	(295)
Purchases of investments	(8,842,858)	(9,614,075)
Proceeds from sale and maturity of investments	8,704,440	9,464,497
Interest receivable	(145)	(97)
Net cash used in operating activities	(130,425)	(142,997)
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	1,525,267	1,782,137
Amounts paid on redemption of redeemable units	(1,406,209)	(1,639,002)
Net cash from financing activities	119,058	143,135
Net (decrease) increase in cash	(11,367)	138
Cash, beginning of year	5,128	4,990
Cash (indebtedness), end of year	\$ (6,239)	\$ 5,128
<i>Supplemental information:</i>		
Interest received	\$ 7,992	\$ 6,571
<i>The accompanying notes are an integral part of these financial statements.</i>		

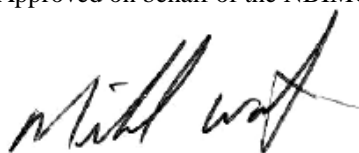
NBIMC UNIT TRUST FUNDS**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

As at March 31, 2014

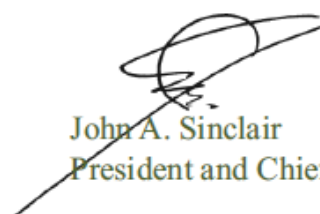
NBIMC Student Investment Fund				
	March 31, 2014	March 31, 2013	April 1, 2012	
		<i>(Unaudited)</i>	<i>(Unaudited)</i>	
Assets				
Investments	\$ 3,028	\$ 2,796	\$ 2,655	
Cash	40	—	—	
Interest receivable	17	15	16	
Dividends receivable	4	4	4	
Receivable for investment sales	26	—	—	
Total assets	3,115	2,815	2,675	
Liabilities				
Payable for investment purchases	62	—	—	
Liabilities (excluding net assets attributable to holders of redeemable units)	62	—	—	
Net assets attributable to holders of redeemable units (note 10)	\$ 3,053	\$ 2,815	\$ 2,675	
Net assets attributable to holders of redeemable units per unit	\$ 3,001.97	\$ 2,767.94	\$ 2,630.29	

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the NBIMC Board as Trustee:



Michael W. Walton
Chairman of the Board



John A. Sinclair
President and Chief Executive Officer

NBIMC UNIT TRUST FUNDS**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC Student Investment Fund			
	2014		2013	
			<i>(Unaudited)</i>	
Income				
Interest income	\$	52	\$	50
Dividend income		46		43
Securities lending income		1		—
Net realized gain on investments		25		37
Net change in unrealized gain on investments		114		10
Total income		238		140
Increase in net assets attributable to holders of redeemable units	\$	238	\$	140

*The accompanying notes are an integral part of these financial statements.***NBIMC UNIT TRUST FUNDS****Statement of Changes in Net Assets Attributable to Holders of Redeemable Units***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC Student Investment Fund			
	2014		2013	
			<i>(Unaudited)</i>	
Net assets attributable to holders of redeemable units, beginning of year (note 10)	\$	2,815	\$	2,675
Increase in net assets attributable to holders of redeemable units		238		140
Proceeds from issuance of redeemable units		—		—
Amounts paid on redemption of redeemable units		—		—
Net assets attributable to holders of redeemable units, end of year	\$	3,053	\$	2,815

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS

Statement of Cash Flows

(All amounts in thousands of Canadian dollars, except per unit amounts)

For the year ended March 31, 2014

	NBIMC Student Investment Fund	
	2014	2013
		(Unaudited)
Cash flows from (used in) operating activities		
Increase in net assets attributable to holders of redeemable units	\$ 238	\$ 140
Adjustments for:		
Net realized gain on sale of investments	(25)	(37)
Net change in unrealized gain on investments	(114)	(10)
Purchases of investments	(903)	(1,387)
Proceeds from sale and maturity of investments	810	1,293
Interest receivable	(2)	1
Receivable for investment sales	(26)	—
Payable for investment purchases	62	—
Net cash from operating activities	40	—
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	—	—
Amounts paid on redemption of redeemable units	—	—
Net cash used in financing activities	—	—
Net increase in cash	40	—
Cash, beginning of year	—	—
Cash, end of year	\$ 40	\$ —
<i>Supplemental information:</i>		
Interest received	\$ 50	\$ 51
Dividends received	\$ 46	\$ 43

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

As at March 31, 2014

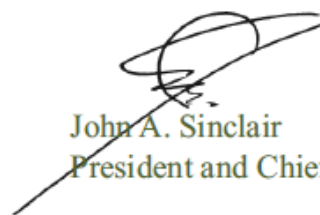
	NBIMC Canadian Equity Index Fund		
	March 31, 2014	March 31, 2013	April 1, 2012
		<i>(Unaudited)</i>	<i>(Unaudited)</i>
Assets			
Investments	\$ 1,097,977	\$ 1,100,643	\$ 1,038,738
Cash	—	86	16
Interest receivable	2,299	2,791	2,787
Dividends receivable	416	166	317
Receivable for investment sales	2,315	888	308
Derivative assets <i>(note 5)</i>	42,514	13,319	13,175
Margin at brokers <i>(note 5)</i>	378	—	—
Total assets	1,145,899	1,117,893	1,055,341
Liabilities			
Indebtedness	389	—	—
Margin at brokers <i>(note 5)</i>	—	157	65
Payable for investment purchases	1,927	36,169	318
Liabilities (excluding net assets attributable to holders of redeemable units)	2,316	36,326	383
Net assets attributable to holders of redeemable units <i>(note 10)</i>	\$ 1,143,583	\$ 1,081,567	\$ 1,054,958
Net assets attributable to holders of redeemable units per unit	\$ 2,888.39	\$ 2,483.81	\$ 2,317.16

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the NBIMC Board as Trustee:



Michael W. Walton
Chairman of the Board



John A. Sinclair
President and Chief Executive Officer

NBIMC UNIT TRUST FUNDS

Statement of Comprehensive Income

(All amounts in thousands of Canadian dollars, except per unit amounts)

For the year ended March 31, 2014

	NBIMC Canadian Equity Index Fund	
	2014	2013 (Unaudited)
Income		
Interest income	\$ 14,925	\$ 15,633
Dividend income	3,252	3,792
Securities lending income	76	110
Derivative income	141,171	58,073
Net realized gain on investments	5,037	10,379
Net change in unrealized gain (loss) on investments	11,775	(4,051)
Total income	176,236	83,936
Expenses		
Transaction costs	53	63
Total expenses	53	63
Increase in net assets attributable to holders of redeemable units	\$ 176,183	\$ 83,873

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS

Statement of Changes in Net Assets Attributable to Holders of Redeemable Units

(All amounts in thousands of Canadian dollars, except per unit amounts)

For the year ended March 31, 2014

	NBIMC Canadian Equity Index Fund	
	2014	2013 (Unaudited)
Net assets attributable to holders of redeemable units, beginning of year (note 10)	\$ 1,081,567	\$ 1,054,958
Increase in net assets attributable to holders of redeemable units	176,183	83,873
Proceeds from issuance of redeemable units	178,954	132,157
Amounts paid on redemption of redeemable units	(293,121)	(189,421)
Net assets attributable to holders of redeemable units, end of year	\$ 1,143,583	\$ 1,081,567

The accompanying notes are an integral part of these financial statements

NBIMC UNIT TRUST FUNDS

Statement of Cash Flows

(All amounts in thousands of Canadian dollars, except per unit amounts)

For the year ended March 31, 2014

	NBIMC Canadian Equity Index Fund	
	2014	2013
		(Unaudited)
Cash flows from (used in) operating activities		
Increase in net assets attributable to holders of redeemable units	\$ 176,183	\$ 83,873
Adjustments for:		
Foreign exchange gain on cash	(2)	(1)
Net realized gain on sale of investments	(5,037)	(10,379)
Net change in unrealized gain (loss) on investments	(11,775)	4,051
Purchases of investments	(1,504,494)	(907,142)
Proceeds from sale and maturity of investments	1,523,974	851,566
Interest receivable	492	(4)
Dividends receivable	(250)	151
Receivable for investment sales	(1,427)	(580)
Derivative assets	(29,195)	(144)
Margin at brokers	(535)	92
Payable for investment purchases	(34,242)	35,851
Net cash from operating activities	113,692	57,334
Cash flows used in financing activities		
Proceeds from issuances of redeemable units	178,954	132,157
Amounts paid on redemption of redeemable units	(293,121)	(189,421)
Net cash used in financing activities	(114,167)	(57,264)
Net (decrease) increase in cash	(475)	70
Cash, beginning of year	86	16
(Indebtedness) cash, end of year	\$ (389)	\$ 86

Supplemental information:

Interest received	\$ 15,417	\$ 15,629
Dividends received	\$ 3,002	\$ 3,943

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

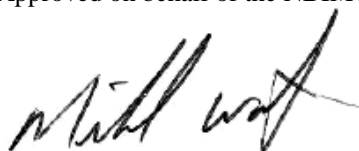
As at March 31, 2014

NBIMC Low Volatility Canadian Equity Fund

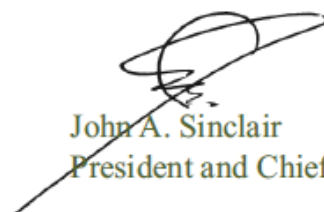
	March 31, 2014	March 31, 2013 <i>(Unaudited)</i>	April 1, 2012 <i>(Unaudited)</i>
Assets			
Investments	\$ 238,200	\$ 201,166	\$ —
Cash	—	21	—
Dividends receivable	834	682	—
Margin at brokers <i>(note 5)</i>	23	2	—
Total assets	239,057	201,871	—
Liabilities			
Payable for investment purchases	—	—	—
Liabilities (excluding net assets attributable to holders of redeemable units)	—	—	—
Net assets attributable to holders of redeemable units <i>(note 10)</i>	\$ 239,057	\$ 201,871	\$ —
Net assets attributable to holders of redeemable units per unit	\$ 1,214.23	\$ 1,029.40	\$ —

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the NBIMC Board as Trustee:



Michael W. Walton
Chairman of the Board



John A. Sinclair
President and Chief Executive Officer

NBIMC UNIT TRUST FUNDS**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC Low Volatility Canadian Equity Fund	
	2014	2013 <i>(Unaudited)</i>
Income		
Dividend income	\$ 7,073	\$ 1,156
Securities lending income	97	4
Derivative income	451	2
Net realized gain on investments	3,017	—
Net change in unrealized gain on investments	25,811	3,126
Total income	36,449	4,288
Expenses		
Transaction costs	67	52
Total expenses	67	52
Increase in net assets attributable to holders of redeemable units	\$ 36,382	\$ 4,236

*The accompanying notes are an integral part of these financial statements.***NBIMC UNIT TRUST FUNDS****Statement of Changes in Net Assets Attributable to Holders of Redeemable Units***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC Low Volatility Canadian Equity Fund	
	2014	2013 <i>(Unaudited)</i>
Net assets attributable to holders of redeemable units, beginning of year (note 10)	\$ 201,871	\$ —
Increase in net assets attributable to holders of redeemable units	36,382	4,236
Proceeds from issuance of redeemable units	5,292	197,828
Amounts paid on redemption of redeemable units	(4,488)	(193)
Net assets attributable to holders of redeemable units, end of year	\$ 239,057	\$ 201,871

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS**Statement of Cash Flows***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC Low Volatility Canadian Equity Fund	
	2014	2013
		<i>(Unaudited)</i>
Cash flows from (used in) operating activities		
Increase in net assets attributable to holders of redeemable units	\$ 36,382	\$ 4,236
Adjustments for:		
Foreign exchange gain on cash	(3)	—
Net realized gain on sale of investments	(3,017)	—
Net change in unrealized gain on investments	(25,811)	(3,126)
Purchases of investments	(90,693)	(198,349)
Proceeds from sale and maturity of investments	82,490	309
Dividends receivable	(152)	(682)
Margin at brokers	(21)	(2)
Net cash used in operating activities	(825)	(197,614)
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	5,292	197,828
Amounts paid on redemption of redeemable units	(4,488)	(193)
Net cash from financing activities	804	197,635
Net (decrease) increase in cash	(21)	21
Cash, beginning of year	21	—
Cash, end of year	\$ —	\$ 21
<i>Supplemental information:</i>		
Dividends received	\$ 6,921	\$ 474
<i>The accompanying notes are an integral part of these financial statements.</i>		

NBIMC UNIT TRUST FUNDS**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

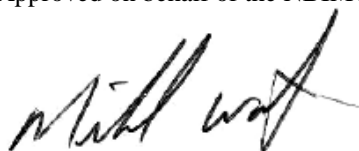
As at March 31, 2014

NBIMC External Canadian Equity Fund

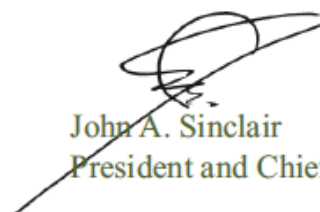
	March 31, 2014	March 31, 2013 <i>(Unaudited)</i>	April 1, 2012 <i>(Unaudited)</i>
Assets			
Investments	\$ 447,770	\$ 377,025	\$ 353,347
Cash	528	465	860
Dividends receivable	330	313	343
Receivable for investment sales	445	58	17
Total assets	449,073	377,861	354,567
Liabilities			
Payable for investment purchases	973	508	873
Liabilities (excluding net assets attributable to holders of redeemable units)	973	508	873
Net assets attributable to holders of redeemable units (note 10)	\$ 448,100	\$ 377,353	\$ 353,694
Net assets attributable to holders of redeemable units per unit	\$ 3,430.09	\$ 2,885.58	\$ 2,704.66

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the NBIMC Board as Trustee:



Michael W. Walton
Chairman of the Board



John A. Sinclair
President and Chief Executive Officer

NBIMC UNIT TRUST FUNDS**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC External Canadian Equity Fund	
	2014	2013
		<i>(Unaudited)</i>
Income		
Interest income	\$ 6	\$ —
Dividend income	4,848	4,385
Securities lending income	46	47
Net realized (loss) gain on investments	2,874	(1,987)
Net change in unrealized gain on investments	63,541	21,342
Total income	71,315	23,787
Expenses		
Transaction costs	111	128
Total expenses	111	128
Increase in net assets attributable to holders of redeemable units	\$ 71,204	\$ 23,659

*The accompanying notes are an integral part of these financial statements.***NBIMC UNIT TRUST FUNDS****Statement of Changes in Net Assets Attributable to Holders of Redeemable Units***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC External Canadian Equity Fund	
	2014	2013
		<i>(Unaudited)</i>
Net assets attributable to holders of redeemable units, beginning of year (note 10)	\$ 377,353	\$ 353,694
Increase in net assets attributable to holders of redeemable units	71,204	23,659
Proceeds from issuance of redeemable units	5,247	697
Amounts paid on redemption of redeemable units	(5,704)	(697)
Net assets attributable to holders of redeemable units, end of year	\$ 448,100	\$ 377,353

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS

Statement of Cash Flows

(All amounts in thousands of Canadian dollars, except per unit amounts)

For the year ended March 31, 2014

	NBIMC External Canadian Equity Fund	
	2014	2013
		(Unaudited)
Cash flows from (used in) operating activities		
Increase in net assets attributable to holders of redeemable units	\$ 71,204	\$ 23,659
Adjustments for:		
Foreign exchange gain on cash	(5)	(2)
Net realized (gain) loss on sale of investments	(2,874)	1,987
Net change in unrealized gain on investments	(63,541)	(21,342)
Purchases of investments	(104,264)	(102,446)
Proceeds from sale and maturity of investments	99,939	98,125
Dividends receivable	(17)	30
Derivative assets	(387)	(41)
Payable for investment purchases	465	(365)
Net cash from (used in) operating activities	520	(395)
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	5,247	697
Amounts paid on redemption of redeemable units	(5,704)	(697)
Net cash used in financing activities	(457)	—
Net increase (decrease) in cash	63	(395)
Cash, beginning of year	465	860
Cash, end of year	\$ 528	\$ 465
<i>Supplemental information:</i>		
Dividends received	\$ 4,831	\$ 4,415
<i>The accompanying notes are an integral part of these financial statements.</i>		

NBIMC UNIT TRUST FUNDS**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

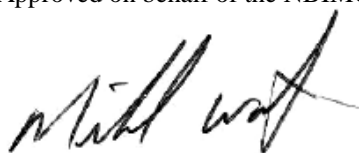
As at March 31, 2014

NBIMC S&P/TSX Completion Index Fund

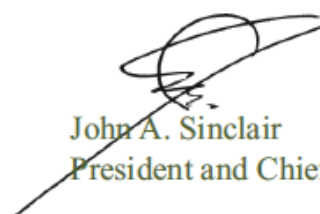
	March 31, 2014	March 31, 2013 <i>(Unaudited)</i>	April 1, 2012 <i>(Unaudited)</i>
Assets			
Investments	\$ 219,147	\$ 185,953	\$ 178,959
Cash	—	—	—
Dividends receivable	542	487	433
Receivable for investment sales	5,812	3,365	1,224
Total assets	225,501	189,805	180,616
Liabilities			
Indebtedness	1,230	665	632
Payable for investment purchases	4,583	2,670	571
Liabilities (excluding net assets attributable to holders of redeemable units)	5,813	3,335	1,203
Net assets attributable to holders of redeemable units (note 10)	\$ 219,688	\$ 186,470	\$ 179,413
Net assets attributable to holders of redeemable units per unit	\$ 3,179.51	\$ 2,698.75	\$ 2,596.61

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the NBIMC Board as Trustee:



Michael W. Walton
Chairman of the Board



John A. Sinclair
President and Chief Executive Officer

NBIMC UNIT TRUST FUNDS**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC S&P/TSX Completion Index Fund	
	2014	2013
		<i>(Unaudited)</i>
Income		
Dividend income	\$ 5,808	\$ 4,981
Securities lending income	108	113
Net realized (loss) gain on investments	(743)	3,943
Net change in unrealized gain (loss) on investments	28,199	(1,852)
Total income	33,372	7,185
Expenses		
Transaction costs	154	128
Total expenses	154	128
Increase in net assets attributable to holders of redeemable units	\$ 33,218	\$ 7,057

*The accompanying notes are an integral part of these financial statements.***NBIMC UNIT TRUST FUNDS****Statement of Changes in Net Assets Attributable to Holders of Redeemable Units***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC S&P/TSX Completion Index Fund	
	2014	2013
		<i>(Unaudited)</i>
Net assets attributable to holders of redeemable units, beginning of year (note 10)	\$ 186,470	\$ 179,413
Increase in net assets attributable to holders of redeemable units	33,218	7,057
Proceeds from issuance of redeemable units	1,902	390
Amounts paid on redemption of redeemable units	(1,902)	(390)
Net assets attributable to holders of redeemable units, end of year	\$ 219,688	\$ 186,470

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS

Statement of Cash Flows

(All amounts in thousands of Canadian dollars, except per unit amounts)

For the year ended March 31, 2014

	NBIMC S&P/TSX Completion Index Fund	
	2014	2013
		(Unaudited)
Cash flows from (used in) operating activities		
Increase in net assets attributable to holders of redeemable units	\$ 33,218	\$ 7,057
Adjustments for:		
Foreign exchange gain on cash	(3)	(1)
Net realized loss (gain) on sale of investments	743	(3,943)
Net change in unrealized (gain) loss on investments	(28,199)	1,852
Purchases of investments	(84,977)	(95,424)
Proceeds from sale and maturity of investments	79,242	90,522
Dividends receivable	(55)	(54)
Receivable for investment sales	(2,447)	(2,141)
Payable for investment purchases	1,913	2,099
Net cash used in operating activities	(565)	(33)
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	1,902	390
Amounts paid on redemption of redeemable units	(1,902)	(390)
Net cash from financing activities	—	—
Net decrease in cash	(565)	(33)
Indebtedness, beginning of year	(665)	(632)
Indebtedness, end of year	\$ (1,230)	\$ (665)
<i>Supplemental information:</i>		
Dividends received	\$ 5,753	\$ 4,927
<i>The accompanying notes are an integral part of these financial statements.</i>		

NBIMC UNIT TRUST FUNDS**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

As at March 31, 2014

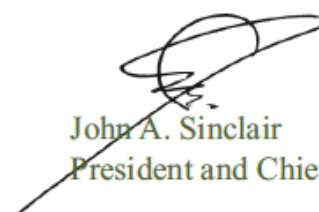
NBIMC Canadian Equity Active Long Strategy Fund				
	March 31, 2014	March 31, 2013	April 1, 2012	
		<i>(Unaudited)</i>	<i>(Unaudited)</i>	
Assets				
Investments	\$ 249,055	\$ 208,815	\$ 289,583	
Cash	—	—	—	
Interest receivable	243	50	—	
Dividends receivable	388	627	773	
Receivable for investment sales	—	1,229	2,467	
Derivative assets <i>(note 5)</i>	4,295	477	—	
Margin at brokers <i>(note 5)</i>	1	350	300	
Total assets	253,982	211,548	293,123	
Liabilities				
Indebtedness	—	437	406	
Payable for investment purchases	—	762	2,026	
Liabilities (excluding net assets attributable to holders of redeemable units)	—	1,199	2,432	
Net assets attributable to holders of redeemable units <i>(note 10)</i>	\$ 253,982	\$ 210,349	\$ 290,691	
Net assets attributable to holders of redeemable units per unit	\$ 1,228.33	\$ 1,054.26	\$ 992.67	

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the NBIMC Board as Trustee:



Michael W. Walton
Chairman of the Board



John A. Sinclair
President and Chief Executive Officer

NBIMC UNIT TRUST FUNDS**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

NBIMC Canadian Equity Active Long Strategy Fund			
	2014		2013 <i>(Unaudited)</i>
Income			
Interest income	\$ 1,099	\$	150
Dividend income	5,262		8,038
Securities lending income	61		143
Derivative income	13,905		1,605
Net realized gain (loss) on investments	9,918		(2,005)
Net change in unrealized gain on investments	5,447		11,777
Total income	35,692		19,708
Expenses			
Transaction costs	369		384
Total expenses	369		384
Increase in net assets attributable to holders of redeemable units	\$ 35,323	\$	19,324

*The accompanying notes are an integral part of these financial statements.***NBIMC UNIT TRUST FUNDS****Statement of Changes in Net Assets Attributable to Holders of Redeemable Units***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

NBIMC Canadian Equity Active Long Strategy Fund			
	2014		2013 <i>(Unaudited)</i>
Net assets attributable to holders of redeemable units, beginning of year (note 10)	\$ 210,349	\$	290,691
Increase in net assets attributable to holders of redeemable units	35,323		19,324
Proceeds from issuance of redeemable units	9,945		11,371
Amounts paid on redemption of redeemable units	(1,635)		(111,037)
Net assets attributable to holders of redeemable units, end of year	\$ 253,982	\$	210,349

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS

Statement of Cash Flows

(All amounts in thousands of Canadian dollars, except per unit amounts)

For the year ended March 31, 2014

	NBIMC Canadian Equity Active Long Strategy Fund	
	2014	2013 (Unaudited)
Cash flows from (used in) operating activities		
Increase in net assets attributable to holders of redeemable units	\$ 35,323	\$ 19,324
Adjustments for:		
Foreign exchange gain on cash	(3)	(4)
Net realized (gain) loss on sale of investments	(9,918)	2,005
Net change in unrealized gain on investments	(5,447)	(11,777)
Purchases of investments	(767,642)	(410,500)
Proceeds from sale and maturity of investments	742,770	501,044
Interest receivable	(193)	(50)
Dividends receivable	239	146
Receivable for investment sales	1,229	1,238
Derivative assets	(3,818)	(477)
Margin at brokers	349	(50)
Payable for investment purchases	(762)	(1,264)
Net cash (used in) from operating activities	(7,873)	99,635
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	9,945	11,371
Amounts paid on redemption of redeemable units	(1,635)	(111,037)
Net cash from (used in) financing activities	8,310	(99,666)
Net increase (decrease) in cash	437	(31)
Indebtedness, beginning of year	(437)	(406)
Indebtedness, end of year	\$ —	\$ (437)
<i>Supplemental information:</i>		
Interest received	\$ 906	\$ 100
Dividends received	\$ 5,501	\$ 8,184

The accompanying notes are an integral part of these financial statements.

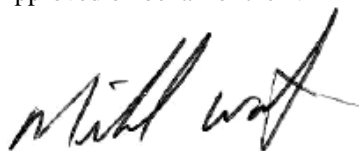
NBIMC UNIT TRUST FUNDS**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

As at March 31, 2014

NBIMC External International Equity Fund				
	March 31, 2014	March 31, 2013	April 1, 2012	
		<i>(Unaudited)</i>	<i>(Unaudited)</i>	
Assets				
Investments	\$ 276,412	\$ 206,006	\$ 179,006	
Total assets	276,412	206,006	179,006	
Liabilities				
Net assets attributable to holders of redeemable units (note 10)	\$ 276,412	\$ 206,006	\$ 179,006	
Net assets attributable to holders of redeemable units per unit	\$ 1,719.53	\$ 1,281.57	\$ 1,113.60	

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the NBIMC Board as Trustee:

Michael W. Walton
Chairman of the BoardJohn A. Sinclair
President and Chief Executive Officer

NBIMC UNIT TRUST FUNDS**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC External International Equity Fund	
	2014	2013
		<i>(Unaudited)</i>
Income		
Net realized gain on investments	\$ —	\$ 2
Net change in unrealized gain on investments	70,420	27,039
Total income	70,420	27,041
Expenses		
Transaction costs	21	41
	21	41
Increase in net assets attributable to holders of redeemable units	\$ 70,399	\$ 27,000

*The accompanying notes are an integral part of these financial statements.***NBIMC UNIT TRUST FUNDS****Statement of Changes in Net Assets Attributable to Holders of Redeemable Units***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC External International Equity Fund	
	2014	2013
		<i>(Unaudited)</i>
Net assets attributable to holders of redeemable units, beginning of year (note 10)	\$ 206,006	\$ 179,006
Increase in net assets attributable to holders of redeemable units	70,399	27,000
Proceeds from issuance of redeemable units	3,011	374
Amounts paid on redemption of redeemable units	(3,004)	(374)
Net assets attributable to holders of redeemable units, end of year	\$ 276,412	\$ 206,006

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS

Statement of Cash Flows

(All amounts in thousands of Canadian dollars, except per unit amounts)

For the year ended March 31, 2014

	NBIMC External International Equity Fund	
	2014	2013
		(Unaudited)
Cash flows from (used in) operating activities		
Increase in net assets attributable to holders of redeemable units	\$ 70,399	\$ 27,000
Adjustments for:		
Foreign exchange gain on cash	(7)	—
Net realized gain on sale of investments	—	(2)
Net change in unrealized gain on investments	(70,420)	(27,039)
Purchases of investments	(9,376)	(3)
Proceeds from sale and maturity of investments	9,397	44
Net cash used in operating activities	(7)	—
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	3,011	374
Amounts paid on redemption of redeemable units	(3,004)	(374)
Net cash from financing activities	7	—
Net increase in cash	—	—
Cash, beginning of year	—	—
Cash, end of year	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

As at March 31, 2014

NBIMC EAFE Equity Index Fund

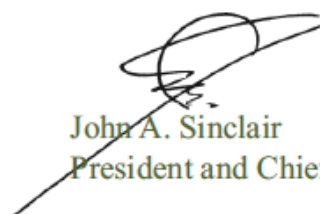
	March 31, 2014	March 31, 2013 <i>(Unaudited)</i>	April 1, 2012 <i>(Unaudited)</i>
Assets			
Investments	\$ 1,317,495	\$ 1,220,668	\$ 1,184,806
Cash	2,284	2,252	1,052
Dividends receivable	5,401	4,439	6,026
Receivable for investment sales	1,265	—	—
Taxes recoverable	965	2,047	439
Margin at brokers <i>(note 5)</i>	1,205	287	350
Total assets	1,328,615	1,229,693	1,192,673
Liabilities			
Payable for investment purchases	1,265	—	—
Liabilities (excluding net assets attributable to holders of redeemable units)	1,265	—	—
Net assets attributable to holders of redeemable units <i>(note 10)</i>	\$ 1,327,350	\$ 1,229,693	\$ 1,192,673
Net assets attributable to holders of redeemable units per unit	\$ 1,236.22	\$ 968.41	\$ 854.44

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the NBIMC Board as Trustee:



Michael W. Walton
Chairman of the Board



John A. Sinclair
President and Chief Executive Officer

NBIMC UNIT TRUST FUNDS

Statement of Comprehensive Income

(All amounts in thousands of Canadian dollars, except per unit amounts)

For the year ended March 31, 2014

	NBIMC EAFE Equity Index Fund	
	2014	2013 (Unaudited)
Income		
Dividend income	\$ 41,849	\$ 42,118
Securities lending income	1,108	1,246
Derivative income	2,102	2,734
Net realized (loss) gain on investments	(25,584)	239,756
Net change in unrealized gain (loss) on investments	302,167	(119,153)
Total income	321,642	166,701
Expenses		
Transaction costs	3,981	4,579
Total expenses	3,981	4,579
Increase in net assets attributable to holders of redeemable units	\$ 317,661	\$ 162,122

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS

Statement of Changes in Net Assets Attributable to Holders of Redeemable Units

(All amounts in thousands of Canadian dollars, except per unit amounts)

For the year ended March 31, 2014

	NBIMC EAFE Equity Index Fund	
	2014	2013 (Unaudited)
Net assets attributable to holders of redeemable units, beginning of year (note 10)	\$ 1,229,693	\$ 1,192,673
Increase in net assets attributable to holders of redeemable units	317,661	162,122
Proceeds from issuance of redeemable units	56,866	158,247
Amounts paid on redemption of redeemable units	(276,870)	(283,349)
Net assets attributable to holders of redeemable units, end of year	\$ 1,327,350	\$ 1,229,693

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS

Statement of Cash Flows

(All amounts in thousands of Canadian dollars, except per unit amounts)

For the year ended March 31, 2014

	NBIMC EAFE Equity Index Fund	
	2014	2013
		(Unaudited)
Cash flows from operating activities		
Increase in net assets attributable to holders of redeemable units	\$ 317,661	\$ 162,122
Adjustments for:		
Foreign exchange (gain) loss on cash	(63,064)	239,617
Net realized loss (gain) on sale of investments	25,584	(239,756)
Net change in unrealized (gain) loss on investments	(302,167)	119,153
Purchases of investments	(195,368)	(537,784)
Proceeds from sale and maturity of investments	438,188	382,908
Dividends receivable	(962)	1,587
Receivable for investment sales	(1,265)	—
Taxes recoverable	1,082	(1,608)
Margin at brokers	(918)	63
Payable for investment purchases	1,265	—
Net cash from operating activities	220,036	126,302
Cash flows used in financing activities		
Proceeds from issuances of redeemable units	56,866	158,247
Amounts paid on redemption of redeemable units	(276,870)	(283,349)
Net cash used in financing activities	(220,004)	(125,102)
Net increase in cash	32	1,200
Cash, beginning of year	2,252	1,052
Cash, end of year	\$ 2,284	\$ 2,252
<i>Supplemental information:</i>		
Interest paid	\$ 4	\$ 2
Dividends received	\$ 40,891	\$ 43,707

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

As at March 31, 2014

NBIMC Low Volatility International Equity Fund

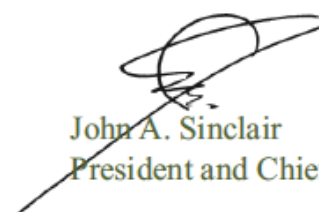
	March 31, 2014	March 31, 2013 <i>(Unaudited)</i>	April 1, 2012 <i>(Unaudited)</i>
Assets			
Investments	\$ 337,988	\$ 317,742	\$ 191,297
Cash	1,365	1,416	368
Dividends receivable	1,085	1,144	554
Receivable for investment sales	1,092	—	—
Taxes recoverable	429	116	20
Margin at brokers <i>(note 5)</i>	286	600	—
Total assets	342,245	321,018	192,239
Liabilities			
Payable for investment purchases	1,092	—	—
Derivative liabilities <i>(note 5)</i>	80	—	—
Margin at brokers <i>(note 5)</i>	—	—	6
Liabilities (excluding net assets attributable to holders of redeemable units)	1,172	—	6
Net assets attributable to holders of redeemable units <i>(note 10)</i>	\$ 341,073	\$ 321,018	\$ 192,233
Net assets attributable to holders of redeemable units per unit	\$ 1,505.22	\$ 1,242.22	\$ 1,047.45

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the NBIMC Board as Trustee:



Michael W. Walton
Chairman of the Board



John A. Sinclair
President and Chief Executive Officer

NBIMC UNIT TRUST FUNDS**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

NBIMC Low Volatility International Equity Fund			
	2014		2013
			<i>(Unaudited)</i>
Income			
Interest income	\$	—	\$ 1
Dividend income		10,522	7,124
Securities lending income		158	154
Derivative income		1,163	613
Net realized (loss) gain on investments		17,742	(6,169)
Net change in unrealized gain on investments		32,232	41,402
Total income		61,817	43,125
Expenses			
Transaction costs		860	934
Total expenses		860	934
Increase in net assets attributable to holders of redeemable units	\$	60,957	\$ 42,191

*The accompanying notes are an integral part of these financial statements.***NBIMC UNIT TRUST FUNDS****Statement of Changes in Net Assets Attributable to Holders of Redeemable Units***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

NBIMC Low Volatility International Equity Fund			
	2014		2013
			<i>(Unaudited)</i>
Net assets attributable to holders of redeemable units, beginning of year (note 10)	\$	321,018	\$ 192,233
Increase in net assets attributable to holders of redeemable units		60,957	42,191
Proceeds from issuance of redeemable units		11,284	87,485
Amounts paid on redemption of redeemable units		(52,186)	(891)
Net assets attributable to holders of redeemable units, end of year	\$	341,073	\$ 321,018

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS

Statement of Cash Flows

(All amounts in thousands of Canadian dollars, except per unit amounts)

For the year ended March 31, 2014

NBIMC Low Volatility International Equity Fund				
	2014		2013	
	(Unaudited)			
Cash flows from (used in) operating activities				
Increase in net assets attributable to holders of redeemable units	\$	60,957	\$	42,191
Adjustments for:				
Foreign exchange gain on cash		(5,753)		(5,381)
Net realized (gain) loss on sale of investments		(17,742)		6,169
Net change in unrealized gain on investments		(32,232)		(41,402)
Purchases of investments		(97,770)		(173,580)
Proceeds from sale and maturity of investments		133,251		87,749
Dividends receivable		59		(590)
Receivable for investment sales		(1,092)		—
Taxes recoverable		(313)		(96)
Margin at brokers		314		(606)
Payable for investment purchases		1,092		—
Derivative liabilities		80		—
Net cash from (used in) operating activities		40,851		(85,546)
Cash flows from (used in) financing activities				
Proceeds from issuances of redeemable units		11,284		87,485
Amounts paid on redemption of redeemable units		(52,186)		(891)
Net cash from (used in) financing activities		(40,902)		86,594
Net (decrease) increase in cash		(51)		1,048
Cash, beginning of year		1,416		368
Cash, end of year	\$	1,365	\$	1,416
<i>Supplemental information:</i>				
Interest received	\$	—	\$	1
Dividends received	\$	10,582	\$	6,534

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

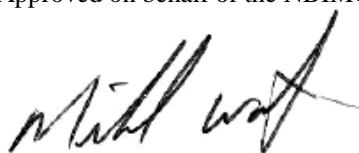
As at March 31, 2014

NBIMC U.S. Equity Index Fund

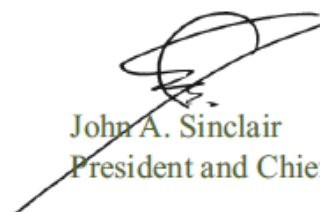
	March 31, 2014	March 31, 2013 <i>(Unaudited)</i>	April 1, 2012 <i>(Unaudited)</i>
Assets			
Investments	\$ 1,130,774	\$ 1,114,483	\$ 1,015,293
Cash	4	97	14
Dividends receivable	1,270	1,336	1,304
Receivable for investment sales	—	342	—
Derivative assets <i>(note 5)</i>	42	24	29
Margin at brokers <i>(note 5)</i>	854	801	177
Total assets	1,132,944	1,117,083	1,016,817
Liabilities			
Payable for investment purchases	4	486	—
Derivative liabilities <i>(note 5)</i>	67	980	27
Liabilities (excluding net assets attributable to holders of redeemable units)	71	1,466	27
Net assets attributable to holders of redeemable units <i>(note 10)</i>	\$ 1,132,873	\$ 1,115,617	\$ 1,016,790
Net assets attributable to holders of redeemable units per unit	\$ 1,724.94	\$ 1,302.89	\$ 1,125.23

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the NBIMC Board as Trustee:



Michael W. Walton
Chairman of the Board



John A. Sinclair
President and Chief Executive Officer

NBIMC UNIT TRUST FUNDS**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC U.S. Equity Index Fund	
	2014	2013
		<i>(Unaudited)</i>
Income		
Dividend income	\$ 22,420	\$ 22,960
Securities lending income	103	99
Derivative income	14,835	9,493
Net realized gain on investments	75,533	26,978
Net change in unrealized gain on investments	202,409	101,395
Other	8	12
Total income	315,308	160,937
Expenses		
Transaction costs	42	22
Total expenses	42	22
Increase in net assets attributable to holders of redeemable units	\$ 315,266	\$ 160,915

*The accompanying notes are an integral part of these financial statements.***NBIMC UNIT TRUST FUNDS****Statement of Changes in Net Assets Attributable to Holders of Redeemable Units***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC U.S. Equity Index Fund	
	2014	2013
		<i>(Unaudited)</i>
Net assets attributable to holders of redeemable units, beginning of year (note 10)	\$ 1,115,617	\$ 1,016,790
Increase in net assets attributable to holders of redeemable units	315,266	160,915
Proceeds from issuance of redeemable units	44,605	103,792
Amounts paid on redemption of redeemable units	(342,615)	(165,880)
Net assets attributable to holders of redeemable units, end of year	\$ 1,132,873	\$ 1,115,617

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS

Statement of Cash Flows

(All amounts in thousands of Canadian dollars, except per unit amounts)

For the year ended March 31, 2014

	NBIMC U.S. Equity Index Fund	
	2014	2013
		<i>(Unaudited)</i>
Cash flows from (used in) operating activities		
Increase in net assets attributable to holders of redeemable units	\$ 315,266	\$ 160,915
Adjustments for:		
Foreign exchange loss on cash	791	1,422
Net realized gain on sale of investments	(75,533)	(26,978)
Net change in unrealized gain on investments	(202,409)	(101,395)
Purchases of investments	(2,248,102)	(2,367,637)
Proceeds from sale and maturity of investments	2,508,962	2,395,398
Dividends receivable	66	(32)
Receivable for investment sales	342	(342)
Derivative assets	(18)	5
Margin at brokers	(53)	(624)
Payable for investment purchases	(482)	486
Derivative liabilities	(913)	953
Net cash from operating activities	297,917	62,171
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	44,605	103,792
Amounts paid on redemption of redeemable units	(342,615)	(165,880)
Net cash used in financing activities	(298,010)	(62,088)
Net increase (decrease) in cash	(93)	83
Cash, beginning of year	97	14
Cash, end of year	\$ 4	\$ 97
<i>Supplemental information:</i>		
Interest paid	\$ 2	\$ 1
Dividends received	\$ 22,488	\$ 22,929

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

As at March 31, 2014

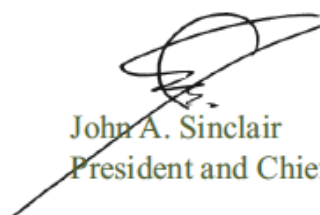
	NBIMC Low Volatility U.S. Equity Fund		
	March 31, 2014	March 31, 2013 <i>(Unaudited)</i>	April 1, 2012 <i>(Unaudited)</i>
Assets			
Investments	\$ 367,928	\$ 318,274	\$ 189,499
Cash	—	74	27
Dividends receivable	548	507	317
Derivative assets <i>(note 5)</i>	3	—	1
Margin at brokers <i>(note 5)</i>	8	348	33
Total assets	368,487	319,203	189,877
Liabilities			
Payable for investment purchases	79	—	—
Derivative liabilities <i>(note 5)</i>	7	21	—
Liabilities (excluding net assets attributable to holders of redeemable units)	86	21	—
Net assets attributable to holders of redeemable units <i>(note 10)</i>	\$ 368,401	\$ 319,182	\$ 189,877
Net assets attributable to holders of redeemable units per unit	\$ 1,614.46	\$ 1,274.56	\$ 1,039.03

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the NBIMC Board as Trustee:



Michael W. Walton
Chairman of the Board



John A. Sinclair
President and Chief Executive Officer

NBIMC UNIT TRUST FUNDS**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC Low Volatility U.S. Equity Fund	
	2014	2013
		<i>(Unaudited)</i>
Income		
Dividend income	\$ 8,470	\$ 6,375
Securities lending income	32	18
Derivative income	189	288
Net realized gain on investments	30,156	6,355
Net change in unrealized gain on investments	40,607	35,596
Total income	79,454	48,632
Expenses		
Transaction costs	56	36
Total expenses	56	36
Increase in net assets attributable to holders of redeemable units	\$ 79,398	\$ 48,596

*The accompanying notes are an integral part of these financial statements.***NBIMC UNIT TRUST FUNDS****Statement of Changes in Net Assets Attributable to Holders of Redeemable Units***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC Low Volatility U.S. Equity Fund	
	2014	2013
		<i>(Unaudited)</i>
Net assets attributable to holders of redeemable units, beginning of year (note 10)	\$ 319,182	\$ 189,877
Increase in net assets attributable to holders of redeemable units	79,398	48,596
Proceeds from issuance of redeemable units	13,110	81,421
Amounts paid on redemption of redeemable units	(43,289)	(712)
Net assets attributable to holders of redeemable units, end of year	\$ 368,401	\$ 319,182

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS

Statement of Cash Flows

(All amounts in thousands of Canadian dollars, except per unit amounts)

For the year ended March 31, 2014

	NBIMC Low Volatility U.S. Equity Fund	
	2014	2013
		(Unaudited)
Cash flows from (used in) operating activities		
Increase in net assets attributable to holders of redeemable units	\$ 79,398	\$ 48,596
Adjustments for:		
Foreign exchange loss on cash	40	160
Net realized gain on sale of investments	(30,156)	(6,355)
Net change in unrealized gain on investments	(40,607)	(35,596)
Purchases of investments	(356,464)	(422,242)
Proceeds from sale and maturity of investments	377,533	335,258
Dividends receivable	(41)	(190)
Derivative assets	(3)	1
Margin at brokers	340	(315)
Payable for investment purchases	79	—
Derivative liabilities	(14)	21
Net cash from (used in) operating activities	30,105	(80,662)
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	13,110	81,421
Amounts paid on redemption of redeemable units	(43,289)	(712)
Net cash from (used in) financing activities	(30,179)	80,709
Net (decrease) increase in cash	(74)	47
Cash, beginning of year	74	27
Cash, end of year	\$ —	\$ 74

Supplemental information:

Dividends received	\$ 8,429	\$ 6,185
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The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

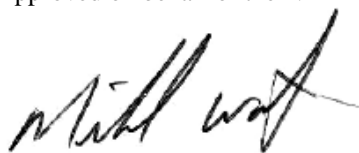
As at March 31, 2014

NBIMC Inflation Linked Securities Fund

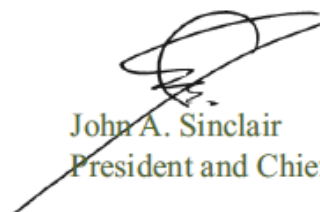
	March 31, 2014	March 31, 2013 <i>(Unaudited)</i>	April 1, 2012 <i>(Unaudited)</i>
Assets			
Investments	\$ 991,733	\$ 938,010	\$ 838,733
Interest receivable	6,799	5,815	5,297
Total assets	998,532	943,825	844,030
Liabilities			
Payable for investment purchases	—	—	—
Liabilities (excluding net assets attributable to holders of redeemable units)	—	—	—
Net assets attributable to holders of redeemable units (note 10)	\$ 998,532	\$ 943,825	\$ 844,030
Net assets attributable to holders of redeemable units per unit	\$ 3,194.42	\$ 3,394.53	\$ 3,316.44

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the NBIMC Board as Trustee:



Michael W. Walton
Chairman of the Board



John A. Sinclair
President and Chief Executive Officer

NBIMC UNIT TRUST FUNDS**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

NBIMC Inflation Linked Securities Fund			
	2014		2013
			<i>(Unaudited)</i>
Income			
Interest income	\$ 19,665	\$	16,385
Securities lending income	29		—
Net realized gain on investments	283		1,906
Net change in unrealized (loss) gain on investments	(70,891)		2,808
Total income	(50,914)		21,099
(Decrease) increase in net assets attributable to holders of redeemable units	\$ (50,914)	\$	21,099

*The accompanying notes are an integral part of these financial statements.***NBIMC UNIT TRUST FUNDS****Statement of Changes in Net Assets Attributable to Holders of Redeemable Units***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

NBIMC Inflation Linked Securities Fund			
	2014		2013
			<i>(Unaudited)</i>
Net assets attributable to holders of redeemable units, beginning of year (note 10)	\$ 943,825	\$	844,030
(Decrease) increase in net assets attributable to holders of redeemable units	(50,914)		21,099
Proceeds from issuance of redeemable units	125,500		94,297
Amounts paid on redemption of redeemable units	(19,879)		(15,601)
Net assets attributable to holders of redeemable units, end of year	\$ 998,532	\$	943,825

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS

Statement of Cash Flows

(All amounts in thousands of Canadian dollars, except per unit amounts)

For the year ended March 31, 2014

	NBIMC Inflation Linked Securities Fund	
	2014	2013
		(Unaudited)
Cash flows from (used in) operating activities		
(Decrease) increase in net assets attributable to holders of redeemable units	\$ (50,914)	\$ 21,099
Adjustments for:		
Net realized gain on sale of investments	(283)	(1,906)
Net change in unrealized loss (gain) on investments	70,891	(2,808)
Purchases of investments	(294,684)	(282,379)
Proceeds from sale and maturity of investments	170,353	187,816
Interest receivable	(984)	(518)
Net cash used in operating activities	(105,621)	(78,696)
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	125,500	94,297
Amounts paid on redemption of redeemable units	(19,879)	(15,601)
Net cash from financing activities	105,621	78,696
Net increase in cash	—	—
Cash, beginning of year	—	—
Cash, end of year	\$ —	\$ —
<i>Supplemental information:</i>		
Interest received	\$ 18,681	\$ 15,867
<i>The accompanying notes are an integral part of these financial statements.</i>		

NBIMC UNIT TRUST FUNDS**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

As at March 31, 2014

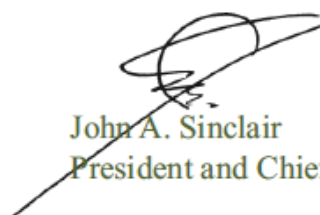
NBIMC Canadian Real Estate Fund				
	March 31, 2014	March 31, 2013	March 31, 2013	April 1, 2012
		<i>(Unaudited)</i>		<i>(Unaudited)</i>
Assets				
Investments	\$ 196,134	\$ 409,949	\$	319,191
Cash	—	—		2,804
Interest receivable	—	6		145
Dividends receivable	—	951		725
Receivable for investment sales	118	—		—
Total assets	196,252	410,906		322,865
Liabilities				
Indebtedness	118	—		—
Payable for investment purchases	—	—		2,804
Liabilities (excluding net assets attributable to holders of redeemable units)	118	—		2,804
Net assets attributable to holders of redeemable units (note 10)	\$ 196,134	\$ 410,906	\$	320,061
Net assets attributable to holders of redeemable units per unit	\$ 3,264.93	\$ 3,188.43	\$	2,844.94

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the NBIMC Board as Trustee:



Michael W. Walton
Chairman of the Board



John A. Sinclair
President and Chief Executive Officer

NBIMC UNIT TRUST FUNDS**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC Canadian Real Estate Fund	
	2014	2013 <i>(Unaudited)</i>
Income		
Interest income	\$ 147	\$ 234
Dividend income	13,936	15,771
Securities lending income	23	18
Net realized gain on investments	7,868	8,987
Net change in unrealized (loss) gain on investments	(4,887)	15,221
Total income	17,087	40,231
Expenses		
Transaction costs	26	41
Other	97	17
Total expenses	123	58
Increase in net assets attributable to holders of redeemable units	\$ 16,964	\$ 40,173

*The accompanying notes are an integral part of these financial statements.***NBIMC UNIT TRUST FUNDS****Statement of Changes in Net Assets Attributable to Holders of Redeemable Units***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC Canadian Real Estate Fund	
	2014	2013 <i>(Unaudited)</i>
Net assets attributable to holders of redeemable units, beginning of year (note 10)	\$ 410,906	\$ 320,061
Increase in net assets attributable to holders of redeemable units	16,964	40,173
Proceeds from issuance of redeemable units	28,119	74,909
Amounts paid on redemption of redeemable units	(259,855)	(24,237)
Net assets attributable to holders of redeemable units, end of year	\$ 196,134	\$ 410,906

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS

Statement of Cash Flows

(All amounts in thousands of Canadian dollars, except per unit amounts)

For the year ended March 31, 2014

	NBIMC Canadian Real Estate Fund	
	2014	2013 (Unaudited)
Cash flows from (used in) operating activities		
Increase in net assets attributable to holders of redeemable units	\$ 16,964	\$ 40,173
Adjustments for:		
Net realized gain on sale of investments	(7,868)	(8,987)
Net change in unrealized (gain) loss on investments	4,887	(15,221)
Purchases of investments	(67,736)	(168,471)
Proceeds from sale and maturity of investments	284,532	101,921
Interest receivable	6	139
Dividends receivable	951	(226)
Receivable for investment sales	(118)	—
Payable for investment purchases	—	(2,804)
Net cash from (used in) operating activities	231,618	(53,476)
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	28,119	74,909
Amounts paid on redemption of redeemable units	(259,855)	(24,237)
Net cash from (used in) financing activities	(231,736)	50,672
Net decrease in cash	(118)	(2,804)
Cash, beginning of year	—	2,804
(Indebtedness) cash, end of year	\$ (118)	\$ —
<i>Supplemental information:</i>		
Interest received	\$ 153	\$ 373
Dividends received	\$ 14,887	\$ 15,545
<i>The accompanying notes are an integral part of these financial statements.</i>		

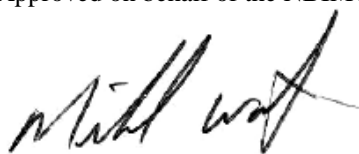
NBIMC UNIT TRUST FUNDS**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

As at March 31, 2014

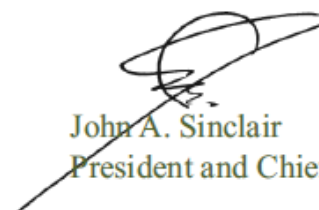
	NBIMC Canadian Real Estate Investment Trust Fund		
	March 31, 2014	March 31, 2013	March 31, 2012
		<i>(Unaudited)</i>	<i>(Unaudited)</i>
Assets			
Investments	\$ 233,562	\$ —	\$ —
Dividends receivable	926	—	—
Total assets	234,488	—	—
Liabilities			
Payable for investment purchases	—	—	—
Liabilities (excluding net assets attributable to holders of redeemable units)	—	—	—
Net assets attributable to holders of redeemable units (note 10)	\$ 234,488	\$ —	\$ —
Net assets attributable to holders of redeemable units per unit	\$ 1,058.05	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the NBIMC Board as Trustee:



Michael W. Walton
Chairman of the Board



John A. Sinclair
President and Chief Executive Officer

NBIMC UNIT TRUST FUNDS

Statement of Comprehensive Income

(All amounts in thousands of Canadian dollars, except per unit amounts)

For the year ended March 31, 2014

	NBIMC Canadian Real Estate Investment Trust Fund	
	2014	2013 (Unaudited)
Income		
Dividend income	\$ 3,942	\$ —
Net realized loss on investments	(926)	—
Net change in unrealized gain on investments	312	—
Total income	3,328	—
Expenses		
Transaction costs	15	—
Total expenses	15	—
Increase in net assets attributable to holders of redeemable units	\$ 3,313	\$ —

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS

Statement of Changes in Net Assets Attributable to Holders of Redeemable Units

(All amounts in thousands of Canadian dollars, except per unit amounts)

For the year ended March 31, 2014

	NBIMC Canadian Real Estate Investment Trust Fund	
	2014	2013 (Unaudited)
Net assets attributable to holders of redeemable units, beginning of year (note 10)	\$ —	\$ —
Increase in net assets attributable to holders of redeemable units	3,313	—
Proceeds from issuance of redeemable units	231,888	—
Amounts paid on redemption of redeemable units	(713)	—
Net assets attributable to holders of redeemable units, end of year	\$ 234,488	\$ —

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS

Statement of Cash Flows

(All amounts in thousands of Canadian dollars, except per unit amounts)

For the year ended March 31, 2014

	NBIMC Canadian Real Estate Investment Trust Fund	
	2014	2013 (Unaudited)
Cash flows used in operating activities		
Increase in net assets attributable to holders of redeemable units	\$ 3,313	\$ —
Adjustments for:		
Net realized loss on sale of investments	926	—
Net change in unrealized gain on investments	(312)	—
Purchases of investments	(240,220)	—
Proceeds from sale and maturity of investments	6,044	—
Dividends receivable	(926)	—
Net cash used in operating activities	(231,175)	—
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	231,888	—
Amounts paid on redemption of redeemable units	(713)	—
Net cash from financing activities	231,175	—
Net increase in cash	—	—
Cash, beginning of year	—	—
Cash, end of year	\$ —	\$ —
<i>Supplemental information:</i>		
Dividends received	\$ 3,016	\$ —
<i>The accompanying notes are an integral part of these financial statements.</i>		

NBIMC UNIT TRUST FUNDS**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

As at March 31, 2014

	NBIMC International Real Estate Fund		
	March 31, 2014	March 31, 2013 <i>(Unaudited)</i>	April 1, 2012 <i>(Unaudited)</i>
Assets			
Investments	\$ 308,684	\$ 265,390	\$ 338,692
Cash	105	418	—
Dividends receivable	867	640	706
Total assets	309,656	266,448	339,398
Liabilities			
Payable for investment purchases	555	—	—
Liabilities (excluding net assets attributable to holders of redeemable units)	555	—	—
Net assets attributable to holders of redeemable units (note 10)	\$ 309,101	\$ 266,448	\$ 339,398

Net assets attributable to holders of redeemable units per unit

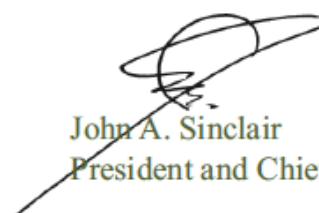
\$ 4,658.57 \$ 4,121.14 \$ 3,549.41

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the NBIMC Board as Trustee:



Michael W. Walton
Chairman of the Board



John A. Sinclair
President and Chief Executive Officer

NBIMC UNIT TRUST FUNDS**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC International Real Estate Fund	
	2014	2013
		<i>(Unaudited)</i>
Income		
Dividend income	\$ 9,537	\$ 9,477
Securities lending income	19	4
Net realized gain on investments	23,605	38,485
Net change in unrealized gain (loss) on investments	5,773	(2,401)
Other	5	—
Total income	38,939	45,565
Expenses		
Transaction costs	86	136
Total expenses	86	136
Increase in net assets attributable to holders of redeemable units	\$ 38,853	\$ 45,429

*The accompanying notes are an integral part of these financial statements.***NBIMC UNIT TRUST FUNDS****Statement of Changes in Net Assets Attributable to Holders of Redeemable Units***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC International Real Estate Fund	
	2014	2013
		<i>(Unaudited)</i>
Net assets attributable to holders of redeemable units, beginning of year (note 10)	\$ 266,448	\$ 339,398
Increase in net assets attributable to holders of redeemable units	38,853	45,429
Proceeds from issuance of redeemable units	55,272	3,576
Amounts paid on redemption of redeemable units	(51,472)	(121,955)
Net assets attributable to holders of redeemable units, end of year	\$ 309,101	\$ 266,448

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS**Statement of Cash Flows***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC International Real Estate Fund	
	2014	2013
		<i>(Unaudited)</i>
Cash flows from (used in) operating activities		
Increase in net assets attributable to holders of redeemable units	\$ 38,853	\$ 45,429
Adjustments for:		
Foreign exchange gain on cash	(55)	(39)
Net realized gain on sale of investments	(23,605)	(38,485)
Net change in unrealized (gain) loss on investments	(5,773)	2,401
Purchases of investments	(270,533)	(359,363)
Proceeds from sale and maturity of investments	256,672	468,788
Dividends receivable	(227)	66
Payable for investment purchases	555	—
Net cash (used in) from operating activities	(4,113)	118,797
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	55,272	3,576
Amounts paid on redemption of redeemable units	(51,472)	(121,955)
Net cash from (used in) financing activities	3,800	(118,379)
Net (decrease) increase in cash	(313)	418
Cash, beginning of year	418	—
Cash, end of year	\$ 105	\$ 418
<i>Supplemental information:</i>		
Dividends received	\$ 9,310	\$ 9,543
<i>The accompanying notes are an integral part of these financial statements.</i>		

NBIMC UNIT TRUST FUNDS**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

As at March 31, 2014

NBIMC Infrastructure Fund				
	March 31, 2014	March 31, 2013	April 1, 2012	
		<i>(Unaudited)</i>	<i>(Unaudited)</i>	
Assets				
Investments	\$ 100,274	\$ 73,654	\$ 51,871	
Cash	—	849	—	
Derivative assets <i>(note 5)</i>	—	341	—	
Total assets	100,274	74,844	51,871	
Liabilities				
Derivative liabilities <i>(note 5)</i>	2,115	—	214	
Liabilities (excluding net assets attributable to holders of redeemable units)	2,115	—	214	
Net assets attributable to holders of redeemable units <i>(note 10)</i>	\$ 98,159	\$ 74,844	\$ 51,657	

Net assets attributable to holders of redeemable units per unit

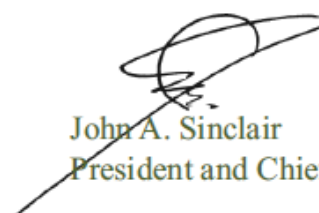
\$ 1,258.84 \$ 1,213.35 \$ 1,133.30

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the NBIMC Board as Trustee:



Michael W. Walton
Chairman of the Board



John A. Sinclair
President and Chief Executive Officer

NBIMC UNIT TRUST FUNDS**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC Infrastructure Fund	
	2014	2013
		<i>(Unaudited)</i>
Income		
Interest income	\$ 267	\$ 97
Dividend income	3,147	1,871
Derivative income	—	341
Net realized loss on investments	(4,572)	(211)
Net change in unrealized gain on investments	7,215	1,880
Total income	6,057	3,978
Expenses		
Derivative loss	2,115	—
Other	418	130
Total expenses	2,533	130
Increase in net assets attributable to holders of redeemable units	\$ 3,524	\$ 3,848

*The accompanying notes are an integral part of these financial statements.***NBIMC UNIT TRUST FUNDS****Statement of Changes in Net Assets Attributable to Holders of Redeemable Units***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC Infrastructure Fund	
	2014	2013
		<i>(Unaudited)</i>
Net assets attributable to holders of redeemable units, beginning of year (note 10)	\$ 74,844	\$ 51,657
Increase in net assets attributable to holders of redeemable units	3,524	3,848
Proceeds from issuance of redeemable units	24,730	22,250
Amounts paid on redemption of redeemable units	(4,939)	(2,911)
Net assets attributable to holders of redeemable units, end of year	\$ 98,159	\$ 74,844

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS

Statement of Cash Flows

(All amounts in thousands of Canadian dollars, except per unit amounts)

For the year ended March 31, 2014

	NBIMC Infrastructure Fund	
	2014	2013
		(Unaudited)
Cash flows from (used in) operating activities		
Increase in net assets attributable to holders of redeemable units	\$ 3,524	\$ 3,848
Adjustments for:		
Foreign exchange (gain) loss on cash	(4,517)	279
Net realized loss on sale of investments	4,572	211
Net change in unrealized gain on investments	(7,215)	(1,880)
Purchases of investments	(641,424)	(274,643)
Proceeds from sale and maturity of investments	621,964	254,250
Derivative assets	341	(341)
Derivative liabilities	2,115	(214)
Net cash used in operating activities	(20,640)	(18,490)
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	24,730	22,250
Amounts paid on redemption of redeemable units	(4,939)	(2,911)
Net cash from financing activities	19,791	19,339
Net (decrease) increase in cash	(849)	849
Cash, beginning of year	849	—
Cash, end of year	\$ —	\$ 849
<i>Supplemental information:</i>		
Interest received	\$ 267	\$ 97
Dividends received	\$ 3,147	\$ 1,871

The accompanying notes are an integral part of these financial statements.

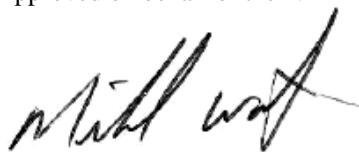
NBIMC UNIT TRUST FUNDS**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

As at March 31, 2014

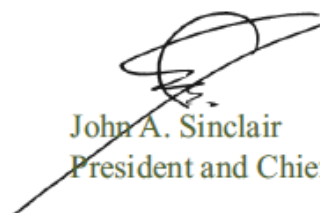
	NBIMC North American Market Neutral Fund		
	March 31, 2014	March 31, 2013 <i>(Unaudited)</i>	April 1, 2012 <i>(Unaudited)</i>
Assets			
Investments	\$ 225,428	\$ 263,180	\$ 278,878
Cash	—	—	1,951
Dividends receivable	211	211	302
Receivable for investment sales	868	1,752	15,352
Derivative assets <i>(note 5)</i>	50	369	75
Total assets	226,557	265,512	296,558
Liabilities			
Indebtedness	—	88	—
Payable for investment purchases	488	2,092	16,610
Derivative liabilities <i>(note 5)</i>	36	68	348
Dividends payable	294	290	412
Liabilities for short equity positions	65,188	117,600	129,206
Liabilities (excluding net assets attributable to holders of redeemable units)	66,006	120,138	146,576
Net assets attributable to holders of redeemable units <i>(note 10)</i>	\$ 160,551	\$ 145,374	\$ 149,982
Net assets attributable to holders of redeemable units per unit	\$ 1,303.36	\$ 1,225.97	\$ 1,218.65

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the NBIMC Board as Trustee:



Michael W. Walton
Chairman of the Board



John A. Sinclair
President and Chief Executive Officer

NBIMC UNIT TRUST FUNDS

Statement of Comprehensive Income

(All amounts in thousands of Canadian dollars, except per unit amounts)

For the year ended March 31, 2014

NBIMC North American Market Neutral Fund			
	2014		2013 (Unaudited)
Income			
Dividend loss	\$ (427)	\$	(393)
Securities lending income	31		12
Derivative income	14		301
Net realized gain (loss) on investments	11,510		(2,175)
Net change in unrealized (loss) gain on investments	(977)		4,229
Total income	10,151		1,974
Expenses			
Transaction costs	735		807
Other	278		340
Total expenses	1,013		1,147
Increase in net assets attributable to holders of redeemable units	\$ 9,138	\$	827

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS

Statement of Changes in Net Assets Attributable to Holders of Redeemable Units

(All amounts in thousands of Canadian dollars, except per unit amounts)

For the year ended March 31, 2014

NBIMC North American Market Neutral Fund			
	2014		2013 (Unaudited)
Net assets attributable to holders of redeemable units, beginning of year (note 10)	\$ 145,374	\$	149,982
Increase in net assets attributable to holders of redeemable units	9,138		827
Proceeds from issuance of redeemable units	15,565		19,700
Amounts paid on redemption of redeemable units	(9,526)		(25,135)
Net assets attributable to holders of redeemable units, end of year	\$ 160,551	\$	145,374

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS

Statement of Cash Flows

(All amounts in thousands of Canadian dollars, except per unit amounts)

For the year ended March 31, 2014

	NBIMC North American Market Neutral Fund	
	2014	2013 (Unaudited)
Cash flows from (used in) operating activities		
Increase in net assets attributable to holders of redeemable units	\$ 9,138	\$ 827
Adjustments for:		
Foreign exchange loss on cash	731	134
Net realized (gain) loss on sale of investments	(11,510)	2,175
Net change in unrealized(gain) loss on investments	977	(4,229)
Purchases of investments	(506,981)	(481,026)
Proceeds from sale and maturity of investments	502,124	487,038
Dividends receivable	—	91
Receivable for investment sales	884	13,600
Derivative assets	319	(294)
Payable for investment purchases	(1,604)	(14,518)
Derivative liabilities	(32)	(280)
Dividends payable	3	(122)
Net cash (used in) from operating activities	(5,951)	3,396
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	15,565	19,700
Amounts paid on redemption of redeemable units	(9,526)	(25,135)
Net cash from (used in) financing activities	6,039	(5,435)
Net increase (decrease) in cash	88	(2,039)
(Indebtedness) cash, beginning of period	(88)	1,951
Cash (indebtedness), end of period	\$ —	\$ (88)
<i>Supplemental information:</i>		
Dividends paid	\$ 427	\$ 297
<i>The accompanying notes are an integral part of these financial statements.</i>		

NBIMC UNIT TRUST FUNDS**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

As at March 31, 2014

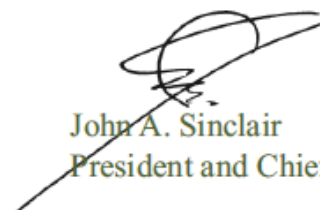
NBIMC Quantitative Strategies Fund				
	March 31, 2014	March 31, 2013	March 31, 2013	April 1, 2012
		<i>(Unaudited)</i>		<i>(Unaudited)</i>
Assets				
Investments	\$ 357,486	\$ 352,702	\$ 292,239	
Cash	—	—	2,152	
Interest receivable	26	—	—	
Dividends receivable	283	239	380	
Receivable for investment sales	29,908	12,056	22,262	
Derivative assets <i>(note 5)</i>	349	115	309	
Total assets	388,052	365,112	317,342	
Liabilities				
Indebtedness	4,676	1,101	—	
Payable for investment purchases	23,967	11,588	25,395	
Derivative liabilities <i>(note 5)</i>	205	258	33	
Dividends payable	265	244	499	
Liabilities for short equity positions	129,635	144,087	113,476	
Liabilities (excluding net assets attributable to holders of redeemable units)	158,748	157,278	139,403	
Net assets attributable to holders of redeemable units <i>(note 10)</i>	\$ 229,304	\$ 207,834	\$ 177,939	
Net assets attributable to holders of redeemable units per unit	\$ 1,231.22	\$ 1,153.11	\$ 1,098.17	

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the NBIMC Board as Trustee:



Michael W. Walton
Chairman of the Board



John A. Sinclair
President and Chief Executive Officer

NBIMC UNIT TRUST FUNDS**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC Quantitative Strategies Fund	
	2014	2013
		<i>(Unaudited)</i>
Income		
Interest income	\$ 55	\$ —
Dividend income	1,592	18,244
Securities lending income	60	27
Derivative income	58	(145)
Net realized gain on investments	11,329	990
Net change in unrealized gain (loss) on investments	3,169	(7,159)
Total income	16,263	11,957
Expenses		
Transaction costs	1,455	1,425
Other	707	733
Total expenses	2,162	2,158
Increase in net assets attributable to holders of redeemable units	\$ 14,101	\$ 9,799

*The accompanying notes are an integral part of these financial statements.***NBIMC UNIT TRUST FUNDS****Statement of Changes in Net Assets Attributable to Holders of Redeemable Units***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

	NBIMC Quantitative Strategies Fund	
	2014	2013
		<i>(Unaudited)</i>
Net assets attributable to holders of redeemable units, beginning of year (note 10)	\$ 207,834	\$ 177,939
Increase in net assets attributable to holders of redeemable units	14,101	9,799
Proceeds from issuance of redeemable units	23,597	36,623
Amounts paid on redemption of redeemable units	(16,228)	(16,527)
Net assets attributable to holders of redeemable units, end of year	\$ 229,304	\$ 207,834

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS

Statement of Cash Flows

(All amounts in thousands of Canadian dollars, except per unit amounts)

For the year ended March 31, 2014

	NBIMC Quantitative Strategies Fund	
	2014	2013 (Unaudited)
Cash flows from (used in) operating activities		
Increase in net assets attributable to holders of redeemable units	\$ 14,101	\$ 9,799
Adjustments for:		
Foreign exchange loss on cash	842	268
Net realized gain on sale of investments	(11,329)	(990)
Net change in unrealized (gain) loss on investments	(3,169)	7,159
Purchases of investments	(1,628,113)	(1,497,226)
Proceeds from sale and maturity of investments	1,622,533	1,460,969
Interest receivable	(26)	—
Dividends receivable	(44)	109
Receivable for investment sales	(17,852)	10,206
Derivative assets	(234)	194
Payable for investment purchases	12,379	(13,807)
Derivative liabilities	(53)	225
Dividends payable	21	(255)
Net cash from operating activities	(10,944)	(23,349)
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	23,597	36,623
Amounts paid on redemption of redeemable units	(16,228)	(16,527)
Net cash from financing activities	7,369	20,096
Net decrease in cash	(3,575)	(3,253)
(Indebtedness) cash, beginning of year	(1,101)	2,152
Indebtedness, end of year	\$ (4,676)	\$ (1,101)
<i>Supplemental information:</i>		
Interest received	\$ 29	\$ —
Interest paid	\$ —	\$ 3
Dividends received	\$ 1,550	\$ 18,356

The accompanying notes are an integral part of these financial statements.

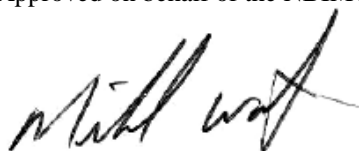
NBIMC UNIT TRUST FUNDS**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

As at March 31, 2014

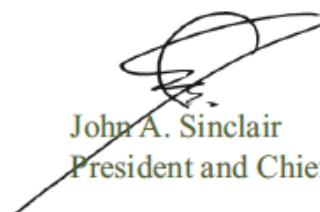
NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund				
	March 31, 2014	March 31, 2013 <i>(Unaudited)</i>	April 1, 2012 <i>(Unaudited)</i>	
Assets				
Investments	\$ 29,204	\$ 27,776	\$ 17,601	
Interest receivable	20	—	—	
Receivable for investment sales	—	2,218	4,802	
Total assets	29,224	29,994	22,403	
Liabilities				
Payable for investment purchases	—	—	—	
Liabilities (excluding net assets attributable to holders of redeemable units)	—	—	—	
Net assets attributable to holders of redeemable units (note 10)	\$ 29,224	\$ 29,994	\$ 22,403	
Net assets attributable to holders of redeemable units per unit	\$ 4,682.78	\$ 4,521.67	\$ 3,970.76	

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the NBIMC Board as Trustee:



Michael W. Walton
Chairman of the Board



John A. Sinclair
President and Chief Executive Officer

NBIMC UNIT TRUST FUNDS**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

**NBIMC New Brunswick and Atlantic Canada
Equity Opportunity Fund**

	2014	2013 <i>(Unaudited)</i>
Income		
Interest income	\$ 20	\$ —
Dividend income	201	224
Net realized loss on investments	(12,067)	(3)
Net change in unrealized gain on investments	12,031	5,194
Total income	185	5,415
Increase in net assets attributable to holders of redeemable units	\$ 185	\$ 5,415

*The accompanying notes are an integral part of these financial statements.***NBIMC UNIT TRUST FUNDS****Statement of Changes in Net Assets Attributable to Holders of Redeemable Units***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

**NBIMC New Brunswick and Atlantic Canada
Equity Opportunity Fund**

	2014	2013 <i>(Unaudited)</i>
Net assets attributable to holders of redeemable units, beginning of year (note 10)	\$ 29,994	\$ 22,403
Increase in net assets attributable to holders of redeemable units	185	5,415
Proceeds from issuance of redeemable units	2,503	5,054
Amounts paid on redemption of redeemable units	(3,458)	(2,878)
Net assets attributable to holders of redeemable units, end of year	\$ 29,224	\$ 29,994

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS**Statement of Cash Flows***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31, 2014

**NBIMC New Brunswick and Atlantic Canada
Equity Opportunity Fund****2014****2013***(Unaudited)*

Cash flows from (used in) operating activities			
Increase in net assets attributable to holders of redeemable units	\$	185	\$ 5,415
Adjustments for:			
Foreign exchange loss (gain) on cash		1	(3)
Net realized loss on sale of investments		12,067	3
Net change in unrealized gain on investments		(12,031)	(5,194)
Purchases of investments		(5,902)	(10,143)
Proceeds from sale and maturity of investments		4,437	5,162
Interest receivable		(20)	—
Receivable for investment sales		2,218	2,584
Net cash from (used in) operating activities		955	(2,176)
Cash flows from (used in) financing activities			
Proceeds from issuances of redeemable units		2,503	5,054
Amounts paid on redemption of redeemable units		(3,458)	(2,878)
Net cash (used in) from financing activities		(955)	2,176
Net increase in cash		—	—
Cash, beginning of year		—	—
Cash, end of year	\$	—	\$ —
<i>Supplemental information:</i>			
Dividends received	\$	200	\$ 217

The accompanying notes are an integral part of these financial statements.

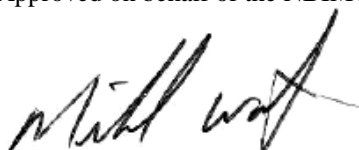
NBIMC UNIT TRUST FUNDS**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

As at March 31, 2014

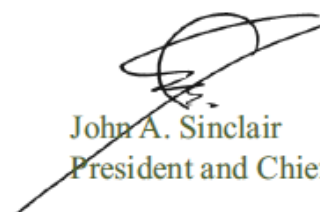
NBIMC Private Equity Fund				
	March 31, 2014	March 31, 2013	March 31, 2013	April 1, 2012
		<i>(Unaudited)</i>		<i>(Unaudited)</i>
Assets				
Investments	\$ 360,260	\$ 289,762	\$ 289,762	\$ 257,174
Total assets	360,260	289,762	289,762	257,174
Liabilities				
Liabilities (excluding net assets attributable to holders of redeemable units)	—	—	—	—
Net assets attributable to holders of redeemable units (note 10)	\$ 360,260	\$ 289,762	\$ 289,762	\$ 257,174
Net assets attributable to holders of redeemable units per unit	\$ 1,941.25	\$ 1,525.67	\$ 1,525.67	\$ 1,385.67

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the NBIMC Board as Trustee:



Michael W. Walton
Chairman of the Board



John A. Sinclair
President and Chief Executive Officer

NBIMC UNIT TRUST FUNDS

Statement of Comprehensive Income

(All amounts in thousands of Canadian dollars, except per unit amounts)

For the year ended March 31, 2014

NBIMC Private Equity Fund			
		2014	2013
			(Unaudited)
Income			
Dividend income	\$	9,574	\$ 5,901
Net realized gain on investments		25,912	12,958
Net change in unrealized gain on investments		48,807	11,978
Total income		84,293	30,837
Expenses			
Other		6,332	4,093
Total expenses		6,332	4,093
Increase in net assets attributable to holders of redeemable units	\$	77,961	\$ 26,744

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS

Statement of Changes in Net Assets Attributable to Holders of Redeemable Units

(All amounts in thousands of Canadian dollars, except per unit amounts)

For the year ended March 31, 2014

NBIMC Private Equity Fund			
		2014	2013
			(Unaudited)
Net assets attributable to holders of redeemable units, beginning of year (note 10)	\$	289,762	\$ 257,174
Increase in net assets attributable to holders of redeemable units		77,961	26,744
Proceeds from issuance of redeemable units		51,094	37,404
Amounts paid on redemption of redeemable units		(58,557)	(31,560)
Net assets attributable to holders of redeemable units, end of year	\$	360,260	\$ 289,762

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS

Statement of Cash Flows

(All amounts in thousands of Canadian dollars, except per unit amounts)

For the year ended March 31, 2014

	NBIMC Private Equity Fund	
	2014	2013
		(Unaudited)
Cash flows from (used in) operating activities		
Increase in net assets attributable to holders of redeemable units	\$ 77,961	\$ 26,744
Adjustments for:		
Foreign exchange gain on cash	(43)	(62)
Net realized gain on sale of investments	(25,912)	(12,958)
Net change in unrealized gain on investments	(48,807)	(11,978)
Purchases of investments	(279,084)	(216,643)
Proceeds from sale and maturity of investments	283,348	209,053
Net cash from (used in) operating activities	7,463	(5,844)
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	51,094	37,404
Amounts paid on redemption of redeemable units	(58,557)	(31,560)
Net cash (used in) from financing activities	(7,463)	5,844
Net increase in cash	—	—
Cash, beginning of year	—	—
Cash, end of year	\$ —	\$ —
<i>Supplemental information:</i>		
Interest paid	\$ 3	\$ 2
Dividends received	\$ 9,577	\$ 5,905

The accompanying notes are an integral part of these financial statements.

NBIMC UNIT TRUST FUNDS

Notes to Financial Statements

For the year ended March 31, 2014

(All amounts in thousands of Canadian dollars, except per unit amounts)

(Comparative information unaudited)

The NBIMC Unit Trust Funds are established pursuant to a Unit Trust Declaration made by the New Brunswick Investment Management Corporation (“NBIMC”) on April 1, 1998. Each unit trust fund is an open-ended, unincorporated trust, governed by the laws of the Province of New Brunswick. NBIMC also established Unit Trust Funds known as Foreign Exchange Hedging Trusts. The Hedging Trusts are designed to facilitate hedging policy decisions with respect to exposure to foreign currencies. The Hedging Trusts are currently inactive. The Unit Trust Funds and the Foreign Exchange Hedging Trusts are collectively referred to as the “Funds” in these financial statements.

The Funds’ units are not traded in a public market and the Funds do not file their financial statements with a securities commission or other regulatory organization for the purpose of issuing any class of instruments in a public market.

NBIMC was established pursuant to the New Brunswick Investment Management Corporation Act, which was proclaimed on March 11, 1996, and is trustee for the Unit Trust Funds. The Unit Trust Funds were established for the collective investment management and administration of the assets of public sector pension and other funds in the Province of New Brunswick. NBIMC is the investment manager for certain pension and other fund clients. Under the authority of the Act, NBIMC recovers its expenses directly from its clients.

Following is a description of the active Funds at March 31, 2014:

NBIMC Nominal Bond Fund

This fund invests primarily in investment grade bonds (a minimum of triple-B rated by a major rating agency) of G-7 countries and Canadian provinces paying a nominal rate of interest. The performance objective is to add 20 basis points to its benchmark, the FTSE TMX Canada All Government Bond Index, over a four-year moving average.

NBIMC Corporate Bond Fund

The fund invests primarily in investment grade corporate bonds (a minimum of triple-B rated by a major rating agency) paying a nominal rate of interest. The performance objective is to add 20 basis points to its benchmark, the FTSE TMX Canada All Corporate Bond Index, over a four-year moving average.

NBIMC Canadian Long-Term Bond Fund

The fund invests primarily in investment grade Canadian long-term government and corporate bonds (a minimum of triple-B rated by a major rating agency) paying a nominal rate of interest. The performance objective is to add 20 basis points to its benchmark, the FTSE TMX Canada Long Term Overall Bond Index, over a four-year moving average.

NBIMC New Brunswick Fixed Income Opportunity Fund

This fund invests primarily in fixed income issues to finance economic activity in New Brunswick. The performance objective is to add 20 basis points to its benchmark, the FTSE TMX Canada All Government Bond Index, over a four-year moving average.

NBIMC Money Market Fund

This fund invests primarily in fixed income securities having a maturity of less than one year. The performance objective is to add 20 basis points to its benchmark. The benchmark is calculated as 93% of the FTSE TMX Canada 91-Day Treasury Bill Index and 7% of the Call Loan Rate.

NBIMC Student Investment Fund

This fund is managed by students at the University of New Brunswick who are registered in the Student Investment Fund Program. The initial capital of \$1 million, funded in 1998, has been invested using the same general investment policies and guidelines as are used by NBIMC. The overall benchmark for this fund is composed of 50% S&P/TSX Total Return Composite Index, 45% FTSE TMX Canada All Government Bond Index, 4.65% FTSE TMX Canada 91-Day Treasury Bill Index and 0.35% Call Loan Rate. The activities of this fund are closely monitored by NBIMC staff who execute and process all transactions on behalf of the students.

NBIMC Canadian Equity Index Fund

This fund invests in physical securities and derivative strategies to gain exposure to various segments of the S&P/TSX Composite Index. Leverage on derivative products is avoided by ensuring each derivative product is supported by an appropriate value of short-term investments. The performance objective is to match the return of the S&P/TSX Total Return Composite Index over four year rolling periods.

NBIMC Low Volatility Canadian Equity Fund

This fund actively invests in securities to gain exposure to the S&P/TSX Composite Index. The objective is to achieve a long-term rate of return equivalent to this index with less annual volatility.

NBIMC External Canadian Equity Fund

This fund is managed by external managers and invests in publicly traded Canadian equities. The performance objective is to add 150 basis points to its benchmark, the S&P/TSX Total Return Composite Index, over a four-year moving average.

NBIMC S&P/TSX Completion Index Fund

Managed by an external manager, this fund invests primarily in the companies of the S&P/TSX Completion Index. The performance objective is to exceed the performance of its benchmark, the S&P/TSX Completion Total Return Index, by 150 basis points (after fees).

NBIMC Canadian Equity Active Long Strategy Fund

This fund seeks to add value through prudent selection of individual securities and sector allocations through over and under weighting of the index. The performance objective is to add 150 basis points to its benchmark, the S&P/TSX Total Return Composite Index.

NBIMC External International Equity Fund

This fund is managed by external managers and invests in publicly traded equities in markets in Europe, Australasia and the Far East. The performance objective is to exceed the performance of the benchmark, which is a weighting of the respective country or regional indices (CAD\$), by 150 basis points over a four-year moving average.

NBIMC EAFE Equity Index Fund

This fund invests in publicly-traded securities in the MSCI EAFE (Developed Markets) Index (CAD\$). The objective is to achieve a rate of return equivalent to the MSCI EAFE (Developed Markets) Net Dividends.

NBIMC Low Volatility International Equity Fund

This fund actively invests in securities in the MSCI EAFE (Developed Markets) Net Dividends Index (CAD\$). The objective is to achieve a long-term rate of return equivalent to this index with less annual volatility.

NBIMC U.S. Equity Index Fund

This fund passively invests in physical securities and derivatives to gain exposure to the S&P 500 Index. Leverage on derivative products is avoided by ensuring each derivative product is supported by an appropriate value of short-term investments. The performance objective is to match the return of the S&P 500 Total Return Index (CAD\$).

NBIMC Low Volatility U.S. Equity Fund

This fund actively invests in securities to gain exposure to the S&P 500 Total Return Index (CAD\$). The objective is to achieve a long-term rate of return equivalent to this index with less annual volatility.

NBIMC Inflation Linked Securities Fund

This fund invests primarily in fixed income instruments that are adjusted for inflation of G-7 countries. The performance objective is to add 10 basis points to its benchmark, the FTSE TMX Canada Real Return Bond Index, over a four-year moving average.

NBIMC Canadian Real Estate Fund

This fund invests in private Canadian real estate investments, directly through a wholly owned subsidiary, NBIMC Realty Corp., or indirectly through limited partnerships or similar investment vehicles. The benchmark is inflation, as measured by the percentage change in the twelve-month CPI-Canada All Items Index, plus 4%.

NBIMC Canadian Real Estate Investment Trust Fund

This fund invests in publicly traded Canadian real estate investment trust securities. The performance objective is to match the return of the S&P/TSX Capped REIT Index.

NBIMC International Real Estate Fund

This fund is managed by an external manager that invests primarily in publicly traded securities of International Real Estate Investment Trusts (REITs). The performance objective is to add 150 basis points to the countries' blended REIT Equity Indices (CAD\$), net of fees, over the long-term.

NBIMC Infrastructure Fund

This fund was created in March 2011 to provide additional investment diversification through direct investment in infrastructure through co-investment structures. The benchmark is inflation, as measured by the percentage change in the twelve-month CPI-Canada All Items Index, plus 4%.

NBIMC North American Market Neutral Fund

This fund focuses on adding value through security selection within its universe of the S&P/TSX Composite Index as well as certain publicly traded US-listed stocks. Favored securities are purchased and offset by a corresponding short position in another security within the same sector. The portfolio is supported by a cash underlay and its performance objective is to add 500 basis points annually over a four-year moving average basis to its benchmark. The benchmark is calculated as 93% of the FTSE TMX Canada 91-Day Treasury Bill Index and 7% of the Call

Loan Rate.

NBIMC Quantitative Strategies Fund

This fund seeks to add value by investing in either long or short positions where announced mergers or dual class share structures present arbitrage potential. Short positions are supported by cash underlay. The objective is to add 500 basis points over its benchmark. The benchmark is calculated as 93% of the FTSE TMX Canada 91-Day Treasury Bill Index and 7% of the Call Loan Rate.

NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund

This fund invests in public and private equities or instruments convertible into equities of New Brunswick and Atlantic Canada companies. The performance objective is to achieve a 4% real rate of return over a long-term investment horizon.

NBIMC Private Equity Fund

This fund is managed by external managers that invest primarily in non-publicly traded securities of U.S. and European companies. The performance objective is to exceed the performance of its benchmark, a blend of the respective countries' total return indices (CAD\$).

1. Basis of presentation and adoption of IFRS

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as published by the International Accounting Standards Board (IASB). Previously the Funds prepared their financial statements in accordance with Canadian generally accepted accounting policies as defined in Part V of the Chartered Professional Accountants (CPA) Handbook (Canadian GAAP). The Funds have consistently applied the accounting policies used in the preparation of their opening IFRS statement of financial position at April 1, 2012 and throughout all periods presented, as if these policies had always been in effect. Note 10 discloses the impact of the transition to IFRS on the Funds' reported financial position, financial performance and cash flows, including the nature and effect of significant changes in accounting policies from those used in the Funds' financial statements for the year ended March 31, 2013 prepared under Canadian GAAP.

The financial statements were authorized for issue by the Board of Directors of NBIMC on June 30, 2014.

The financial statements have been prepared on the historical cost basis except for financial instruments at fair value through profit or loss ("FVTPL"), which are measured at fair value.

2. Significant Accounting Policies

The following standards that are mandatory for future accounting periods, but where early adoption is permitted have been duly adopted:

IFRS 10 – *Consolidation (Investment Entity amendment)*

IFRS 12 – *Disclosure of interests in other entities (Investment Entity amendment)*

IAS 24 – *Related party disclosures*

IAS 27 – *Separate financial statements (Investment Entity amendment)*

The following new standards, interpretations and amendments to published standards that are mandatory for future accounting periods, but where early adoption is permitted now, have not been duly adopted:

IFRS 9 (effective not earlier than 2017) - *Financial instruments*

Amendment to IAS 32 - *Offsetting financial assets and financial liabilities*

Management is in the process of assessing these standards.

(a) *Financial instruments*

(i) Recognition and initial measurement

Financial assets and financial liabilities are recognized and derecognized, as applicable, in the statement of financial position on the trade date, which is the date on which the Funds become a party to the contractual provisions of the instrument.

Financial assets and financial liabilities at FVTPL are initially measured at fair value, with transaction costs recognized in profit or loss.

(ii) Classification

The investments of each Fund are held for trading under a business model that seeks to achieve a sufficient long-term rate of return to enable the unitholders to meet their long-term obligations in a risk-controlled fashion. NBIMC measures and evaluates the performance of the Funds on a fair value basis. The Funds designate all debt and equity securities and derivative financial instruments at FVTPL on initial recognition in order to measure these items on a fair value basis in accordance with each Fund's Statement of Investment Policies.

Financial assets at FVTPL include debt and equity securities and derivative assets. Financial liabilities at FVTPL include securities sold short and derivative liabilities.

Other financial assets and financial liabilities are classified as measured at amortized cost which approximates fair value due to their short settlement period. Financial assets at amortized cost include cash, interest receivable, dividends receivable, receivable for investment sales, taxes recoverable and margin at brokers. Financial liabilities at amortized cost include indebtedness, payable for investment purchases and dividends payable.

(iii) Fair value measurement

Investments, including derivatives, are valued at their fair value as of the date of the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Funds have access at that date.

The fair value of financial assets and financial liabilities traded in active markets (such as exchange-traded derivatives and debt and equity securities) are based on quoted market prices at the close of trading on the reporting date. The Funds use the last traded market price for both financial assets and financial liabilities where the last traded market price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, management determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

If there is no quoted price in an active market, then the Funds use valuation techniques that maximize the use of the relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The Funds recognize transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change occurred.

(iv) Amortized cost measurement

The amortized cost of a financial asset or financial liability is the amount at which it is measured at initial recognition, minus any reduction for impairment.

(v) Impairment

At each reporting date, the Funds assess whether there is objective evidence that a financial asset at amortized cost is impaired. If such evidence exists, the Funds recognize an impairment loss as the difference between the amortized cost of the financial asset and the present value of the estimated future cash flows, discounted using the instrument's original effective interest rate. Impairment losses on financial assets at amortized cost are reversed in subsequent periods of the amount of the loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized.

(vi) Derecognition

The Funds derecognize a financial asset when the contractual rights to the cash flows from the asset expire, or are transferred in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred.

On derecognition of a financial asset, the difference between the carrying amount of the asset and the consideration received (including any new asset obtained less any new liability assumed) is recognized in profit or loss. Any interest in such transferred financial assets that is created or retained by the Funds is recognized as a separate asset or liability.

The Funds derecognize a financial liability when its contractual obligations are discharged or cancelled or expire.

(vii) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Funds have the legal right to offset the amounts and it intends to either settle on a net basis or realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis for gains and losses from financial instruments at FVTPL and foreign exchange gains and losses.

(viii) Specific instruments

Cash comprises deposits with banks and custodians that have not been invested in other financial instruments as of the reporting date.

(b) Interest

Interest income and expense, including interest income from non-derivative financial assets at FVTPL, are recognized in profit or loss, using the effective interest method.

The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial instrument to the carrying amount of the financial instrument. When calculating the effective interest rate, the Funds estimate future cash flows considering all contractual terms of the financial instrument, but not future credit losses. Interest received or receivable, and interest paid or payable, are recognized in profit or loss as interest income and interest expense respectively.

(c) *Dividend income*

Dividend income is recognized in profit or loss on the date on which the right to receive payment is established. For quoted equity securities, this is usually the ex-dividend date. For unquoted equity securities, this is usually the date on which shareholders approve the payment of a dividend. Dividend income is recognized in profit or loss as a separate line item.

(d) *Net changes in unrealized and realized gains and losses on financial instruments at FVTPL*

Net changes in the gains and losses from financial instruments at FVTPL include all realized and unrealized fair value changes and foreign exchange differences, but exclude interest and dividend income.

Net gains and losses from financial instruments at FVTPL are calculated using the average cost method.

(e) *Foreign currency translation*

The purchases and redemptions of units in each Fund are denominated in Canadian dollars (CAD) which is also the Funds' functional and presentation currency. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates that transactions occur. Foreign currency assets and liabilities denominated in foreign currency are translated into the functional currency using the exchange rate prevailing at the measurement date. Realized exchange gains and losses are included in net realized gains and losses on investments. Unrealized exchange gains and losses are included in net change in unrealized gains and losses on investments.

(f) *Use of estimates and judgments*

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. The following discusses the most significant accounting judgments and estimates that the Funds have made in preparing the financial statements:

(i) *Fair value measurement of derivatives and securities not quoted in an active market*

Certain of the Funds hold financial instruments that are not quoted in active markets, including derivatives. Fair values of such instruments are determined using valuation techniques and may be determined using reputable pricing sources or indicative prices from market makers. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding. Where no market data is available, the Funds may value positions using their own models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. The models used to determine fair values are validated and periodically reviewed by experienced personnel or management, independent of the party that created them.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair values of financial instruments. The Funds consider observable data to be market data that is readily available, regularly distributed and updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

Certain of the funds hold private investments, such as non-traded pooled or closed funds, limited partnership interests, private placement bonds or equity investments. Private investment fund valuations are initially provided by the external fund managers, usually on a three month lagging basis. Such valuations are then adjusted to reflect cash contributions and cash distributions between the valuation date and the reporting date, including marking to market any publicly-traded securities held by the underlying private investment.

Refer to note 3 for further information about the fair value measurement of the Funds' financial instruments.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised.

(ii) Investment entity exemption from consolidation

Each of the Funds has been established for the purpose of earning returns from investment income and capital appreciation on behalf of one or more related party public sector investors. The Funds measure and evaluate the performance of substantially all of their investments on a fair value basis. Accordingly, management has determined that the Funds meet the definition for Investment Entities under the criteria set out in IFRS 10, *Consolidated Financial Statements*. Instead of consolidating the results of subsidiaries, investment entities measure the investment in subsidiaries at FVTPL.

(g) *Income taxes*

The Unit Trust Declaration under which the Funds are created requires the annual distribution of net income and net realized capital gains of each Fund for each year such that no taxable income will remain in the respective Fund. Such distributions are reinvested in units of the Fund on behalf of the unitholders. Accordingly, no provision for income taxes is recorded by the Funds.

However, some dividend and interest income received by certain of the Funds is subject to withholding taxes imposed in certain countries of origin. Income that is subject to such tax is recognized gross of the taxes and the corresponding withholding tax is recognized as a transaction cost in the statement of comprehensive income. Canada has entered into double taxation agreements with certain countries. The Funds may be eligible to recover taxes withheld in those countries, in which case recoverable taxes are recognized on the Statement of Financial Position.

(h) *Issue and redemption of redeemable units*

Units of the Funds, which are redeemable at the option of the holder, are issued in accordance with the provisions of the Trust Declarations. Unit issues and redemptions are recorded on a trade date basis. The total number of units available for issue is unlimited.

Participation in each Fund is expressed in terms of units, each unit giving its holder a proportionate share in the net assets of the respective Fund portfolio. The initial value of a unit trust portfolio is \$1 (one thousand dollars). For each subsequent unit issuance and redemption, the unit value is determined by dividing the fair value of the net assets attributable to the holders of the redeemable units by the total number of units outstanding. The proportion of units issued or redeemed by each unitholder on a particular valuation date depends on changes to the unit holder's desired asset allocation.

Participation in each Hedging Trust is also expressed in terms of units, however each Hedging Trust is wholly-owned by one unitholder, enabling each unitholder to implement a unique foreign currency hedging policy decision. The value of each Hedging Trust portfolio was initially \$1 (one thousand dollars) with the unit value for subsequent unit issuances and redemptions determined by dividing the fair value of the net assets of the Hedging Trust by the total number of units outstanding.

3. Fair value of financial instruments

The Funds classify fair value measurements within a hierarchy which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The fair value hierarchy levels are:

Level 1 - Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2 – Inputs (other than quoted prices included within Level 1) that are observable for the instrument, either directly or indirectly. These inputs include quoted prices for similar investments in active markets, quoted prices for identical or similar investments in markets that are not active, and inputs other than quoted prices that are observable for the instrument. These are inputs that are derived principally from, or corroborated by, observable market data by correlation or other means.

Level 3 – Inputs that are unobservable that are used to measure fair value when observable inputs are not available. Unobservable inputs reflect subjective assumptions that market participants may use in pricing the investment.

Investments that are classified as Level 1 include publicly traded fixed income securities, publicly traded equity securities, real estate investment trusts (REITs) and exchange-traded funds and futures. Cash is a Level 1 instrument.

Investments that are classified as Level 2 include short-term securities, non-publicly traded fixed income and equity securities, non-publicly-traded pooled fund investments, derivatives traded over-the-counter, receivable for investment sales, payable for investment purchases and margin at brokers.

Certain of the Funds hold units of the NBIMC Money Market Fund as a proxy for cash. The underlying investments of the NBIMC Money Market Fund include investments that have been measured using Level 1 and Level 2 inputs. Accordingly, the classification of units in the NBIMC Money Market Fund has been determined based on the lowest level input that is significant to the entire assessment, which is Level 2.

Investments that are classified as Level 3 include private equity, real estate and infrastructure investments, as well as some private fixed income instruments.

Financial assets and financial liabilities that are measured at amortized cost and the Funds' obligations for net assets attributable to holders of redeemable units approximates their fair values due to their short nature.

The levels of input for valuation of the Funds' financial instruments, other than net assets attributable to holders of redeemable units as at March 31, 2014 are as follows:

	March 31, 2014 \$	Level 1 \$	Level 2 \$	Level 3 \$
Fixed Income Funds:				
NBIMC Nominal Bond Fund				
Financial instruments at FVTPL	1,820,003	1,537,115	282,888	—
Financial instruments at amortized cost	17,914	11,268	6,646	—
NBIMC Corporate Bond Fund				
Financial instruments at FVTPL	820,221	815,879	4,342	—
Financial instruments at amortized cost	6,564	1,350	5,214	—
NBIMC Canadian Long-Term Bond Fund				
Financial instruments at FVTPL	134,385	130,161	4,224	—
Financial instruments at amortized cost	958	11,571	(10,613)	—
NBIMC New Brunswick Fixed Income Opportunity Fund				
Financial instruments at FVTPL	15,453	—	—	15,453
Financial instruments at amortized cost	74	—	74	—
NBIMC Money Market Fund				
Financial instruments at FVTPL	742,664	—	742,664	—

	March 31, 2014 \$	Level 1 \$	Level 2 \$	Level 3 \$
Financial instruments at amortized cost	(4,970)	(6,239)	1,269	—
NBIMC Student Investment Fund				
Financial instruments at FVTPL	3,028	2,881	147	—
Financial instruments at amortized cost	25	40	(15)	—
Equity Funds:				
NBIMC Canadian Equity Index Fund				
Financial instruments at FVTPL	1,140,491	154,814	985,677	—
Financial instruments at amortized cost	3,092	(389)	3,481	—
NBIMC Low Volatility Canadian Equity Fund				
Financial instruments at FVTPL	238,200	234,597	3,603	—
Financial instruments at amortized cost	857	—	857	—
NBIMC External Canadian Equity Fund				
Financial instruments at FVTPL	447,770	211,135	236,635	—
Financial instruments at amortized cost	330	528	(198)	—
NBIMC S&P/TSX Completion Index Fund				
Financial instruments at FVTPL	219,147	216,014	3,133	—
Financial instruments at amortized cost	541	(1,230)	1,771	—
NBIMC Canadian Equity Active Long Strategy Fund				
Financial instruments at FVTPL	253,350	129,613	123,737	—
Financial instruments at amortized cost	632	—	632	—
NBIMC External International Equity Fund				
Financial instruments at FVTPL	276,412	—	276,412	—
Financial instruments at amortized cost	—	—	—	—
NBIMC EAFE Equity Index Fund				
Financial instruments at FVTPL	1,317,495	1,289,809	27,686	—
Financial instruments at amortized cost	9,855	2,284	7,571	—
NBIMC Low Volatility International Equity Fund				
Financial instruments at FVTPL	337,908	333,059	4,849	—
Financial instruments at amortized cost	3,165	1,365	1,800	—
NBIMC U.S. Equity Index Fund				
Financial instruments at FVTPL	1,130,749	1,089,372	41,377	—
Financial instruments at amortized cost	2,124	4	2,120	—
NBIMC Low Volatility U.S. Equity Fund				
Financial instruments at FVTPL	367,924	367,564	360	—
Financial instruments at amortized cost	477	—	477	—
Inflation Linked Funds:				
NBIMC Inflation Linked Securities Fund				
Financial instruments at FVTPL	991,733	14,265	977,468	—
Financial instruments at amortized cost	6,799	—	6,799	—
NBIMC Canadian Real Estate Fund				
Financial instruments at FVTPL	196,134	—	—	196,134
Financial instruments at amortized cost	—	(118)	118	—
NBIMC Canadian Real Estate Investment Trust Fund				
Financial instruments at FVTPL	233,562	233,562	—	—

	March 31, 2014 \$	Level 1 \$	Level 2 \$	Level 3 \$
Financial instruments at amortized cost	926	—	926	—
NBIMC International Real Estate Fund				
Financial instruments at FVTPL	308,684	306,460	2,224	—
Financial instruments at amortized cost	417	105	312	—
NBIMC Infrastructure Fund				
Financial instruments at FVTPL	98,159	—	(2,115)	100,274
Financial instruments at amortized cost	—	—	—	—
Alternative Investments Funds:				
NBIMC North American Market Neutral Fund				
Financial instruments at FVTPL	160,254	821	159,433	—
Financial instruments at amortized cost	297	—	297	—
NBIMC Quantitative Strategies Fund				
Financial instruments at FVTPL	227,995	42,158	185,837	—
Financial instruments at amortized cost	1,309	(4,676)	5,985	—
NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund				
Financial instruments at FVTPL	29,204	—	—	29,204
Financial instruments at amortized cost	20	—	20	—
NBIMC Private Equity Fund				
Financial instruments at FVTPL	360,260	—	—	360,260
Financial instruments at amortized cost	—	—	—	—

The levels of input for valuation of the Funds' investments as at March 31, 2013 are as follows:

	March 31, 2013 \$	Level 1 \$	Level 2 \$	Level 3 \$
Fixed Income Funds:				
NBIMC Nominal Bond Fund				
Financial instruments at FVTPL	1,705,571	1,417,080	288,491	—
Financial instruments at amortized cost	18,445	(41,436)	59,881	—
NBIMC Corporate Bond Fund				
Financial instruments at FVTPL	667,300	646,725	20,575	—
Financial instruments at amortized cost	4,700	38,247	(33,547)	—
NBIMC New Brunswick Fixed Income Opportunity Fund				
Financial instruments at FVTPL	16,714	—	—	16,714
Financial instruments at amortized cost	77	—	77	—
NBIMC Money Market Fund				
Financial instruments at FVTPL	604,407	—	604,407	—
Financial instruments at amortized cost	6,252	5,128	1,124	—
NBIMC Student Investment Fund				
Financial instruments at FVTPL	2,796	2,613	183	—
Financial instruments at amortized cost	19	—	19	—
Equity Funds:				
NBIMC Canadian Equity Index Fund				
Financial instruments at FVTPL	1,113,962	61,334	1,052,628	—
Financial instruments at amortized cost	(32,395)	86	(32,481)	—
NBIMC Low Volatility Canadian Equity Fund				
Financial instruments at FVTPL	201,166	200,816	350	—
Financial instruments at amortized cost	705	21	684	—
NBIMC External Canadian Equity Fund				
Financial instruments at FVTPL	377,025	175,084	201,941	—
Financial instruments at amortized cost	328	465	(137)	—
NBIMC S&P/TSX Completion Index Fund				
Financial instruments at FVTPL	185,953	183,870	2,083	—
Financial instruments at amortized cost	517	(665)	1,182	—
NBIMC Canadian Equity Active Long Strategy Fund				
Financial instruments at FVTPL	209,292	196,260	13,032	—
Financial instruments at amortized cost	1,057	(437)	1,494	—
NBIMC External International Equity Fund				
Financial instruments at FVTPL	206,006	—	206,006	—
Financial instruments at amortized cost	—	—	—	—
NBIMC EAFE Equity Index Fund				
Financial instruments at FVTPL	1,220,668	1,197,557	23,111	—
Financial instruments at amortized cost	9,025	2,252	6,773	—
NBIMC Low Volatility International Equity Fund				
Financial instruments at FVTPL	317,742	317,742	—	—
Financial instruments at amortized cost	3,276	1,416	1,860	—
NBIMC U.S. Equity Index Fund				
Financial instruments at FVTPL	1,113,527	1,010,128	103,399	—
Financial instruments at amortized cost	2,090	97	1,993	—

	March 31, 2013 \$	Level 1 \$	Level 2 \$	Level 3 \$
NBIMC Low Volatility U.S. Equity Fund				
Financial instruments at FVTPL	318,253	317,195	1,058	—
Financial instruments at amortized cost	929	74	855	—
Inflation Linked Funds:				
NBIMC Inflation Linked Securities Fund				
Financial instruments at FVTPL	938,010	—	938,010	—
Financial instruments at amortized cost	5,815	—	5,815	—
NBIMC Canadian Real Estate Fund				
Financial instruments at FVTPL	409,949	212,226	—	197,723
Financial instruments at amortized cost	957	—	957	—
NBIMC International Real Estate Fund				
Financial instruments at FVTPL	265,390	264,309	1,081	—
Financial instruments at amortized cost	1,058	418	640	—
NBIMC Infrastructure Fund				
Financial instruments at FVTPL	73,995	—	341	73,654
Financial instruments at amortized cost	849	849	—	—
Alternative Investments Funds:				
NBIMC North American Market Neutral Fund				
Financial instruments at FVTPL	145,881	241	145,640	—
Financial instruments at amortized cost	(507)	(88)	(419)	—
NBIMC Quantitative Strategies Fund				
Financial instruments at FVTPL	208,472	50,162	158,310	—
Financial instruments at amortized cost	(638)	(1,101)	463	—
NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund				
Financial instruments at FVTPL	27,776	—	—	27,776
Financial instruments at amortized cost	2,218	—	2,218	—
NBIMC Private Equity Fund				
Financial instruments at FVTPL	289,762	—	—	289,762
Financial instruments at amortized cost	—	—	—	—

The levels of input for valuation of the Funds' financial instruments as at April 1, 2012 are as follows:

	April 1, 2012 \$	Level 1 \$	Level 2 \$	Level 3 \$
Fixed Income Funds:				
NBIMC Nominal Bond Fund				
Financial instruments at FVTPL	2,155,410	1,884,031	271,379	—
Financial instruments at amortized cost	22,396	(11,081)	33,477	—
NBIMC Corporate Bond Fund				
Financial instruments at FVTPL	254,764	234,291	20,473	—
Financial instruments at amortized cost	1,371	—	1,371	—
NBIMC New Brunswick Fixed Income Opportunity Fund				
Financial instruments at FVTPL	21,721	—	—	21,721
Financial instruments at amortized cost	132	52	80	—

	April 1, 2012 \$	Level 1 \$	Level 2 \$	Level 3 \$
NBIMC Money Market Fund				
Financial instruments at FVTPL	454,500	—	454,500	—
Financial instruments at amortized cost	6,017	4,990	1,027	—
NBIMC Student Investment Fund				
Financial instruments at FVTPL	2,655	2,451	204	—
Financial instruments at amortized cost	20	—	20	—
Equity Funds:				
NBIMC Canadian Equity Index Fund				
Financial instruments at FVTPL	1,051,913	125,688	926,225	—
Financial instruments at amortized cost	3,045	16	3,029	—
NBIMC External Canadian Equity Fund				
Financial instruments at FVTPL	353,347	162,939	190,408	—
Financial instruments at amortized cost	347	860	(513)	—
NBIMC S&P/TSX Completion Index Fund				
Financial instruments at FVTPL	178,959	177,938	1,021	—
Financial instruments at amortized cost	454	(632)	1,086	—
NBIMC Canadian Equity Active Long Strategy Fund				
Financial instruments at FVTPL	289,583	287,381	2,202	—
Financial instruments at amortized cost	1,108	(406)	1,514	—
NBIMC External International Equity Fund				
Financial instruments at FVTPL	179,006	—	179,006	—
Financial instruments at amortized cost	—	—	—	—
NBIMC EAFE Equity Index Fund				
Financial instruments at FVTPL	1,184,806	1,184,968	(162)	—
Financial instruments at amortized cost	7,867	1,052	6,815	—
NBIMC Low Volatility International Equity Fund				
Financial instruments at FVTPL	191,297	191,297	—	—
Financial instruments at amortized cost	936	368	568	—
NBIMC U.S. Equity Index Fund				
Financial instruments at FVTPL	1,015,295	1,014,799	496	—
Financial instruments at amortized cost	1,495	14	1,481	—
NBIMC Low Volatility U.S. Equity Fund				
Financial instruments at FVTPL	189,500	189,382	118	—
Financial instruments at amortized cost	377	27	350	—
Inflation Linked Funds:				
NBIMC Inflation Linked Securities Fund				
Financial instruments at FVTPL	838,733	—	838,733	—
Financial instruments at amortized cost	5,297	—	5,297	—
NBIMC Canadian Real Estate Fund				
Financial instruments at FVTPL	319,191	188,086	—	131,105
Financial instruments at amortized cost	870	2,804	(1,934)	—
NBIMC International Real Estate Fund				
Financial instruments at FVTPL	338,692	336,827	1,865	—
Financial instruments at amortized cost	706	—	706	—
NBIMC Infrastructure Fund				
Financial instruments at FVTPL	51,657	—	(214)	51,871
Financial instruments at amortized cost	—	—	—	—

	April 1, 2012 \$	Level 1 \$	Level 2 \$	Level 3 \$
Alternative Investments Funds:				
NBIMC North American Market Neutral Fund				
Financial instruments at FVTPL	149,399	1,698	147,701	—
Financial instruments at amortized cost	583	1,951	(1,368)	—
NBIMC Quantitative Strategies Fund				
Financial instruments at FVTPL	179,039	42,507	136,532	—
Financial instruments at amortized cost	(1,100)	2,152	(3,252)	—
NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund				
Financial instruments at FVTPL	17,601	—	—	17,601
Financial instruments at amortized cost	4,802	—	4,802	—
NBIMC Private Equity Fund				
Financial instruments at FVTPL	257,174	—	—	257,174
Financial instruments at amortized cost	—	—	—	—

All fair value measurements above are recurring.

Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which observable market prices exist and other valuation models. Assumptions and inputs used in valuation techniques may include risk-free and benchmark interest rates, credit spreads and other premia used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations.

The objective of using valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

For Level 2 investments, fair value is determined as follows:

- (i) For unlisted securities or securities traded “over-the-counter”, fair value is based on a quotation service from a recognized dealer. Residual bonds are valued using a quoted market price for a similarly-terms government bond and adjusted for changes in credit risk spreads based on dealer feedback.
- (ii) For externally-managed fund investments, fair value is based on the net asset value as reported by the external managers of the funds. External managers use quoted market prices in calculating the applicable net asset values.
- (iii) Derivatives are measured at their fair value with changes in fair value recognized in the Statement of Comprehensive Income for the year. Total return equity swaps are valued based on quoted market index rates. Forward foreign exchange contracts are valued based on quoted exchange rates. Interest rate and cross currency swaps are valued using quoted market information from Bloomberg.

For Level 3 private investments, such as non-traded pooled or closed funds, limited partnership interests, private placement bonds or equity investments, fair value is a subjective process. Level 3 investments may consist of direct and indirect equity and debt investments.

The most significant input to the valuation of Level 3 indirect investments is the most recently reported fair value provided by the General Partner or Investment Manager. When the reporting date of such investments does not coincide with the Funds’ reporting date, the investments are adjusted as a result of cash flows to/from the investee between the most recently available fair value reported and the end of the reporting period of the Funds. The

valuation may also be adjusted for further information gathered by NBIMC management during their ongoing investment monitoring process. The monitoring process includes, but is not limited to, binding bid offers, non-public information on developments of portfolio companies held by the indirect investments, and syndicated transactions which involve such companies. If the investment includes any holdings of publicly traded portfolio companies, the value is also adjusted to reflect any mark to market adjustment between the most recently available fair value reported and the end of the reporting period of the Funds.

Certain Level 3 investments are direct investments in debt and/or equity securities of a private company. In these cases, management uses evidence of fair value where available, such as comparison to subsequent issues of the same or similar securities by the investee, and credible offers received from arm's length parties. If such specific evidence is not available, management will use a generally accepted industry valuation technique that use unobservable inputs such as earnings multiples, discount rates, capitalization rates, price to earnings ratios, price to book ratios or comparable transactions. Given the significant uncertainty associated with these inputs, a valuation range will be determined that seeks to identify plausible values and the final valuation for reporting purposes will be determined within that range.

NBIMC uses an internal Valuation Committee, which includes the members of the senior leadership team, Finance Team and Private Markets Team, to regularly assess, monitor and annually approve the valuations of Level 2 and Level 3 investments held by the Funds. The Private Markets Team will attend regular investee meetings and may also serve in an appointed position on either the Board of Directors or the Investment Advisory Committee of the investee.

The NBIMC New Brunswick Fixed Income Opportunity Fund holds Level 3 fixed income investments. These investments are valued using a spread over a risk free bond that consists of two parts: (i) a spread representing the provincial credit quality; and (ii) a further spread representing an illiquidity premium. At March 31, 2014, the provincial credit quality spread was estimated to be 100 basis points ("bps") (2013 – 100 bps; 2012 – 100 bps) and the illiquidity premium was estimated to be 45 bps (2013 – 35 bps; 2012 – 35 bps). A 10 bps change in valuation would increase or decrease the March 31, 2014 value by \$87 (2013 - \$103).

The NBIMC Canadian Real Estate Fund holds investments in Canadian real properties, indirectly through wholly owned holding companies invested in limited partnership structures as well as directly through a non-consolidated, wholly-owned subsidiary. Each investment structure prepares annual financial statements for the underlying real properties that are independently audited by a reputable public accounting firm. All real properties have been subjected to valuations by qualified independent property appraisers using market-based assumptions in accordance with recognized valuation techniques. These valuation techniques used include the direct comparison approach, the capitalized net operating income method and the discounted cash flow method and include estimating, among other things, future stabilized net operating income, capitalization rates, reversionary capitalization rates, discount rates and other future cash flows applicable to the properties. At March 31, 2014, an increase or decrease of 25 bps change in the capitalization rate used by the independent property appraisers would have a decrease or increase on the valuation of this Fund's investments in the amount of \$14,179 or \$15,087 respectively (March 31, 2013 - \$13,018 or \$14,001 respectively).

The NBIMC Infrastructure Fund invests indirectly through co-investments in certain underlying infrastructure assets. Infrastructure assets are independently valued by certified business valuers using generally accepted industry valuation methods. Valuations are reported to the investors by the Managing Partner. These infrastructure assets are domiciled in various countries, including Bermuda, Great Britain and Australia. This Fund also holds Level 2 forward foreign exchange contracts (*see also note 5*). The independent valuations received for each of the

Fund's investments suggest an aggregate range of values of \$96,852 to \$105,032 as at March 31, 2014. It is reasonably possible that the valuations used by the Fund may require material adjustment to the carrying amount of its investments. The maximum exposure to loss in this Fund is the carrying value of its investments.

The NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund consists of highly illiquid equity investments in private companies that demonstrate a diversified product offering and customer base with significant financial commitment from the company's management team. The initial due diligence conducted before an investment decision is made will include reviewing the financial history of the company, interviews with key management and possibly with customers and suppliers, touring the facilities used by the operation, and assessing the overall competitive position. The NBIMC Senior Portfolio Manager will remain deeply involved after the initial investment by attending Board meetings, continuously reviewing performance against business plan objectives, monitoring changes in competitive positioning and updating possible exit strategies. Investments are usually structured as co-investments, and follow on financing may be required. Accordingly, the valuation process will typically look first to any recent financings for indicative values. Discounted cash flow projections, comparable trading multiples and other highly subjective valuation techniques may be used. Given the significant uncertainty associated with these investments, NBIMC is of the opinion that a sensitivity analysis would not result in a meaningful disclosure with added value for the reader of these audited financial statements. It is reasonably possible however that the valuations used by the Fund may require material adjustment to the carrying amount of its investments. The maximum exposure to loss in this Fund is the carrying value of its investments.

The NBIMC Private Equity Fund invests in units of limited partnerships managed by well-known, experienced general partners. The limited partnerships seek exposure to globally diversified private opportunities, focused on either a buyout or secondary financing investment objective. These investments may also take the form of a "fund of fund" structure. The General Partner of each limited partnership is responsible for the valuation of the underlying investees and may use any or all of the valuation techniques previously mentioned. NBIMC relies on the valuation processes used by the General Partner and on the audited financial statements prepared for the limited partnership. There is usually a three-month delay between receipt of the limited partnership financial reporting and the reporting date of the Fund. Accordingly, NBIMC will adjust the valuation reported in the limited partnership financial statements by any capital calls or distributions received in the intervening period. NBIMC will also update any underlying public-traded holdings using current quoted market values. Given the significant uncertainty associated with these investments, NBIMC is of the opinion that a sensitivity analysis would not result in a meaningful disclosure with added value for the reader of these audited financial statements. It is reasonably possible however that the valuations used by the Fund may require material adjustment to the carrying value of its investments. The maximum exposure to loss in this Fund is the fair value of its investments plus uncalled commitments (*see note 9*).

A reconciliation of the changes during the year for those investments that are measured at fair value using Level 3 input is as follows:

Year ended March 31, 2014	Fair Value, beginning of year \$	Gains (losses) in profit or loss \$	Purchases \$	Settlements \$	Transfers out of Level 3 \$	Fair Value, end of year \$
NBIMC New Brunswick Fixed Income Opportunity Fund	16,714	(751)	—	510	—	15,453
NBIMC Canadian Real Estate Fund	197,723	14,813	29,102	45,504	—	196,134
NBIMC Infrastructure Fund	73,654	8,003	19,473	856	—	100,274
NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund	27,776	(37)	1,465	—	—	29,204
NBIMC Private Equity Fund	289,762	73,994	57,852	61,348	—	360,260

Year ended March 31, 2013	Fair Value, beginning of year \$	Gains (losses) in profit or loss \$	Purchases \$	Settlements \$	Transfers out of Level 3 \$	Fair Value, end of year \$
NBIMC New Brunswick Fixed Income Opportunity Fund	21,721	(120)	—	4,887	—	16,714
NBIMC Canadian Real Estate Fund	131,105	10,239	113,187	56,808	—	197,723
NBIMC Infrastructure Fund	51,871	536	21,534	287	—	73,654
NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund	17,601	5,194	4,981	—	—	27,776
NBIMC Private Equity Fund	257,174	24,658	65,911	57,981	—	289,762

Total realized and unrealized gains and losses included in earnings for Level 3 investments are each presented in the Statement of Comprehensive Income. The values presented above exclude foreign currency hedging activities that may be transacted in instruments categorized within other fair value hierarchy levels.

4. Financial Instrument Risk Management

Financial instruments are exposed to risks such as market, credit and liquidity risk. Under its terms of reference, the Board of Directors has overall responsibility for understanding the principal risks facing the Funds and the systems that management has put in place to mitigate and manage those risks. Accordingly, the Board of Directors is responsible for the establishment of Statements of Investment Policies for each of the Funds, which set out the benchmark to be used for performance measurement, the investment objective (value added), investment philosophy, investment universe permitted and portfolio structure including portfolio constraints for risk management.

Day-to-day investment activities and monitoring of risk control are delegated to management, which acts in accordance with the Statements of Investment Policies. Management produces quarterly reporting of investment performance, policy compliance, trends and changes in investment risks for the Board. In addition, the Chief Investment Officer has established additional investment risk management measures in an Investment Procedures Manual.

An Investment Risk Management Committee, consisting of a cross-functional team of investment, finance and administrative staff, review all proposed and modified investment strategies before implementation to ensure procedures are designed to measure and monitor expected risk exposures.

Following implementation, the Compliance, Risk and Performance Measurement department provides independent regular oversight of all securities trading practices against management's approved investment procedures.

As part of the risk management function, and supplemental to the Statements of Investment Policies, NBIMC also uses a statistical modeling technique known as Value at Risk (VaR) to estimate the probability of loss on investment portfolios. Using return, volatility, and correlation figures, VaR models attempt to aggregate the risks involved in separate investments into one cohesive measure. This aggregation involves certain simplifying assumptions, most notably with respect to the shape of the return distribution for the assets being modeled, which can limit the ability of a VaR system to forecast risk in all market environments. Despite these modeling challenges, well constructed VaR systems provide a valuable way to aggregate separate investment risks into one cohesive measure, and therefore monitor and analyze these risks over time.

(a) **Market Risk:** Market risk is the risk that the value of an investment will fluctuate as a result of changes in market prices whether those changes are caused by factors specific to the individual investment or factors affecting all securities traded in the market. In addition to exposure to foreign currency risk, interest rate risk and pricing risk as discussed below, the Funds are exposed to other market risks.

The Funds' strategy for the management of market risk is driven by each Fund's investment objective (for a description of the investment strategy, benchmark and value add target, see the introduction to the notes to the financial statements).

The Funds conduct certain of their investment activities by trading through broker channels on regulated exchanges and in the over-the-counter market. Investment strategies may involve the use of financial derivatives such as forward foreign exchange contracts or total return swaps to assist with risk management. The Statements of Investment Policies for each Fund preclude the use of leverage in the investment portfolio. Accordingly, to the extent that there is market exposure from derivative investments, the Funds will hold cash underlay equal to the amount of market exposure.

The NBIMC North American Market Neutral Fund and NBIMC Quantitative Strategies Fund use "market neutral" strategies whereby an investment in a long position in one stock is matched with a short position in another stock, typically within the same industry sector. Market neutral strategies mitigate market risk through adherence to maximum investment limits and stop-loss constraints, and short positions are also supported by cash underlay.

Brokers typically require that collateral be pledged against potential market fluctuations when trading in derivative financial instruments or when shorting security positions. The Funds that trade in these securities and/or strategies borrow eligible collateral from certain other Funds, each a related party, on an interest-free basis pursuant to an inter-fund borrowing agreement. As at March 31, the fair value of securities that have been deposited or pledged with various financial institutions as collateral or margin were as follows:

Borrowed From	2014	2013
NBIMC Money Market Fund	\$ 5,320	\$ 3,235
NBIMC Inflation Linked Securities Fund	183,933	231,677

Pledged By	2014	2013
NBIMC Canadian Equity Index Fund	\$ 1,061	\$ 1
NBIMC Low Volatility Canadian Equity Fund	64	8
NBIMC Canadian Equity Active Long Strategy Fund	2	1,183
NBIMC EAFE Equity Index Fund	3,391	1,088
NBIMC Low Volatility International Equity Fund	804	2,520
NBIMC U.S. Equity Index Fund	3,630	4,442
NBIMC Low Volatility U.S. Equity Fund	32	1,928
NBIMC North American Market Neutral Fund	57,477	90,399
NBIMC Quantitative Strategies Fund	122,792	133,344

(b) Foreign Currency Risk:

Certain of the Funds invest in assets denominated in currencies other than the Canadian dollar. Foreign currency risk is the risk that the fair value of a financial instrument denominated in a foreign currency will fluctuate due to changes in applicable foreign exchange rates. Foreign exchange forward contracts may be used to mitigate portfolio currency exposure.

The net unhedged currency exposures, expressed in Canadian dollar equivalents are as follows:

NBIMC Nominal Bond Fund

Currency	March 31, 2014 Fair Value by Currency				March 31, 2013 Fair Value by Currency			
	Total Exposure	Hedging	Net Exposure	Total %	Total Exposure	Hedging	Net Exposure	Total %
	\$	\$	\$		\$	\$	\$	
Canadian Dollar	1,837,917	—	1,837,917	100.00	1,724,016	—	1,724,016	100.00
U.S. Dollar	—	—	—	—	—	—	—	—
Total	1,837,917	—	1,837,917	100.00	1,724,016	—	1,724,016	100.00

April 1, 2012 Fair Value by Currency				
Currency	Total Exposure	Hedging	Net Exposure	Total %
	\$	\$	\$	
Canadian Dollar	2,187,187	9,495	2,177,692	99.99
U.S. Dollar	(9,381)	(9,495)	114	0.01
Total	2,177,806	—	2,177,806	100.00

NBIMC Student Investment Fund

Currency	March 31, 2014 Fair Value by Currency				March 31, 2013 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	3,045	—	3,045	99.74	2,811	—	2,811	99.87
U.S. Dollar	8	—	8	0.26	4	—	4	0.13
Total	3,053	—	3,053	100.00	2,815	—	2,815	100.00

Currency	April 1, 2012 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	2,672	—	2,672	99.88
U.S. Dollar	3	—	3	0.12
Total	2,675	—	2,675	100.00

NBIMC Canadian Equity Index Fund

Currency	March 31, 2014 Fair Value by Currency				March 31, 2013 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	1,143,583	—	1,143,583	100.00	1,081,564	—	1,081,564	100.00
U.S. Dollar	—	—	—	—	3	—	3	—
Total	1,143,583	—	1,143,583	100.00	1,081,567	—	1,081,567	100.00

Currency	April 1, 2012 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	1,054,951	—	1,054,951	100.00
U.S. Dollar	7	—	7	0.00
Total	1,054,958	—	1,054,958	100.00

NBIMC External Canadian Equity Fund

Currency	March 31, 2014 Fair Value by Currency				March 31, 2013 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	448,100	—	448,100	100.00	377,337	—	377,337	100.00
U.S. Dollar	—	—	—	—	16	—	16	—
Total	448,100	—	448,100	100.00	377,353	—	377,353	100.00

Currency	April 1, 2012 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	353,690	—	353,690	100.00
U.S. Dollar	4	—	4	0.00
Total	353,694	—	353,694	100.00

NBIMC S&P/TSX Completion Index Fund

Currency	March 31, 2014 Fair Value by Currency				March 31, 2013 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	218,732	—	218,732	99.56	186,462	—	186,462	100.00
U.S. Dollar	956	—	956	0.44	8	—	8	—
Total	219,688	—	219,688	100.00	186,470	—	186,470	100.00

Currency	April 1, 2012 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	179,404	—	179,404	100.00
U.S. Dollar	9	—	9	0.00
Total	179,413	—	179,413	100.00

NBIMC Canadian Equity Active Long Strategy Fund

Currency	March 31, 2014 Fair Value by Currency				March 31, 2013 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	253,982	—	253,982	100.00	210,335	—	210,335	99.99
U.S. Dollar	—	—	—	—	14	—	14	0.01
Total	253,982	—	253,982	100.00	210,349	—	210,349	100.00

Currency	April 1, 2012 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	290,672	—	290,672	99.99
U.S. Dollar	19	—	19	0.01
Total	290,691	—	290,691	100.00

NBIMC External International Equity Fund

Currency	March 31, 2014 Fair Value by Currency				March 31, 2013 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	—	—	—	—	—	—	—	—
U.S. Dollar	276,412	—	276,412	100.00	206,006	—	206,006	100.00
Total	276,412	—	276,412	100.00	206,006	—	206,006	100.00

Currency	April 1, 2012 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	—	—	—	0.00
U.S. Dollar	179,006	—	179,006	100.00
Total	179,006	—	179,006	100.00

NBIMC EAFE Equity Index Fund

March 31, 2014 Fair Value by Currency					March 31, 2013 Fair Value by Currency				
Currency	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	
Canadian Dollar	27,687	—	27,687	2.09	23,108	—	23,108	1.88	
U.S. Dollar	958	—	958	0.07	1,154	—	1,154	0.09	
Euro	409,764	—	409,764	30.87	328,518	—	328,518	26.72	
Pound Sterling	275,271	—	275,271	20.74	266,521	—	266,521	21.67	
Danish Kroner	17,635	—	17,635	1.33	13,836	—	13,836	1.13	
Japanese Yen	256,771	—	256,771	19.34	256,705	—	256,705	20.88	
Norwegian Kroner	10,605	—	10,605	0.80	10,509	—	10,509	0.85	
Swedish Kroner	42,518	—	42,518	3.20	39,378	—	39,378	3.20	
Swiss Frank	120,442	—	120,442	9.07	110,832	—	110,832	9.01	
Australian Dollar	103,305	—	103,305	7.78	111,091	—	111,091	9.03	
Hong Kong Dollar	35,470	—	35,470	2.67	37,981	—	37,981	3.09	
Singapore Dollar	18,249	—	18,249	1.37	22,037	—	22,037	1.79	
Other	8,675	—	8,675	0.65	8,023	—	8,023	0.66	
Total	1,327,350	—	1,327,350	100.00	1,229,693	—	1,229,693	100.00	

April 1, 2012 Fair Value by Currency				
Currency	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	(169)	—	(169)	(0.01)
U.S. Dollar	1,003	—	1,003	0.08
Euro	333,535	—	333,535	27.97
Pound Sterling	269,650	—	269,650	22.61
Danish Kroner	13,358	—	13,358	1.12
Japanese Yen	258,965	—	258,965	21.71
Norwegian Kroner	11,430	—	11,430	0.96
Swedish Kroner	38,059	—	38,059	3.19
Swiss Frank	101,729	—	101,729	8.53
Australian Dollar	101,236	—	101,236	8.49
Hong Kong Dollar	34,088	—	34,088	2.86
Singapore Dollar	20,845	—	20,845	1.75
Other	8,944	—	8,944	0.74
Total	1,192,673	—	1,192,673	100.00

NBIMC Low Volatility International Equity Fund

	March 31, 2014 Fair Value by Currency				March 31, 2013 Fair Value by Currency			
	Total		Net		Total		Net	
Currency	Exposure	Hedging	Exposure	Total	Exposure	Hedging	Exposure	Total
	\$	\$	\$	%	\$	\$	\$	%
Canadian Dollar	(3,977)	(4,413)	436	0.13	155	—	155	0.05
U.S. Dollar	9,135	4,413	4,722	1.38	—	—	—	—
Euro	79,814	—	79,814	23.40	79,507	—	79,507	24.77
Pound Sterling	84,296	—	84,296	24.71	78,653	—	78,653	24.50
Japanese Yen	71,707	—	71,707	21.02	3,208	—	3,208	1.00
Danish Kroner	2,781	—	2,781	0.82	71,608	—	71,608	22.31
Norwegian Kroner	4,152	—	4,152	1.22	2,124	—	2,124	0.66
Swedish Kroner	6,705	—	6,705	1.97	8,002	—	8,002	2.49
Swiss Frank	31,195	—	31,195	9.15	23,255	—	23,255	7.24
Australian Dollar	29,078	—	29,078	8.53	32,657	—	32,657	10.17
Hong Kong Dollar	13,801	—	13,801	4.05	12,262	—	12,262	3.82
Singapore Dollar	7,818	—	7,818	2.29	7,809	—	7,809	2.43
Other	4,568	—	4,568	1.33	1,778	—	1,778	0.56
Total	341,073	—	341,073	100.00	321,018	—	321,018	100.00

April 1, 2012 Fair Value by Currency				
Currency	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	—	—	—	—
Euro	49,049	—	49,049	25.52
Pound Sterling	45,844	—	45,844	23.85
Danish Kroner	2,451	—	2,451	1.28
Japanese Yen	41,154	—	41,154	21.41
Norwegian Kroner	1,964	—	1,964	1.02
Swedish Kroner	5,316	—	5,316	2.77
Swiss Frank	15,291	—	15,291	7.95
Australian Dollar	18,569	—	18,569	9.65
Hong Kong Dollar	6,537	—	6,537	3.40
Singapore Dollar	4,410	—	4,410	2.29
Other	1,648	—	1,648	0.86
Total	192,233	—	192,233	100.00

NBIMC U.S. Equity Index Fund

Currency	March 31, 2014 Fair Value by Currency				March 31, 2013 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	40,823	(279)	41,102	3.63	(50,216)	(76,879)	26,663	2.39
U.S. Dollar	1,092,050	279	1,091,771	96.37	1,165,833	76,879	1,088,954	97.61
Total	1,132,873	—	1,132,873	100.00	1,115,617	—	1,115,617	100.00

Currency	April 1, 2012 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	(3,280)	(1,888)	(1,392)	(0.14)
U.S. Dollar	1,020,070	1,888	1,018,182	100.14
Total	1,016,790	—	1,016,790	100.00

NBIMC Low Volatility U.S. Equity Fund

Currency	March 31, 2014 Fair Value by Currency				March 31, 2013 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	244	(59)	303	0.08	(2,408)	(1,733)	(675)	(0.21)
U.S. Dollar	368,157	59	368,098	99.92	321,590	1,733	319,857	100.21
Total	368,401	—	368,401	100.00	319,182	—	319,182	100.00

Currency	April 1, 2012 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	(973)	(546)	(427)	(0.23)
U.S. Dollar	190,850	546	190,304	100.23
Total	189,877	—	189,877	100.00

NBIMC International Real Estate Fund

Currency	March 31, 2014 Fair Value by Currency				March 31, 2013 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	2,326	—	2,326	0.75	1,081	—	1,081	0.41
U.S. Dollar	306,775	—	306,775	99.25	265,367	—	265,367	99.59
Total	309,101	—	309,101	100.00	266,448	—	266,448	100.00

Currency	April 1, 2012 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	1,865	—	1,865	0.55
U.S. Dollar	337,533	—	337,533	99.45
Total	339,398	—	339,398	100.00

NBIMC Infrastructure Fund

March 31, 2014 Fair Value by Currency					March 31, 2013 Fair Value by Currency			
Currency	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	131,741	43,427	88,314	89.97	82,127	17,033	65,094	86.97
Pound Sterling	(43,706)	(43,427)	(279)	(0.28)	(17,102)	(17,033)	(69)	(0.09)
Australian Dollar	10,124	—	10,124	10.31	9,819	—	9,819	13.12
Total	98,159	—	98,159	100.00	74,844	—	74,844	100.00

April 1, 2012 Fair Value by Currency				
Currency	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	54,880	13,457	41,423	80.19
Pound Sterling	(12,859)	(13,457)	598	1.16
Australian Dollar	9,636	—	9,636	18.65
Total	51,657	—	51,657	100.00

NBIMC North American Market Neutral Fund

March 31, 2014 Fair Value by Currency					March 31, 2013 Fair Value by Currency			
Currency	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	158,872	(1,317)	160,189	99.77	131,108	(14,939)	146,047	100.46
U.S. Dollar	1,679	1,317	362	0.23	14,266	14,939	(673)	(0.46)
Total	160,551	—	160,551	100.00	145,374	—	145,374	100.00

April 1, 2012 Fair Value by Currency				
Currency	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	142,239	(7,996)	150,235	100.17
U.S. Dollar	7,743	7,996	(253)	(0.17)
Total	149,982	—	149,982	100.00

NBIMC Quantitative Strategies Fund

March 31, 2014 Fair Value by Currency					March 31, 2013 Fair Value by Currency			
Currency	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	227,255	(2,475)	229,730	100.19	214,802	7,176	207,626	99.90
U.S. Dollar	2,049	2,475	(426)	(0.19)	(6,968)	(7,176)	208	0.10
Total	229,304	—	229,304	100.00	207,834	—	207,834	100.00

April 1, 2012 Fair Value by Currency				
Currency	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	186,454	8,540	177,914	99.99
U.S. Dollar	(8,515)	(8,540)	25	0.01
Total	177,939	—	177,939	100.00

NBIMC Private Equity Fund

March 31, 2014 Fair Value by Currency					March 31, 2013 Fair Value by Currency			
Currency	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	27,290	(141)	27,431	7.61	12,860	—	12,860	4.44
U.S. Dollar	143,908	—	143,908	39.95	133,628	—	133,628	46.12
Euro	166,110	141	165,969	46.07	127,496	—	127,496	44.00
Pound Sterling	22,952	—	22,952	6.37	15,778	—	15,778	5.44
Total	360,260	—	360,260	100.00	289,762	—	289,762	100.00

April 1, 2012 Fair Value by Currency				
Currency	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	6,737	(134)	6,871	2.67
U.S. Dollar	124,016	—	124,016	48.22
Euro	111,338	134	111,204	43.24
Pound Sterling	15,083	—	15,083	5.87
Total	257,174	—	257,174	100.00

A 1% increase or decrease in the value of the Canadian dollar against all currencies would result in an approximate decrease or increase in the value of the Funds' net investment assets as follows:

	March 31, 2014 \$	March 31, 2013 \$	April 1, 2012 \$
NBIMC Nominal Bond Fund	—	—	1
NBIMC S&P/TSX Completion Fund	10	—	—
NBIMC External International Equity Fund	2,764	2,060	1,790
NBIMC EAFE Equity Index Fund	12,997	12,066	11,928
NBIMC Low Volatility International Equity Fund	3,406	3,209	1,922
NBIMC U.S. Equity Index Fund	10,918	10,890	10,182
NBIMC Low Volatility U.S. Equity Fund	3,681	3,199	1,903
NBIMC International Real Estate Fund	3,068	2,654	3,375
NBIMC Infrastructure Fund	98	97	102
NBIMC North American Market Neutral Fund	4	7	3
NBIMC Quantitative Strategies Fund	4	2	—
NBIMC Private Equity Fund	3,328	2,769	2,503

(c) Interest Rate Risk:

Interest rate risk refers to the effect on the fair value of investments due to fluctuation of market interest rates. Funds within the Fixed Income and Inflation-Linked Securities asset classes are exposed to interest rate risk.

NBIMC has established guidelines on duration and yield curve distribution, which are designed to mitigate the risk of interest rate volatility. Duration is the present value, expressed in years, of the yield, coupon, final maturity and call features of fixed income instruments.

The duration of financial instruments in each of these Funds, and the sensitivity to an increase or decrease of 0.25% in interest rates, are as follows:

	March 31, 2014		
	Financial Instruments Fair Value \$	Duration (years)	Sensitivity to 0.25% change in rates \$
NBIMC Nominal Bond Fund	1,761,172	7.7	32,991
NBIMC Corporate Bond Fund	815,879	6.1	11,975
NBIMC Canadian Long-Term Bond Fund	130,160	14.4	4,496
NBIMC New Brunswick Fixed Income Opportunity Fund	15,453	5.6	190
NBIMC Money Market Fund	742,664	0.4	783
NBIMC Student Investment Fund	1,290	7.3	23
NBIMC Canadian Equity Index Fund	929,944	1.6	3,709
NBIMC Canadian Equity Active Long Strategy Fund	118,693	2.4	701
NBIMC Inflation Linked Securities Fund	979,922	15.9	37,686

March 31, 2013			
	Financial Instruments Fair Value \$	Duration (years)	Sensitivity to 0.25% change in rates \$
NBIMC Nominal Bond Fund	1,639,372	7.5	29,674
NBIMC Corporate Bond Fund	646,725	6.3	9,853
NBIMC New Brunswick Fixed Income Opportunity Fund	16,714	6.1	223
NBIMC Money Market Fund	604,407	0.6	868
NBIMC Student Investment Fund	1,170	7.2	21
NBIMC Canadian Equity Index Fund	1,034,210	0.5	1,353
NBIMC Canadian Equity Active Long Strategy Fund	11,045	0.0	1
NBIMC Inflation Linked Securities Fund	932,837	16.7	37,753

April 1, 2012			
	Financial Instruments Fair Value \$	Duration (years)	Sensitivity to 0.25% change in rates \$
NBIMC Nominal Bond Fund	2,111,533	7.2	36,802
NBIMC Corporate Bond Fund	234,291	6.4	3,635
NBIMC New Brunswick Fixed Income Opportunity Fund	21,721	5.2	245
NBIMC Money Market Fund	454,499	0.7	832
NBIMC Student Investment Fund	1,099	6.9	18
NBIMC Canadian Equity Index Fund	964,680	1.1	2,509
NBIMC Inflation Linked Securities Fund	828,704	16.8	33,741

The remaining term to maturity of the aggregate financial instruments in each of these Funds are as follows:

	March 31, 2014					Average Effective Yield %
	Term to Maturity					
	Within	1-5	6-10	Over	Total	
	1 Year	Years	Years	10Years		
	\$	\$	\$	\$	\$	
NBIMC Nominal Bond Fund	23,182	592,982	472,515	672,493	1,761,172	3.82
NBIMC Corporate Bond Fund	15,671	397,127	281,872	121,209	815,879	3.32
NBIMC Canadian Long-Term Bond Fund	—	—	—	130,160	130,160	4.08
NBIMC New Brunswick Fixed Income Opportunity Fund	—	—	—	15,453	15,453	5.82
NBIMC Money Market Fund	669,539	73,125	—	—	742,664	1.32
NBIMC Student Investment Fund	—	492	403	395	1,290	4.39
NBIMC Canadian Equity Index Fund	754,584	175,360	—	—	929,944	0.55
NBIMC Canadian Equity Active Long Strategy Fund	33,626	85,067	—	—	118,693	0.64
NBIMC Inflation Linked Securities Fund	—	—	174,572	805,350	979,922	2.12

	March 31, 2013					Average Effective Yield %
	Term to Maturity					
	Within 1 Year \$	1-5 Years \$	6-10 Years \$	Over 10Years \$	Total \$	
NBIMC Nominal Bond Fund	100,585	560,103	375,872	602,812	1,639,372	3.87
NBIMC Corporate Bond Fund	3,013	346,033	181,819	115,860	646,725	2.51
NBIMC New Brunswick Fixed Income Opportunity Fund	—	—	—	16,714	16,714	5.62
NBIMC Money Market Fund	477,008	127,399	—	—	604,407	1.38
NBIMC Student Investment Fund	—	449	373	348	1,170	4.14
NBIMC Canadian Equity Index Fund	550,632	483,578	—	—	1,034,210	0.58
NBIMC Canadian Equity Active Long Strategy Fund	1,970	9,075	—	—	11,045	1.14
NBIMC Inflation Linked Securities Fund	—	—	169,445	768,392	932,837	1.91

	April 1, 2012					Average Effective Yield %
	Term to Maturity					
	Within	1-5	6-10	Over	Total	
	1 Year	Years	Years	10Years		
	\$	\$	\$	\$	\$	
NBIMC Nominal Bond Fund	78,618	811,757	499,764	721,394	2,111,533	3.79
NBIMC Corporate Bond Fund	—	142,008	48,405	43,878	234,291	3.36
NBIMC New Brunswick Fixed Income Opportunity Fund	4,451	—	—	17,270	21,721	5.96
NBIMC Money Market Fund	299,427	155,072	—	—	454,499	1.39
NBIMC Student Investment Fund	59	430	218	392	1,099	4.54
NBIMC Canadian Equity Index Fund	116,955	847,725	—	—	964,680	0.60
NBIMC Inflation Linked Securities Fund	—	—	166,967	661,737	828,704	1.92

(d) Credit Risk:

The Funds are exposed to credit-related risk in the event a derivative or debt security counterparty defaults or becomes insolvent.

NBIMC has established investment criteria designed to manage credit risk by establishing limits by issuer type and credit rating for fixed income and derivative credit exposure. NBIMC does not consider cash or receivables for investment sales settled through a central clearinghouse to have credit risk. Management monitors these exposures monthly. Such derivative and short and long-term debt securities are restricted to those having investment grade ratings, as provided by a third party rating agency. Investment grade ratings are BBB and above for longer term debt securities and R-1 for short-term debt. Any credit downgrade below investment grade is subject to review by NBIMC's Board of Directors.

The maximum credit exposure for each of the Funds as at March 31, 2014 is as follows:

	Financial Instruments at FVTPL \$	Financial Instruments at Amortized Cost \$	March 31, 2014 Total \$
NBIMC Nominal Bond Fund	1,761,172	17,913	1,799,085
NBIMC Corporate Bond Fund	815,879	6,564	822,443
NBIMC Canadian Long-Term Bond Fund	130,161	958	131,119
NBIMC New Brunswick Fixed Income Opportunity Fund	15,453	74	15,527
NBIMC Money Market Fund	742,665	1,269	743,934
NBIMC Student Investment Fund	1,290	21	1,311
NBIMC Canadian Equity Index Fund	974,062	3,093	977,155
NBIMC Low Volatility Canadian Equity Fund	—	857	857
NBIMC External Canadian Equity Fund	—	330	330
NBIMC S&P/TSX Completion Index Fund	—	542	542
NBIMC Canadian Equity Active Long Strategy Fund	123,122	632	123,754
NBIMC EAFE Equity Index Fund	—	7,571	7,571
NBIMC Low Volatility International Equity Fund	—	1,800	1,800
NBIMC U.S. Equity Index Fund	42	2,124	2,166
NBIMC Low Volatility U.S. Equity Fund	4	556	560
NBIMC Inflation Linked Securities Fund	979,922	6,799	986,721
NBIMC Canadian Real Estate Investment Trust Fund	—	926	926
NBIMC International Real Estate Fund	—	867	867
NBIMC Infrastructure Fund	10,123	—	10,123
NBIMC North American Market Neutral Fund	50	211	261
NBIMC Quantitative Strategies Fund	3,263	309	3,572
NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund	500	20	520

The maximum credit exposure for each of the Funds as at March 31, 2013 is as follows:

	Financial Instruments at FVTPL \$	Financial Instruments at Amortized Cost \$	March 31, 2013 Total \$
NBIMC Nominal Bond Fund	1,639,372	18,445	1,657,817
NBIMC Corporate Bond Fund	646,725	4,575	651,300
NBIMC New Brunswick Fixed Income Opportunity Fund	16,714	77	16,791
NBIMC Money Market Fund	604,408	1,124	605,532
NBIMC Student Investment Fund	1,170	19	1,189
NBIMC Canadian Equity Index Fund	1,049,251	2,957	1,052,208
NBIMC Low Volatility Canadian Equity Fund	—	684	684
NBIMC External Canadian Equity Fund	—	313	313
NBIMC S&P/TSX Completion Index Fund	—	487	487
NBIMC Canadian Equity Active Long Strategy Fund	11,541	1,027	12,568
NBIMC EAFE Equity Index Fund	—	6,773	6,773
NBIMC Low Volatility International Equity Fund	—	1,860	1,860
NBIMC U.S. Equity Index Fund	25	2,137	2,162
NBIMC Low Volatility U.S. Equity Fund	—	855	855
NBIMC Inflation Linked Securities Fund	932,837	5,815	938,652
NBIMC Canadian Real Estate Fund	—	957	957
NBIMC International Real Estate Fund	—	640	640
NBIMC Infrastructure Fund	10,191	—	10,191
NBIMC North American Market Neutral Fund	369	211	580
NBIMC Quantitative Strategies Fund	114	239	353
NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund	—	2,218	2,218

The maximum credit exposure for each of the Funds as at April 1, 2012 is as follows:

	Financial Instruments at FVTPL \$	Financial Instruments at Amortized Cost \$	April 1, 2012 Total \$
NBIMC Nominal Bond Fund	2,111,622	22,396	2,134,018
NBIMC Corporate Bond Fund	234,291	1,371	235,662
NBIMC New Brunswick Fixed Income Opportunity Fund	21,721	80	21,801
NBIMC Money Market Fund	454,499	1,027	455,526
NBIMC Student Investment Fund	1,099	20	1,119
NBIMC Canadian Equity Index Fund	979,525	3,104	982,629
NBIMC External Canadian Equity Fund	—	343	343
NBIMC S&P/TSX Completion Index Fund	—	433	433
NBIMC Canadian Equity Active Long Strategy Fund	—	1,073	1,073
NBIMC EAFE Equity Index Fund	—	6,815	6,815
NBIMC Low Volatility International Equity Fund	—	574	574
NBIMC U.S. Equity Index Fund	30	1,481	1,511
NBIMC Low Volatility U.S. Equity Fund	1	350	351
NBIMC Inflation Linked Securities Fund	828,704	5,297	834,001
NBIMC Canadian Real Estate Fund	8,000	870	8,870
NBIMC International Real Estate Fund	—	706	706
NBIMC Infrastructure Fund	9,635	—	9,635
NBIMC North American Market Neutral Fund	75	302	377
NBIMC Quantitative Strategies Fund	309	380	689
NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund	—	4,802	4,802

The quality of the maximum credit exposure as at March 31, 2014 is as follows:

	March 31, 2014					
	AAA	AA	A	BBB	R-1	Other
	\$	\$	\$	\$	\$	\$
NBIMC Nominal Bond Fund	840,544	439,215	477,721	3,692	17,913	—
NBIMC Corporate Bond Fund	15,246	213,864	358,722	221,432	13,179	—
NBIMC Canadian Long-Term Bond Fund	67,523	10,070	52,568	—	958	—
NBIMC New Brunswick Fixed Income Opportunity Fund	—	—	15,453	—	74	—
NBIMC Money Market Fund	—	235,329	10,017	—	498,588	—
NBIMC Student Investment Fund	822	111	357	—	21	—
NBIMC Canadian Equity Index Fund	—	566,222	190,370	—	220,563	—
NBIMC Low Volatility Canadian Equity Fund	—	—	—	—	857	—
NBIMC External Canadian Equity Fund	—	—	—	—	330	—
NBIMC S&P/TSX Completion Index Fund	—	—	—	—	542	—
NBIMC Canadian Equity Active Long Strategy Fund	—	94,097	—	—	29,657	—
NBIMC EAFE Equity Index Fund	—	—	—	—	7,571	—
NBIMC Low Volatility International Equity Fund	—	—	—	—	1,800	—
NBIMC U.S. Equity Index Fund	—	—	—	—	2,166	—
NBIMC Low Volatility U.S. Equity Fund	—	—	—	—	560	—
NBIMC Inflation Linked Securities Fund	782,976	80,884	116,062	—	6,799	—
NBIMC Canadian Real Estate Investment Trust Fund	—	—	—	—	926	—
NBIMC International Real Estate Fund	—	—	—	—	867	—
NBIMC Infrastructure Fund	—	—	—	—	—	10,123
NBIMC North American Market Neutral Fund	—	—	—	—	261	—
NBIMC Quantitative Strategies Fund	—	—	2,915	—	657	—
NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund	—	—	—	—	20	500

The quality of the maximum credit exposure as at March 31, 2013 is as follows:

	March 31, 2013					
	AAA	AA	A	BBB	R-1	Other
	\$	\$	\$	\$	\$	\$
NBIMC Nominal Bond Fund	806,908	392,331	436,319	3,814	18,445	—
NBIMC Corporate Bond Fund	36,014	146,260	311,556	142,224	11,203	4,043
NBIMC New Brunswick Fixed Income Opportunity Fund	—	—	16,714	—	77	—
NBIMC Money Market Fund	—	230,063	10,019	—	365,450	—
NBIMC Student Investment Fund	801	69	300	—	19	—
NBIMC Canadian Equity Index Fund	—	676,316	190,244	—	185,648	—
NBIMC Low Volatility Canadian Equity Fund	—	—	—	—	684	—
NBIMC External Canadian Equity Fund	—	—	—	—	313	—
NBIMC S&P/TSX Completion Index Fund	—	—	—	—	487	—
NBIMC Canadian Equity Active Long Strategy Fund	—	9,075	—	—	3,493	—
NBIMC EAFE Equity Index Fund	—	—	—	—	6,773	—
NBIMC Low Volatility International Equity Fund	—	—	—	—	1,860	—
NBIMC U.S. Equity Index Fund	—	—	—	—	2,162	—
NBIMC Low Volatility U.S. Equity Fund	—	—	—	—	855	—
NBIMC Inflation Linked Securities Fund	745,108	58,010	129,719	—	5,815	—
NBIMC Canadian Real Estate Fund	—	—	—	—	957	—
NBIMC International Real Estate Fund	—	—	—	—	640	—
NBIMC Infrastructure Fund	—	—	—	—	341	9,850
NBIMC North American Market Neutral Fund	—	—	—	—	580	—
NBIMC Quantitative Strategies Fund	—	—	—	—	353	—
NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund	—	—	—	—	—	2,218

The quality of the maximum credit exposure as at April 1, 2012 is as follows:

	April 1, 2012					
	AAA	AA	A	BBB	R-1	Other
	\$	\$	\$	\$	\$	\$
NBIMC Nominal Bond Fund	1,162,265	543,840	393,614	11,815	22,484	—
NBIMC Corporate Bond Fund	8,047	68,621	111,422	39,717	7,855	—
NBIMC New Brunswick Fixed Income Opportunity Fund	—	—	17,270	—	80	4,451
NBIMC Money Market Fund	—	194,121	25,000	—	236,405	—
NBIMC Student Investment Fund	664	53	382	—	20	—
NBIMC Canadian Equity Index Fund	—	703,321	144,405	—	134,903	—
NBIMC External Canadian Equity Fund	—	—	—	—	343	—
NBIMC S&P/TSX Completion Index Fund	—	—	—	—	433	—
NBIMC Canadian Equity Active Long Strategy Fund	—	—	—	—	1,073	—
NBIMC EAFE Equity Index Fund	—	—	—	—	6,815	—
NBIMC Low Volatility International Equity Fund	—	—	—	—	574	—
NBIMC U.S. Equity Index Fund	—	—	—	—	1,511	—
NBIMC Low Volatility U.S. Equity Fund	—	—	—	—	351	—
NBIMC Inflation Linked Securities Fund	640,418	59,085	129,201	—	5,297	—
NBIMC Canadian Real Estate Fund	—	—	—	—	870	8,000
NBIMC International Real Estate Fund	—	—	—	—	706	—
NBIMC Infrastructure Fund	—	—	—	—	1	9,635
NBIMC North American Market Neutral Fund	—	—	—	—	377	—
NBIMC Quantitative Strategies Fund	—	—	—	—	689	—
NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund	—	—	—	—	—	4,802

As at March 31, 2014, the highest concentration of credit risk is with Government of Canada bonds.

(e) Other Pricing Risk: Other pricing risk is the risk that the fair value or future cash flows of an equity investment will fluctuate because of changes in market prices (other than those arising from foreign currency or interest rate risk as discussed above). Pricing risk can affect specific investments or broad market indices. The Funds moderate this risk through the use of various investment strategies within the parameters of the Funds' investment policies and procedures.

Management's estimate of the effect on net assets due to a reasonable possible change in equity indices, with all other variables held constant, is shown in the tables below. The estimate is calculated based on the percentage of the Funds' total net assets that are invested in financial instruments constituting the primary index. In practice, the actual results may differ from the sensitivity analysis below and the differences can be material.

As at March 31, 2014

Fund	Market Indices	Change in Market Prices %	Effect on Net Assets \$
NBIMC Student Investment Fund	50% S&P/TSX 60 Total Return Index, 45% FTSE TMX Canada All Government Bond Index and 5% of the combined FTSE TMX Canada 91-Day Treasury Bill Index and Call Loan Rate weighted 93% and 7% respectively	+/- 10	170
NBIMC Canadian Equity Index Fund	S&P/TSX Total Return Composite Index	+/- 10	114,139
NBIMC Low Volatility Canadian Equity Fund	S&P/TSX Total Return Composite Index	+/- 10	23,901
NBIMC External Canadian Equity Fund	S&P/TSX Total Return Composite Index	+/- 10	43,854
NBIMC S&P/TSX Completion Index Fund	S&P/TSX Completion Total Return Index	+/- 10	21,629
NBIMC Canadian Equity Active Long Strategy Fund	S&P/TSX Total Return Composite Index	+/- 10	25,273
NBIMC External International Equity Fund	Applicable country index, weighted according to percentage of total assets committed, \$C	+/- 10	27,641
NBIMC EAFE Equity Index Fund	MSCI EAFE (Developed Markets) Net Dividends, \$C	+/- 10	132,630
NBIMC Low Volatility International Equity Fund	MSCI EAFE (Developed Markets) Net Dividends, \$C	+/- 10	34,059
NBIMC U.S. Equity Index Fund	S&P 500 Total Return Index \$C	+/- 10	113,214
NBIMC Low Volatility U.S. Equity Fund	S&P 500 Total Return Index \$C	+/- 10	36,839
NBIMC Canadian Real Estate Investment Trust Fund	S&P/TSX Capped REIT Index	+/- 10	23,356
NBIMC International Real Estate Fund	Applicable country index, weighted according to percentage of total assets committed, \$C	+/- 10	30,646
NBIMC North American Market Neutral Fund	FTSE TMX Canada 91-Day Treasury Bill Index and Call Loan Rate weighted 93% and 7% respectively	+/- 10	82
NBIMC Quantitative Strategies Fund	FTSE TMX Canada 91-Day Treasury Bill Index and Call Loan Rate weighted 93% and 7% respectively	+/- 10	4,216

As at March 31, 2013

Fund	Market Indices	Change in Market Prices %	Effect on Net Assets \$
NBIMC Student Investment Fund	50% S&P/TSX 60 total Return Index, 45% FTSE TMX Canada All Government Bond Index and 5% of the combined FTSE TMX Canada 91-Day Treasury Bill Index and Call Loan Rate weighted 93% and 7% respectively	+/- 10	147
NBIMC Canadian Equity Index Fund	S&P/TSX Total Return Composite Index	+/- 10	107,806
NBIMC Low Volatility Canadian Equity Fund	S&P/TSX Total Return Composite Index	+/- 10	20,184
NBIMC External Canadian Equity Fund	S&P/TSX Total Return Composite Index	+/- 10	37,022
NBIMC S&P/TSX Completion Index Fund	S&P/TSX Completion Total Return Index	+/- 10	18,387
NBIMC Canadian Equity Active Long Strategy Fund	S&P/TSX Total Return Composite Index	+/- 10	20,884
NBIMC External International Equity Fund	Applicable country index, weighted according to percentage of total assets committed, \$C	+/- 10	20,601
NBIMC EAFE Equity Index Fund	MSCI EAFE (Developed Markets) Net Dividends, \$C	+/- 10	122,463
NBIMC Low Volatility International Equity Fund	MSCI EAFE (Developed Markets) Net Dividends, \$C	+/- 10	31,996
NBIMC U.S. Equity Index Fund	S&P 500 Total Return Index \$C	+/- 10	111,487
NBIMC Low Volatility U.S. Equity Fund	S&P 500 Total Return Index \$C	+/- 10	31,910
NBIMC Canadian Real Estate Fund	Blend of the S&P /TSX Capped REIT Index and inflation, as measured by the percentage change in the twelve-month CPI-Canada All Items Index, plus 4%	+/- 10	21,223
NBIMC International Real Estate Fund	Applicable country index, weighted according to percentage of total assets committed, \$C	+/- 10	26,431
NBIMC North American Market Neutral Fund	FTSE TMX Canada 91-Day Treasury Bill Index and Call Loan Rate weighted 93% and 7% respectively	+/- 10	26
NBIMC Quantitative Strategies Fund	FTSE TMX Canada 91-Day Treasury Bill Index and Call Loan Rate weighted 93% and 7% respectively	+/- 10	5,032

As at April 1, 2012

Fund	Market Indices	Change in Market Prices %	Effect on Net Assets \$
NBIMC Student Investment Fund	50% S&P/TSX 60 total Return Index, 45% FTSE TMX Canada All Government Bond Index and 5% of the combined FTSE TMX Canada 91-Day Treasury Bill Index and Call Loan Rate weighted 93% and 7% respectively	+/- 10	140
NBIMC Canadian Equity Index Fund	S&P/TSX Total Return Composite Index	+/- 10	105,318
NBIMC External Canadian Equity Fund	S&P/TSX Total Return Composite Index	+/- 10	34,551
NBIMC S&P/TSX Completion Index Fund	S&P/TSX Completion Total Return Index	+/- 10	17,794
NBIMC Canadian Equity Active Long Strategy Fund	S&P/TSX Total Return Composite Index	+/- 10	28,964
NBIMC External International Equity Fund	Applicable country index, weighted according to percentage of total assets committed, \$C	+/- 10	17,901
NBIMC EAFE Equity Index Fund	MSCI EAFE (Developed Markets) Net Dividends, \$C	+/- 10	119,174
NBIMC Low Volatility International Equity Fund	MSCI EAFE (Developed Markets) Net Dividends, \$C	+/- 10	19,220
NBIMC U.S. Equity Index Fund	S&P 500 Total Return Index \$C	+/- 10	101,676
NBIMC Low Volatility U.S. Equity Fund	S&P 500 Total Return Index \$C	+/- 10	18,987
NBIMC Canadian Real Estate Fund	Blend of the S&P /TSX Capped REIT Index and inflation, as measured by the percentage change in the twelve-month CPI-Canada All Items Index, plus 4%	+/- 10	18,809
NBIMC International Real Estate Fund	Applicable country index, weighted according to percentage of total assets committed, \$C	+/- 10	33,683
NBIMC North American Market Neutral Fund	FTSE TMX Canada 91-Day Treasury Bill Index and Call Loan Rate weighted 93% and 7% respectively	+/- 10	170
NBIMC Quantitative Strategies Fund	FTSE TMX Canada 91-Day Treasury Bill Index and Call Loan Rate weighted 93% and 7% respectively	+/- 10	4,278

(f) **Liquidity Risk:** Liquidity risk is the risk of not having sufficient funds available to meet cash demands. Sources of liquidity include sale of securities, cash underlay supporting derivative investments, interest and dividend receipts and capital contributions. Uses of liquidity include purchases of investments and redemptions of units.

The Funds were created to undertake specific investment strategies, some of which involve more readily marketable securities than others. For example, the NBIMC Money Market Fund invests in short-term government backed securities, such as treasury bills, as well as high quality government bonds that are readily marketable. In contrast, the investments in the NBIMC Private Equity Fund, the NBIMC Canadian Real Estate Fund and the NBIMC Infrastructure Fund are considered highly illiquid due to their private nature and longer term to maturity.

The Board-approved Statements of Investment Policies establish the amount and types of investments that each Fund may hold. Management monitors adherence to these limits regularly and uses portfolio rebalancing to ensure these limitations are maintained.

Each client enters into an investment management agreement that includes a suitable notice period for unit purchases and redemptions, depending upon their investment objectives, and a desired investment policy statement. NBIMC measures compliance with investment policy statements weekly and reports quarterly to clients.

(g) **Securities Lending:** Certain of the Funds have entered into a securities lending arrangement with their securities custodian with the objective of enhancing portfolio returns. Under this program, the custodian may loan securities owned by the Funds to other approved borrowers in exchange for collateral in the form of readily marketable government-backed securities equal to at least 105% of the value of securities on loan and a borrowing fee. Collateral is held in trust for the Funds by the custodian. NBIMC has restricted both the approved borrowers and the limits assigned to each approved borrower under this program to minimize exposure to counterparty credit risk. Securities on loan remain recorded as investments on the Statement of Financial Position.

The fair value of securities on loan consisted of the following:

Fund	March 31, 2014	March 31, 2013	April 1, 2012
NBIMC Nominal Bond Fund	\$ 428,502	\$ 392,948	\$ 465,119
NBIMC Corporate Bond Fund	44,701	49,478	—
NBIMC Canadian Long-Term Bond Fund	45,725	—	—
NBIMC Student Investment Fund	637	527	476
NBIMC Canadian Equity Index Fund	13,316	26,179	52,640
NBIMC Low Volatility Canadian Equity Fund	29,460	23,290	—
NBIMC External Canadian Equity Fund	25,465	21,755	30,593
NBIMC S&P/TSX Completion Index Fund	64,380	61,022	59,277
NBIMC Canadian Equity Active Long Strategy Fund	10,745	32,655	50,585
NBIMC EAFE Equity Index Fund	245,342	114,929	136,578
NBIMC Low Volatility International Equity Fund	54,346	41,816	9,676
NBIMC U.S. Equity Index Fund	66,471	75,638	74,062
NBIMC Low Volatility U.S. Equity Fund	51,504	15,663	—
NBIMC Inflation Linked Securities Fund	232,803	215,122	180,261
NBIMC International Real Estate Fund	50,571	30	9,813
NBIMC North American Market Neutral Fund	9,748	13,178	15,435
NBIMC Quantitative Strategies Fund	15,872	14,921	13,068

5. Derivatives

A derivative is a financial contract, the value of which is derived from the notional value of underlying assets, indices, interest rates or currency exchange rates.

The Funds may be party to certain derivatives, including futures contracts, interest rate swaps, forward foreign exchange contracts, cross currency swaps and total return equity swaps. Futures contracts are agreements between two parties to buy or sell a security or financial interest at a specified date, quantity and price. Futures contracts are standardized and traded on recognized exchanges. Interest rate swaps are agreements to exchange cash flows periodically based on a notional principal amount. Forward currency contracts are agreements between two parties, traded over the counter and not on an organized exchange, to purchase or sell currency against another currency at a future date and price. Total return equity swaps, traded in the over-the-counter market, are contractual agreements between two counterparties to exchange financial returns with predetermined conditions based on notional amounts.

Derivatives are used for various purposes, including: to invest in a particular stock market in an inexpensive and effective fashion (e.g. futures and swaps); to enhance returns (e.g. total return equity swaps); to convert a fixed

interest rate payment into a floating interest rate payment (e.g. interest rate swaps); and to hedge against potential losses due to changes in foreign exchange rates or stock prices (e.g. forward foreign exchange contracts).

The Funds have entered into a master agreement with each derivative counterparty that specifies the right to set-off financial assets and financial liabilities if certain events occur. The master agreement also specifies the types and amount of securities eligible for posting as collateral (*see also note 4(a)*). Derivative contracts create credit risk exposure should counterparties be unable to meet the terms of the contracts (*see note 4(d)*). NBIMC mitigates this risk exposure by only entering into derivatives with investment grade counterparties, and, restricting each counterparty to no more than 5% of total assets.

The Statements of Investment Policies do not permit leverage in the use of derivatives. Accordingly, short-term assets in an amount sufficient to cover potential derivative exposure are maintained as cash underlay.

Derivatives are also subject to foreign currency, interest rate, pricing and liquidity risk, as discussed previously.

The following tables summarize the derivatives held by each Fund. Notional values represent the volume of outstanding positions of the derivative contracts. The notional value is the amount to which a rate or price is applied in the calculation of cash flows for swaps, foreign exchange contracts and futures. The fair values are unrealized gains or losses on derivative contracts and represent the cost of replacing these contracts under current market conditions.

NBIMC Nominal Bond Fund				
	Notional Value March 31, 2014	Fair Value March 31, 2014	Notional Value March 31, 2013	Fair Value March 31, 2013
	\$	\$	\$	\$
Foreign currency management:				
Forward exchange contracts	—	—	—	—
Net fair value of derivative contracts		—		—
Represented by:				
Derivative assets		—		—
Derivative liabilities		—		—
Total		—		—

NBIMC Nominal Bond Fund		
	Notional Value April 1, 2012	Fair Value April 1, 2012
	\$	\$
Foreign currency management:		
Forward exchange contracts	9,434	(62)
Net fair value of derivative contracts		(62)
Represented by:		
Derivative assets		88
Derivative liabilities		(150)
Total		(62)

NBIMC Canadian Equity Index Fund				
	Notional Value	Fair Value	Notional Value	Fair Value
	March 31, 2014	March 31, 2014	March 31, 2013	March 31, 2013
	\$	\$	\$	\$
Asset management:				
Equity futures	13,783	378	4,984	(157)
Equity swaps	928,866	42,514	996,829	13,319
Net fair value of derivative contracts		42,892		13,162
Represented by:				
Margin at brokers		378		(157)
Derivative assets		42,514		13,319
Total		42,892		13,162

NBIMC Canadian Equity Index Fund		
	Notional Value	Fair Value
	April 1, 2012	April 1, 2012
	\$	\$
Asset management:		
Equity futures	(51,739)	(65)
Equity swaps	964,472	13,175
Net fair value of derivative contracts		13,110
Represented by:		
Margin at brokers		(65)
Derivative assets		13,175
Total		13,110

NBIMC Low Volatility Canadian Equity Fund				
	Notional Value	Fair Value	Notional Value	Fair Value
	March 31, 2014	March 31, 2014	March 31, 2013	March 31, 2013
	\$	\$	\$	\$
Asset management:				
Equity futures	4,417	23	1,020	2
Net fair value of derivative contracts		23		2
Represented by:				
Margin at brokers		23		2
Total		23		2

NBIMC Canadian Equity Active Long Strategy Fund				
	Notional Value	Fair Value	Notional Value	Fair Value
	March 31, 2014	March 31, 2014	March 31, 2013	March 31, 2013
	\$	\$	\$	\$
Asset management:				
Equity futures	162	1	1,173	350
Equity swaps	118,605	4,295	10,990	477
Net fair value of derivative contracts		4,296		827
Represented by:				
Margin at brokers		1		350
Derivative assets		4,295		477
Total		4,296		827

NBIMC Canadian Equity Active Long Strategy Fund		
	Notional Value	Fair Value
	April 1, 2012	April 1, 2012
	\$	\$
Asset management:		
Equity futures	2,208	300
Net fair value of derivative contracts		300
Represented by:		
Margin at brokers		300
Total		300

NBIMC EAFE Equity Index Fund				
	Notional Value	Fair Value	Notional Value	Fair Value
	March 31, 2014	March 31, 2014	March 31, 2013	March 31, 2013
	\$	\$	\$	\$
Asset management:				
Equity futures	35,735	1,205	27,642	287
Net fair value of derivative contracts		1,205		287
Represented by:				
Margin at brokers		1,205		287
Total		1,205		287

NBIMC EAFE Equity Index Fund		
	Notional Value	Fair Value
	April 1, 2012	April 1, 2012
	\$	\$
Asset management:		
Equity futures	6,734	350
Net fair value of derivative contracts		350
Represented by:		
Margin at brokers		350
Total		350

NBIMC Low Volatility International Equity Fund				
	Notional Value	Fair Value	Notional Value	Fair Value
	March 31, 2014	March 31, 2014	March 31, 2013	March 31, 2013
	\$	\$	\$	\$
Asset management:				
Equity futures	7,392	286	2,240	600
Foreign currency management:				
Forward exchange contracts	(4,493)	(80)		—
Net fair value of derivative contracts		206		600
Represented by:				
Margin at brokers		286		600
Derivative liabilities		(80)		—
Total		206		600

NBIMC Low Volatility International Equity Fund		
	Notional Value	Fair Value April
	April 1, 2012	1, 2012
	\$	\$
Asset management:		
Equity futures	900	(6)
Net fair value of derivative contracts		(6)
Represented by:		
Margin at brokers		(6)
Total		(6)

NBIMC U.S. Equity Index Fund			
	Notional Value March 31, 2014	Fair Value March 31, 2014	Notional Value March 31, 2013
	\$	\$	\$
Asset management:			
Equity futures	42,689	854	104,079
Foreign currency management:			
Forward exchange contracts	(304)	(25)	(77,834)
Net fair value of derivative contracts		829	(155)
Represented by:			
Margin at brokers		854	801
Derivative assets		42	24
Derivative liabilities		(67)	(980)
Total		829	(155)

NBIMC U.S. Equity Index Fund		
	Notional Value April 1, 2012	Fair Value April 1, 2012
	\$	\$
Asset management:		
Equity futures	1,883	177
Foreign currency management:		
Forward exchange contracts	(1,885)	2
Net fair value of derivative contracts		179
Represented by:		
Margin at brokers		177
Derivative assets		29
Derivative liabilities		(27)
Total		179

NBIMC Low Volatility U.S. Equity Fund				
	Notional Value	Fair Value	Notional Value	Fair Value
	March 31, 2014	March 31,	March 31, 2013	March 31, 2013
	\$	2014	\$	\$
Asset management:				
Equity futures	823	7	1,906	348
Foreign currency management:				
Forward exchange contracts	(62)	(3)	(1,753)	(21)
Net fair value of derivative contracts		4		327
Represented by:				
Margin at brokers		8		348
Derivative assets		3		—
Derivative liabilities		(7)		(21)
Total		4		327

NBIMC Low Volatility U.S. Equity Fund		
	Notional Value	Fair Value
	April 1, 2012	April 1, 2012
	\$	\$
Asset management:		
Equity futures	469	33
Foreign currency management:		
Forward exchange contracts	(545)	1
Net fair value of derivative contracts		34
Represented by:		
Margin at brokers		33
Derivative assets		1
Total		34

NBIMC Infrastructure Fund				
	Notional Value	Fair Value	Notional Value	Fair Value
	March 31, 2014	March 31, 2014	March 31, 2013	March 31, 2013
	\$	\$	\$	\$
Foreign currency management:				
Forward exchange contracts	41,312	(2,115)	17,374	341
Net fair value of derivative contracts		(2,115)		341
Represented by:				
Derivative assets		—		341
Derivative liabilities		(2,115)		—
Total		(2,115)		341

NBIMC Infrastructure Fund		
	Notional Value	Fair Value
	April 1, 2012	April 1, 2012
	\$	\$
Foreign currency management:		
Forward exchange contracts	13,242	(214)
Net fair value of derivative contracts		(214)
Represented by:		
Derivative liabilities		(214)
Total		(214)

NBIMC North American Market Neutral Fund				
	Notional Value	Fair Value	Notional Value	Fair Value
	March 31, 2014	March 31, 2014	March 31, 2013	March 31, 2013
	\$	\$	\$	\$
Foreign currency management:				
Forward exchange contracts	(1,303)	14	(14,638)	301
Net fair value of derivative contracts		14		301
Represented by:				
Derivative assets		50		369
Derivative liabilities		(36)		(68)
Total		14		301

NBIMC North American Market Neutral Fund		
	Notional Value	Fair Value
	April 1, 2012	April 1, 2012
	\$	\$
Foreign currency management:		
Forward exchange contracts	(8,269)	(273)
Net fair value of derivative contracts		(273)
Represented by:		
Derivative assets		75
Derivative liabilities		(348)
Total		(273)

NBIMC Quantitative Strategies Fund				
	Notional Value	Fair Value	Notional Value	Fair Value
	March 31, 2014	March 31, 2014	March 31, 2013	March 31, 2013
	\$	\$	\$	\$
Foreign currency management:				
Forward exchange contracts	(2,332)	144	7,033	(143)
Net fair value of derivative contracts		144		(143)
Represented by:				
Derivative assets		349		115
Derivative liabilities		(205)		(258)
Total		144		(143)

NBIMC Quantitative Strategies Fund		
	Notional Value	Fair Value
	April 1, 2012	April 1, 2012
	\$	\$
Foreign currency management:		
Forward exchange contracts	8,816	276
Net fair value of derivative contracts		276
Represented by:		
Derivative assets		309
Derivative liabilities		(33)
Total		276

NBIMC Private Equity Fund			
	Notional Value	Fair Value	
	March 31, 2014	March 31, 2014	Notional Value
	\$	\$	March 31, 2013
			\$
Foreign currency management:			
Forward exchange contracts	(141)	—	—
Net fair value of derivative contracts		—	—
Represented by:			
Derivative assets		—	—
Total		—	—

NBIMC Private Equity Fund		
	Notional Value	Fair Value
	April 1, 2012	April 1, 2012
	\$	\$
Foreign currency management:		
Forward exchange contracts	(135)	—
Net fair value of derivative contracts		—
Represented by:		
Derivative assets		—
Total		—

The term to maturity based on the notional value for the above derivative contracts as at March 31, 2014 is as follows:

	Under 1 year	1 – 5 years
NBIMC Canadian Equity Index Fund	439,642	503,007
NBIMC Low Volatility Canadian Equity Fund	4,417	—
NBIMC Canadian Equity Active Long Strategy Fund	12,616	106,151
NBIMC EAFE Equity Index Fund	35,735	—
NBIMC Low Volatility International Equity Fund	2,899	—
NBIMC U.S. Equity Index Fund	42,385	—
NBIMC Low Volatility U.S. Equity Fund	761	—
NBIMC Infrastructure Fund	41,312	—
NBIMC North American Market Neutral Fund	(1,303)	—
NBIMC Quantitative Strategies Fund	(2,332)	—
NBIMC Private Equity Fund	(141)	—

The term to maturity for the derivatives as at March 31, 2013, and 2012 is less than one year.

6. Capital and Performance

The definition of capital, as it pertains to each of the Funds, is the net assets attributable to holders of redeemable units of each Fund. Each Fund's objective is to meet or exceed the performance of its benchmark. Benchmark returns and Fund returns are measured using closing market price valuations.

The annual nominal performance for the period ended March 31 for each of the Funds is as follows:

	2014		2013	
	Annual return %	Benchmark return %	Annual return %	Benchmark return %
NBIMC Nominal Bond Fund	0.65	0.25	4.12	3.86
NBIMC Corporate Bond Fund	2.21	2.26	6.29	6.32
NBIMC Canadian Long-Term Bond Fund*	0.62	1.14	—	—
NBIMC New Brunswick Fixed Income Opportunity Fund	1.15	0.25	4.89	3.86
NBIMC Money Market Fund	1.35	1.00	1.47	1.02
NBIMC Student Investment Fund	8.44	7.93	5.23	5.37
NBIMC Canadian Equity Index Fund	16.29	15.97	7.19	6.11
NBIMC Low Volatility Canadian Equity Fund	17.96	15.97	2.94	(0.05)
NBIMC External Canadian Equity Fund	18.87	15.97	6.69	6.11
NBIMC S&P/TSX Completion Index Fund	17.81	16.57	3.93	4.39
NBIMC Canadian Equity Active Long Strategy Fund	16.51	15.97	6.20	6.11
NBIMC External International Equity Fund	34.17	27.67	15.08	13.12
NBIMC EAFE Equity Index Fund	27.66	27.67	13.34	13.12
NBIMC Low Volatility International Equity Fund	21.17	27.67	18.60	13.12
NBIMC U.S. Equity Index Fund	32.40	32.62	15.79	15.84
NBIMC Low Volatility U.S. Equity Fund	26.67	32.62	22.67	15.84
NBIMC Inflation Linked Securities Fund	(5.90)	(6.02)	2.35	2.09
NBIMC Canadian Real Estate Fund	2.40	1.84	12.08	10.00
NBIMC Canadian Real Estate Investment Trust Fund**	5.81	5.79	—	—
NBIMC International Real Estate Fund	13.04	12.37	16.11	19.04
NBIMC Infrastructure Fund	3.73	5.00	7.06	6.13
NBIMC North American Market Neutral Fund	6.33	1.00	0.59	1.02
NBIMC Quantitative Strategies Fund	6.78	1.00	4.97	1.02
NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund	0.71	5.00	21.41	6.13
NBIMC Private Equity Fund	27.24	29.13	10.11	14.14

* returns are since inception of this Fund on January 28, 2014.

** returns are since inception of this Fund on December 31, 2013.

7. Redeemable Units

The number of redeemable units issued and redeemed for the year ended and outstanding at March 31, 2014 was as follows:

	Outstanding March 31, 2013 (rounded)	Units Issued (rounded)	Units Redeemed (rounded)	Outstanding, March 31, 2014 (rounded)
NBIMC Nominal Bond Fund	742,381	106,797	62,857	786,321
NBIMC Corporate Bond Fund	618,179	137,678	11,705	744,152
NBIMC Canadian Long-Term Bond Fund	—	144,404	9,895	134,509
NBIMC New Brunswick Fixed Income Opportunity Fund	6,083	17	539	5,561
NBIMC Money Market Fund	396,402	982,611	906,530	472,483
NBIMC Student Investment Fund	1,017	—	—	1,017
NBIMC Canadian Equity Index Fund	435,446	75,047	114,569	395,924
NBIMC Low Volatility Canadian Equity Fund	196,106	4,606	3,833	196,879
NBIMC External Canadian Equity Fund	130,772	1,581	1,715	130,638
NBIMC S&P/TSX Completion Index Fund	69,095	624	624	69,095
NBIMC Canadian Equity Active Long Strategy Fund	199,523	8,743	1,496	206,770
NBIMC External International Equity Fund	160,745	1,801	1,797	160,749
NBIMC EAFE Equity Index Fund	1,269,809	52,177	248,266	1,073,720
NBIMC Low Volatility International Equity Fund	258,422	7,876	39,704	226,594
NBIMC U.S. Equity Index Fund	856,264	28,522	228,025	656,761
NBIMC Low Volatility U.S. Equity Fund	250,425	8,466	30,702	228,189
NBIMC Inflation Linked Securities Fund	278,043	40,486	5,943	312,586
NBIMC Canadian Real Estate Fund	128,874	9,080	77,881	60,073
NBIMC Canadian Real Estate Investment Trust Fund	—	222,312	689	221,623
NBIMC International Real Estate Fund	64,654	13,564	11,867	66,351
NBIMC Infrastructure Fund	61,684	20,309	4,017	77,976
NBIMC North American Market Neutral Fund	118,579	12,157	7,554	123,182
NBIMC Quantitative Strategies Fund	180,238	20,006	14,003	186,241
NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund	6,448	536	743	6,241
NBIMC Private Equity Fund	189,924	29,669	34,012	185,581

The number of redeemable units issued and redeemed for the year ended and outstanding at March 31, 2013 was as follows:

	Outstanding April 1, 2012 (rounded)	Units Issued (rounded)	Units Redeemed (rounded)	Outstanding, March 31, 2013 (rounded)
NBIMC Nominal Bond Fund	976,649	44,726	278,994	742,381
NBIMC Corporate Bond Fund	250,477	368,841	1,139	618,179
NBIMC New Brunswick Fixed Income Opportunity Fund	8,306	12	2,235	6,083
NBIMC Money Market Fund	303,357	1,165,772	1,072,727	396,402
NBIMC Student Investment Fund	1,017	—	—	1,017
NBIMC Canadian Equity Index Fund	455,280	58,725	78,559	435,446
NBIMC Low Volatility Canadian Equity Fund	—	196,294	188	196,106
NBIMC External Canadian Equity Fund	130,772	244	244	130,772
NBIMC S&P/TSX Completion Index Fund	69,095	148	148	69,095
NBIMC Canadian Equity Active Long Strategy Fund	292,837	12,211	105,525	199,523
NBIMC External International Equity Fund	160,745	300	300	160,745
NBIMC EAFE Equity Index Fund	1,395,847	196,732	322,770	1,269,809
NBIMC Low Volatility International Equity Fund	183,525	75,667	770	258,422
NBIMC U.S. Equity Index Fund	903,631	91,680	139,047	856,264
NBIMC Low Volatility U.S. Equity Fund	182,744	68,293	612	250,425
NBIMC Inflation Linked Securities Fund	254,499	28,091	4,547	278,043
NBIMC Canadian Real Estate Fund	112,502	24,461	8,089	128,874
NBIMC International Real Estate Fund	95,621	919	31,886	64,654
NBIMC Infrastructure Fund	45,581	18,596	2,493	61,684
NBIMC North American Market Neutral Fund	123,072	16,118	20,611	118,579
NBIMC Quantitative Strategies Fund	162,033	33,204	14,999	180,238
NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund	5,642	1,483	677	6,448
NBIMC Private Equity Fund	185,595	26,043	21,714	189,924

8. Related Party Transactions

Each of the Funds is related to each other Fund by virtue of their common control by NBIMC as trustee. NBIMC is related to the Province of New Brunswick by virtue of its incorporating legislation. Each of NBIMC's clients are related to NBIMC, the Funds and the Province by virtue of the public sector nature of each entity.

On December 31, 2013, the NBIMC Canadian Real Estate Fund transferred its Canadian real estate investment trust portfolio with a fair value of \$206,853, including an unrealized loss of \$9,175, to a newly created NBIMC Canadian Real Estate Investment Trust Fund at its book value of \$216,028. There was no change in the beneficial ownership of these assets. Accordingly, 64,039 units of the NBIMC Canadian Real Estate Fund were exchanged for 206,863 units of the NBIMC Canadian Real Estate Investment Trust Fund with no realized loss in the Statement of Comprehensive Income.

The NBIMC Nominal Bond Fund holds New Brunswick provincial and municipal bonds in the following amounts as at:

<i>(\$ thousands)</i>	March 31, 2014	March 31, 2013	April 1, 2012
Provincial bonds	\$ 49,572	\$ 38,941	\$ 66,536
Municipal bonds	\$ 27,540	\$ 28,011	\$ 27,177

From time to time, the Funds may invest in units of the NBIMC Money Market Fund to invest surplus cash on a short-term basis until it can be reinvested or to ensure there is cash underlay available to cover short positions or to offset derivative exposures, thereby eliminating leverage. The amount that each Fund held in units of the NBIMC Money Market Fund is as follows:

	March 31, 2014 \$	March 31, 2013 \$	April 1, 2012 \$
NBIMC Nominal Bond Fund	58,831	66,191	43,937
NBIMC Corporate Bond Fund	4,342	20,572	20,473
NBIMC Canadian Long-Term Bond Fund	4,224	—	—
NBIMC Student Investment Fund	75	154	152
NBIMC Canadian Equity Index Fund	13,219	5,099	(51,629)
NBIMC Low Volatility Canadian Equity Fund	3,603	350	—
NBIMC External Canadian Equity Fund	9,226	6,800	7,835
NBIMC S&P/TSX Completion Index Fund	2,862	2,082	1,017
NBIMC Canadian Equity Active Long Strategy Fund	749	1,509	2,196
NBIMC EAFE Equity Index Fund	27,686	23,106	(169)
NBIMC Low Volatility International Equity Fund	4,929	—	—
NBIMC U.S. Equity Index Fund	41,402	104,343	494
NBIMC Low Volatility U.S. Equity Fund	364	1,077	117
NBIMC Inflation Linked Securities Fund	11,810	5,173	10,028
NBIMC International Real Estate Fund	2,224	1,081	1,865
NBIMC North American Market Neutral Fund	159,418	145,304	147,969
NBIMC Quantitative Strategies Fund	182,780	158,277	135,979

The amount of investment income earned by each Fund for the years ended March 31, 2014 from its investments in the units of the NBIMC Money Market Fund is as follows:

	Unrealized Gains / (Losses) \$	Realized Gains / (Losses) \$	March 31, 2014 Total Income \$
NBIMC Nominal Bond Fund	(2)	817	815
NBIMC Corporate Bond Fund	(9)	117	108
NBIMC Student Investment Fund	(1)	3	2
NBIMC Canadian Equity Index Fund	57	172	229
NBIMC Low Volatility Canadian Equity Fund	3	21	24
NBIMC External Canadian Equity Fund	14	83	97
NBIMC S&P/TSX Completion Index Fund	(2)	17	15
NBIMC Canadian Equity Active Long Strategy Fund	(3)	21	18
NBIMC EAFE Equity Index Fund	(45)	386	341
NBIMC Low Volatility International Equity Fund	26	23	49
NBIMC U.S. Equity Index Fund	(320)	1,201	881
NBIMC Low Volatility U.S. Equity Fund	(1)	1	—
NBIMC Inflation Linked Securities Fund	42	40	82
NBIMC Canadian Real Estate Fund	—	2	2
NBIMC International Real Estate Fund	3	19	22
NBIMC Infrastructure Fund	—	2	2
NBIMC North American Market Neutral Fund	505	1,463	1,968
NBIMC Quantitative Strategies Fund	168	1,899	2,067

The amount of investment income earned by each Fund for the years ended March 31, 2013 from its investments in the units of the NBIMC Money Market Fund is as follows:

	Unrealized Gains / (Losses) \$	Realized Gains / (Losses) \$	March 31, 2014 Total Income \$
NBIMC Nominal Bond Fund	51	611	662
NBIMC Corporate Bond Fund	(13)	138	125
NBIMC Student Investment Fund	1	2	3
NBIMC Canadian Equity Index Fund	239	(133)	106
NBIMC External Canadian Equity Fund	(5)	75	70
NBIMC S&P/TSX Completion Index Fund	2	22	24
NBIMC Canadian Equity Active Long Strategy Fund	2	38	40
NBIMC EAFE Equity Index Fund	143	57	200
NBIMC U.S. Equity Index Fund	689	11	700
NBIMC Low Volatility U.S. Equity Fund	1	10	11
NBIMC Inflation Linked Securities Fund	(41)	90	49
NBIMC Canadian Real Estate Fund	—	1	1
NBIMC International Real Estate Fund	(1)	23	22
NBIMC Infrastructure Fund	—	5	5
NBIMC North American Market Neutral Fund	889	1,175	2,064
NBIMC Quantitative Strategies Fund	493	1,392	1,885

Certain of the Funds may participate in an inter-fund collateral lending agreement (*see Note 4(a)*).

In addition, certain of the Funds participate in an internal securities lending program with the objective of enhancing portfolio returns. Under this program, a lending Fund may loan securities to a borrowing Fund in exchange for a market-based borrowing fee. The borrowing Fund has committed to repay the lending Fund equivalent securities or

cash in the event that equivalent securities are not available. Securities on loan remain recorded as investments on the Statement of Financial Position.

The amount of internal securities lending revenue included in securities lending revenue in the Statement of Comprehensive Income for the year ended March 31 is as follows:

Fund	March 31, 2014	March 31, 2013
NBIMC Canadian Equity Index Fund	\$ 31	\$ 36
NBIMC Low Volatility Canadian Equity Fund	64	3
NBIMC Canadian Equity Active Long Strategy Fund	15	67
NBIMC U.S. Equity Index Fund	49	37
NBIMC Low Volatility U.S. Equity Fund	11	6
NBIMC Canadian Real Estate Fund	22	11

The amount of internal securities lending borrowing costs included in transaction costs in the Statement of Comprehensive Income for the year ended March 31 is as follows:

Fund	March 31, 2014	March 31, 2013
NBIMC North American Market Neutral Fund	58	62
NBIMC Quantitative Strategies Fund	133	98

The fair value of total securities loaned (borrowed) internally that are included in investments in the Statement of Financial Position is as follows:

Fund	March 31, 2014	March 31, 2013	April 1, 2012
NBIMC Canadian Equity Index Fund	\$ 16,767	\$ 5,280	\$ 3,162
NBIMC Low Volatility Canadian Equity Fund	13,125	25,021	—
NBIMC Canadian Equity Active Long Strategy Fund	1,238	8,321	2,170
NBIMC U.S. Equity Index Fund	15,950	24,539	9,301
NBIMC Low Volatility U.S. Equity Fund	266	6,428	—
NBIMC Canadian Real Estate Fund	—	447	3,816
NBIMC North American Market Neutral Fund	(21,315)	(38,396)	—
NBIMC Quantitative Strategies Fund	(26,030)	(31,640)	(18,450)

As a public sector investment manager, NBIMC operates on a cost recovery basis. Costs such as securities custody fees, external investment management fees and other costs that are attributable to a specific client are charged directly to that client. Expenses incurred that pertain to the general operations of NBIMC are allocated to each client on a prorata basis based on their total assets under management. NBIMC does not charge management fees to the Funds. In certain circumstances, a Fund may incur expenses directly from external advisors such as legal fees in connection with the structuring of a private market investment. Such expenses are paid directly by the Fund in order to ensure that its investment performance can be measured accurately and are shown as an expense in the Statement of Comprehensive Income.

9. Interests in Other Entities

(a) Interests in Subsidiaries

The NBIMC Canadian Real Estate Fund owns 100% of the common share capital of the following New Brunswick-domiciled unconsolidated entities that have been measured at FVTPL:

Name	Nature and Purpose	Underlying Investments
NBIMC Realty Corp.	Pension fund realty corporation to hold direct investments in real properties.	Diversified portfolio of industrial, commercial, retail and multi-residential properties.
649529 NB Corp.	Pension fund realty corporation to hold an indirect investment in commercial properties.	14.08% limited partnership interest in a fund investing in Canadian and primarily Toronto commercial properties, with an uncalled commitment of \$4,204.
664877 NB Corp	Pension fund realty corporation to hold an indirect investment in multi-residential properties.	12.50% interest in an unincorporated open-ended mutual fund trust with investments in multi-residential properties in major Canadian cities.
666660 NB Corp	Pension fund realty corporation to hold an indirect investment in multi-residential properties.	4.63% limited partnership interest in multi-residential properties in major Canadian cities.
672858 NB Corp.	Pension fund realty corporation to hold an indirect investment in commercial properties.	16.34% limited partnership interest in a fund investing in Canadian commercial properties, with an uncalled commitment of \$23,895.

During the year, the NBIMC Canadian Real Estate Fund held a promissory note from NBIMC Realty Corp pending finalization of mortgage financing related to a property acquisition. The promissory note in an amount of \$12,700 bore interest at 3.5% per annum and was repaid on July 29, 2013.

NBIMC Realty Corp. may enter into mortgage financing with a charge on the real properties pledged as security that is limited to no more than 50% of the fair value of the portfolio.

(b) Interests in Limited Partnership Entities

The NBIMC Canadian Real Estate Fund and the NBIMC Private Equity Fund have investment commitments in the amounts of \$48,099 and \$287,646 (2013 - \$15,838 and \$227,155) respectively to fund investments that have been measured at FVTPL over the next several years in accordance with the terms and conditions agreed to in various limited partnership agreements.

(c) Interests in Other Entities

The NBIMC Infrastructure Fund holds a globally diverse portfolio of infrastructure co-investments measured at FVTPL including broadcasting signals, toll highways, run-of-river hydro facilities, water and wastewater treatment facilities. The Fund's interests in the underlying assets of each of these co-investments is less than 10%.

10. Transition to IFRS

The effect of the Funds' transition to IFRS is summarized in this note as follows:

(a) *Transition elections*

The only voluntary exemption adopted by the Funds upon transition was the ability to designate a financial asset or financial liability at fair value through profit and loss (FVTPL) upon transition to IFRS. All financial instruments designated at FVTPL upon transition were previously carried at fair value under Canadian GAAP as required by Accounting Guideline 18, *Investment Companies*.

(b) *Statement of cash flows*

Under Canadian GAAP, the Funds were exempt from providing a statement of cash flows. IAS 1 requires that a complete set of financial statements include a statement of cash flows for the current and comparative periods, without exception.

(c) *Reconciliation of equity and comprehensive income as previously reported under Canadian GAAP to IFRS*

Under Canadian GAAP, the Funds accounted for their redeemable units as equity. Under IFRS, IAS 32 requires that units of an entity, which includes a contractual obligation for the issuer to repurchase or redeem them for cash or another financial asset, be reclassified as a financial liability. The Funds' units do not meet the criteria in IAS 32 for classification as equity and therefore, have been reclassified as financial liabilities on transition to IFRS.

(d) *Revaluation of investments at FVTPL*

Under Canadian GAAP, the Funds measured the fair values of investments in accordance with Section 3855 *Financial Instruments – Recognition and Measurement*, which required the use of bid prices for long positions and ask prices for short positions for securities quoted in an active market. Under IFRS, the Funds measure the fair values of investments using IFRS 13, *Fair Value Measurement*, which requires that if an asset or liability has a bid price and an ask price, then its fair value is to be based on a price within the bid-ask spread that is most representative of fair value. It also allows the use of other pricing conventions as a practical expedient for fair value measurements within a bid-ask spread. As a result, upon adoption of IFRS an adjustment was made to the investments in each of the Funds.

The reconciliation of net assets previously reported under Canadian GAAP to net assets attributable to holders of redeemable units at March 31, 2013, is as follows:

	Net assets previously reported under Canadian GAAP March 31, 2013	Revaluation of investments at FVTPL	Net assets attributable to holders of redeemable units March 31, 2013
NBIMC Nominal Bond Fund	\$ 1,724,016	\$ —	\$ 1,724,016
NBIMC Corporate Bond Fund	672,000	—	672,000
NBIMC New Brunswick Fixed Income Opportunity Fund	16,791	—	16,791
NBIMC Money Market Fund	610,659	—	610,659
NBIMC Student Investment Fund	2,814	1	2,815
NBIMC Canadian Equity Index Fund	1,081,434	133	1,081,567
NBIMC Low Volatility Canadian Equity Fund	201,503	368	201,871
NBIMC External Canadian Equity Fund	377,046	307	377,353
NBIMC S&P/TSX Completion Index Fund	186,029	441	186,470
NBIMC Canadian Equity Active Long Strategy Fund	210,062	287	210,349
NBIMC External International Equity Fund	206,006	—	206,006
NBIMC EAFE Equity Index Fund	1,228,398	1,295	1,229,693
NBIMC Low Volatility International Equity Fund	320,448	570	321,018
NBIMC U.S. Equity Index Fund	1,115,143	474	1,115,617
NBIMC Low Volatility U.S. Equity Fund	319,064	118	319,182
NBIMC Inflation Linked Securities Fund	943,825	—	943,825
NBIMC Canadian Real Estate Fund	410,393	513	410,906
NBIMC International Real Estate Fund	266,352	96	266,448
NBIMC Infrastructure Fund	74,844	—	74,844
NBIMC North American Market Neutral Fund	145,220	154	145,374
NBIMC Quantitative Strategies Fund	207,256	578	207,834
NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund	29,994	—	29,994
NBIMC Private Equity Fund	289,762	—	289,762

The reconciliation of net assets previously reported under Canadian GAAP to net assets attributable to holders of redeemable units at April 1, 2012, the date of transition to IFRS, is as follows:

	Net assets reported under Canadian GAAP March 31, 2012	Revaluation of investments at FVTPL	Net assets attributable to holders of redeemable units April 1, 2012
NBIMC Nominal Bond Fund	\$ 2,177,806	\$ —	\$ 2,177,806
NBIMC Corporate Bond Fund	256,135	—	256,135
NBIMC New Brunswick Fixed Income Opportunity Fund	21,853	—	21,853
NBIMC Money Market Fund	460,517	—	460,517
NBIMC Student Investment Fund	2,674	1	2,675
NBIMC Canadian Equity Index Fund	1,054,703	255	1,054,958
NBIMC External Canadian Equity Fund	353,533	161	353,694
NBIMC S&P/TSX Completion Index Fund	178,899	514	179,413
NBIMC Canadian Equity Active Long Strategy Fund	290,318	373	290,691
NBIMC External International Equity Fund	179,006	—	179,006
NBIMC EAFE Equity Index Fund	1,191,389	1,284	1,192,673
NBIMC Low Volatility International Equity Fund	192,078	155	192,233
NBIMC U.S. Equity Index Fund	1,016,541	249	1,016,790
NBIMC Low Volatility U.S. Equity Fund	189,837	40	189,877
NBIMC Inflation Linked Securities Fund	844,030	—	844,030
NBIMC Canadian Real Estate Fund	319,573	488	320,061
NBIMC International Real Estate Fund	339,265	133	339,398
NBIMC Infrastructure Fund	51,657	—	51,657
NBIMC North American Market Neutral Fund	149,686	296	149,982
NBIMC Quantitative Strategies Fund	177,553	386	177,939
NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund	22,403	—	22,403
NBIMC Private Equity Fund	257,174	—	257,174

The reconciliation of increase in net assets as previously reported under Canadian GAAP to the increase in net assets attributable to holders of redeemable units for the year ended March 31, 2013 is as follows:

	Increase in net assets as reported under Canadian GAAP March 31, 2013 \$	Revaluation of investments at FVTPL \$	Increase in net assets attributable to holders of redeemable units March 31, 2013 \$
NBIMC Nominal Bond Fund	\$ 79,740	\$ —	\$ 79,740
NBIMC Corporate Bond Fund	27,543	—	27,543
NBIMC New Brunswick Fixed Income Opportunity Fund	857	—	857
NBIMC Money Market Fund	7,007	—	7,007
NBIMC Student Investment Fund	140	—	140
NBIMC Canadian Equity Index Fund	83,995	(122)	83,873
NBIMC Low Volatility Canadian Equity Fund	3,868	368	4,236
NBIMC External Canadian Equity Fund	23,513	146	23,659
NBIMC S&P/TSX Completion Index Fund	7,130	(73)	7,057
NBIMC Canadian Equity Active Long Strategy Fund	19,410	(86)	19,324
NBIMC External International Equity Fund	27,000	—	27,000
NBIMC EAFE Equity Index Fund	162,112	10	162,122
NBIMC Low Volatility International Equity Fund	41,776	415	42,191
NBIMC U.S. Equity Index Fund	160,690	225	160,915
NBIMC Low Volatility U.S. Equity Fund	48,519	77	48,596
NBIMC Inflation Linked Securities Fund	21,099	—	21,099
NBIMC Canadian Real Estate Fund	40,148	25	40,173
NBIMC International Real Estate Fund	45,466	(37)	45,429
NBIMC Infrastructure Fund	3,848	—	3,848
NBIMC North American Market Neutral Fund	969	149	1,118
NBIMC Quantitative Strategies Fund	9,607	192	9,799
NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund	5,415	—	5,415
NBIMC Private Equity Fund	26,744	—	26,744

The reconciliation of investments as previously reported under Canadian GAAP to investments under IFRS as at March 31, 2013 is as follows:

	Investments March 31, 2013 Canadian GAAP \$	Adjustment \$	Investments March 31, 2013 IFRS \$
NBIMC Nominal Bond Fund	1,705,571	—	1,705,571
NBIMC Corporate Bond Fund	667,300	—	667,300
NBIMC New Brunswick Fixed Income Opportunity Fund	16,714	—	16,714
NBIMC Money Market Fund	604,407	—	604,407
NBIMC Student Investment Fund	2,795	1	2,796
NBIMC Canadian Equity Index Fund	1,100,510	133	1,100,643
NBIMC Low Volatility Canadian Equity Fund	200,798	368	201,166
NBIMC External Canadian Equity Fund	376,718	307	377,025
NBIMC S&P/TSX Completion Index Fund	185,512	441	185,953
NBIMC Canadian Equity Active Long Strategy Fund	208,528	287	208,815
NBIMC External International Equity Fund	206,006	—	206,006
NBIMC EAFE Equity Index Fund	1,219,373	1,295	1,220,668
NBIMC Low Volatility International Equity Fund	317,172	570	317,742
NBIMC U.S. Equity Index Fund	1,114,009	474	1,114,483
NBIMC Low Volatility U.S. Equity Fund	318,156	118	318,274
NBIMC Inflation Linked Securities Fund	938,010	—	938,010
NBIMC Canadian Real Estate Fund	409,436	513	409,949
NBIMC International Real Estate Fund	265,294	96	265,390
NBIMC Infrastructure Fund	73,654	—	73,654
NBIMC North American Market Neutral Fund	145,426	154	145,580
NBIMC Quantitative Strategies Fund	208,037	578	208,615
NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund	27,776	—	27,776
NBIMC Private Equity Fund	289,762	—	289,762

The reconciliation of investments as previously reported under Canadian GAAP to investments under IFRS as at March 31, 2012 is as follows:

	Investments March 31, 2012 Canadian GAAP \$	Adjustment \$	Investments April 1, 2012 IFRS \$
NBIMC Nominal Bond Fund	2,155,472	—	2,155,472
NBIMC Corporate Bond Fund	254,764	—	254,764
NBIMC New Brunswick Fixed Income Opportunity Fund	21,721	—	21,721
NBIMC Money Market Fund	454,500	—	454,500
NBIMC Student Investment Fund	2,654	1	2,655
NBIMC Canadian Equity Index Fund	1,038,476	262	1,038,738
NBIMC External Canadian Equity Fund	353,186	161	353,347
NBIMC S&P/TSX Completion Index Fund	178,445	514	178,959
NBIMC Canadian Equity Active Long Strategy Fund	289,210	373	289,583
NBIMC External International Equity Fund	179,006	—	179,006
NBIMC EAFE Equity Index Fund	1,183,522	1,284	1,184,806
NBIMC Low Volatility International Equity Fund	191,142	155	191,297
NBIMC U.S. Equity Index Fund	1,015,044	249	1,015,293
NBIMC Low Volatility U.S. Equity Fund	189,459	40	189,499
NBIMC Inflation Linked Securities Fund	838,733	—	838,733
NBIMC Canadian Real Estate Fund	318,703	488	319,191
NBIMC International Real Estate Fund	338,559	133	338,692
NBIMC Infrastructure Fund	51,871	—	51,871
NBIMC North American Market Neutral Fund	148,969	703	149,672
NBIMC Quantitative Strategies Fund	177,911	852	178,763
NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund	17,601	—	17,601
NBIMC Private Equity Fund	257,174	—	257,174