

NBIMC UNIT TRUST FUNDS

Financial Statements¹

Year ended March 31, 2016

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¹ Excluding currently inactive unit trust funds:

- *NBIMC Commodity Fund*
- *NBIMC Currency Hedging Strategy No. 1 Fund*
- *NBIMC Currency Hedging Strategy No. 2 Fund*
- *NBIMC Currency Hedging Strategy No. 3 Fund*
- *NBIMC Currency Hedging Strategy No. 4 Fund*
- *NBIMC Currency Hedging Strategy No. 5 Fund*
- *NBIMC Currency Hedging Strategy No. 6 Fund*
- *NBIMC Global Fixed Income Fund*



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INDEPENDENT AUDITORS' REPORT

To the Unitholders of the following funds managed by New Brunswick Investment Management Corporation:

NBIMC Nominal Bond Fund	NBIMC Low Volatility Emerging Markets Equity Fund
NBIMC Corporate Bond Fund	NBIMC U.S. Equity Index Fund
NBP Canadian Long-Term Bond Fund (<i>formerly NBIMC Canadian Long-Term Bond Fund</i>)	NBIMC Low Volatility U.S. Equity Fund
NBIMC New Brunswick Fixed Income Opportunity Fund	NBIMC Inflation Linked Securities Fund
NBIMC Money Market Fund	NBIMC Canadian Real Estate Fund
NBIMC Student Investment Fund	NBIMC Canadian Real Estate Investment Trust Fund
NBIMC Canadian Equity Index Fund	NBIMC Non-Canadian Private Real Estate Fund
NBIMC Low Volatility Canadian Equity Fund	NBIMC International Real Estate Fund
NBIMC External Canadian Equity Fund	NBIMC Public Infrastructure Fund
NBIMC Canadian Equity Active Long Strategy Fund	NBIMC Infrastructure Fund
NBIMC External International Equity Fund	NBIMC North American Market Neutral Fund
NBIMC EAFE Equity Index Fund	NBIMC Quantitative Strategies Fund
NBIMC EAFE Equity Index Fund – Class N	NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund
NBIMC Low Volatility International Equity Fund	NBIMC Private Equity Fund
NBIMC Low Volatility International Equity Fund – Class N	NBIMC Asset Mix Strategy 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, 2016, the statements of comprehensive income (loss), changes in net assets attributable to holders of redeemable units and cash flows for the applicable period 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, 2016, and their financial performance and their cash flows for the applicable period then ended in accordance with International Financial Reporting Standards.

Chartered Professional Accountants
June 6, 2016
Fredericton, Canada

NBIMC NOMINAL BOND FUND**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

As at March 31

	2016		2015
Assets			
Investments	\$ 2,146,455	\$	2,102,911
Cash	20,045		—
Interest receivable	18,098		17,876
Derivative assets <i>(note 5)</i>	366		—
Total assets	2,184,964		2,120,787
Liabilities			
Payable for investment purchases	20,045		—
Derivative liabilities <i>(note 5)</i>	—		2,023
Liabilities (excluding net assets attributable to holders of redeemable units)	20,045		2,023
Net assets attributable to holders of redeemable units	\$ 2,164,919	\$	2,118,764
Net assets attributable to holders of redeemable units per unit	\$ 2,627.00	\$	2,597.47

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 NOMINAL BOND FUND**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016		2015
Income			
Interest	\$ 67,155	\$	67,180
Securities lending	425		435
Derivative income (loss)	366		(2,023)
Net realized gain on investments	24,156		28,026
Net change in unrealized (loss) gain on investments	(63,682)		113,185
Total income	28,420		206,803
Increase in net assets attributable to holders of redeemable units	\$ 28,420	\$	206,803

*The accompanying notes are an integral part of these financial statements.***NBIMC NOMINAL BOND FUND****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

	2016		2015
Net assets attributable to holders of redeemable units, beginning of year	\$ 2,118,764	\$	1,837,917
Increase in net assets attributable to holders of redeemable units	28,420		206,803
Distributions	(98,995)		(74,974)
Proceeds from issuance of redeemable units	580,113		285,579
Amounts paid on redemption of redeemable units	(463,383)		(136,561)
Net assets attributable to holders of redeemable units, end of year	\$ 2,164,919	\$	2,118,764

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

NBIMC NOMINAL BOND FUND**Statement of Cash Flows***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016		2015
Cash flows from (used in) operating activities			
Increase in net assets attributable to holders of redeemable units	\$ 28,420	\$	206,803
Adjustments for:			
Foreign exchange loss on currency forwards	933		761
Net realized gain on sale of investments	(24,156)		(28,026)
Net change in unrealized loss (gain) on investments	63,682		(113,185)
Purchases of investments	(6,103,290)		(3,242,545)
Proceeds from sale and maturity of investments	6,019,287		3,100,087
Interest receivable	(222)		37
Receivable for investment sales	—		31,927
Payable for investment purchases	20,045		(43,194)
Derivative assets / liabilities	(2,389)		2,023
Net cash from (used in) operating activities	2,310		(85,312)
Cash flows from (used in) financing activities			
Proceeds from issuances of redeemable units	481,118		210,605
Amounts paid on redemption of redeemable units	(463,383)		(136,561)
Net cash from financing activities	17,735		74,044
Net increase (decrease) in cash	20,045		(11,268)
Cash, beginning of year	—		11,268
Cash, end of year	\$ 20,045	\$	—
<i>Supplemental information:</i>			
Interest received	\$ 66,933	\$	67,217
Non-cash transactions:			
Distributions	(98,995)		(74,974)
Proceeds from issuance of redeemable units	98,995		74,974

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

NBIMC CORPORATE BOND FUND

Statement of Financial Position

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

As at March 31

	2016		2015	
Assets				
Investments	\$	2,201,761	\$	1,705,714
Cash		—		17,625
Interest receivable		15,376		10,806
Total assets		2,217,137		1,734,145
Liabilities				
Payable for investment purchases		—		17,625
Liabilities (excluding net assets attributable to holders of redeemable units)		—		17,625
Net assets attributable to holders of redeemable units	\$	2,217,137	\$	1,716,520
Net assets attributable to holders of redeemable units per unit	\$	1,215.51	\$	1,205.14

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 CORPORATE BOND FUND**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016	2015
Income		
Interest	\$ 56,712	\$ 34,470
Securities lending	97	48
Net realized gain on investments	2,846	2,278
Net change in unrealized gain (loss) on investments	(35,027)	62,740
Total income	24,628	99,536
Increase in net assets attributable to holders of redeemable units	\$ 24,628	\$ 99,536

*The accompanying notes are an integral part of these financial statements.***NBIMC CORPORATE BOND FUND****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

	2016	2015
Net assets attributable to holders of redeemable units, beginning of year	\$ 1,716,520	\$ 826,785
Increase in net assets attributable to holders of redeemable units	24,628	99,536
Distributions	(68,365)	(31,583)
Proceeds from issuance of redeemable units	743,175	912,728
Amounts paid on redemption of redeemable units	(198,821)	(90,946)
Net assets attributable to holders of redeemable units, end of year	\$ 2,217,137	\$ 1,716,520

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

NBIMC CORPORATE BOND FUND**Statement of Cash Flows***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016	2015
Cash flows from (used in) operating activities		
Increase in net assets attributable to holders of redeemable units	\$ 24,628	\$ 99,536
Adjustments for:		
Net realized gain on sale of investments	(2,846)	(2,278)
Net change in unrealized loss (gain) on investments	35,027	(62,740)
Purchases of investments	(1,393,076)	(1,474,382)
Proceeds from sale and maturity of investments	864,848	653,907
Interest receivable	(4,570)	(4,242)
Receivable for investment sales	—	10,150
Payable for investment purchases	(17,625)	6,125
Net cash used in operating activities	(493,614)	(773,924)
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	674,810	881,145
Amounts paid on redemption of redeemable units	(198,821)	(90,946)
Net cash from financing activities	475,989	790,199
Net (decrease) increase in cash	(17,625)	16,275
Cash, beginning of year	17,625	1,350
Cash, end of year	\$ —	\$ 17,625
<i>Supplemental information:</i>		
Interest received	\$ 52,142	\$ 30,228
Non-cash transactions:		
Distributions	(68,365)	(31,583)
Proceeds from issuance of redeemable units	68,365	31,583

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

NBP CANADIAN LONG-TERM BOND FUND
(formerly NBIMC CANADIAN LONG-TERM BOND FUND)

Statement of Financial Position

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

As at March 31

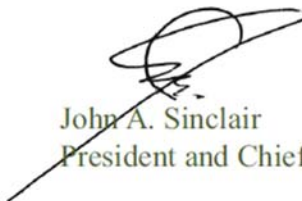
	2016	2015
Assets		
Investments	\$ 67,343	\$ 159,456
Interest receivable	43	1,068
Receivable for investment sales	18,770	—
Total assets	86,156	160,524
Liabilities		
Indebtedness	18,770	—
Liabilities (excluding net assets attributable to holders of redeemable units)	18,770	—
Net assets attributable to holders of redeemable units	\$ 67,386	\$ 160,524
Net assets attributable to holders of redeemable units per unit	\$ 1,175.82	\$ 1,199.30

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

NBP CANADIAN LONG-TERM BOND FUND
(formerly NBIMC CANADIAN LONG-TERM BOND FUND)

Statement of Comprehensive Income

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

For the year ended March 31

	2016	2015
Income		
Interest	\$ 5,914	\$ 5,599
Securities lending	25	37
Net realized gain on investments	20,365	2,152
Net change in unrealized (loss) gain on investments	(10,939)	17,993
Total income	15,365	25,781
Increase in net assets attributable to holders of redeemable units	\$ 15,365	\$ 25,781

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

NBP CANADIAN LONG-TERM BOND FUND
(formerly NBIMC CANADIAN LONG-TERM BOND FUND)

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

	2016	2015
Net assets attributable to holders of redeemable units, beginning of year	\$ 160,524	\$ 135,343
Increase in net assets attributable to holders of redeemable units	15,365	25,781
Distributions	(8,197)	(5,529)
Proceeds from issuance of redeemable units	257,957	13,829
Amounts paid on redemption of redeemable units	(358,263)	(8,900)
Net assets attributable to holders of redeemable units, end of year	\$ 67,386	\$ 160,524

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

NBP CANADIAN LONG-TERM BOND FUND
(formerly NBIMC CANADIAN LONG-TERM BOND FUND)

Statement of Cash Flows

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

For the year ended March 31

	2016	2015
Cash flows from (used in) operating activities		
Increase in net assets attributable to holders of redeemable units	\$ 15,365	\$ 25,781
Adjustments for:		
Net realized gain on sale of investments	(20,365)	(2,152)
Net change in unrealized loss (gain) on investments	10,939	(17,993)
Purchases of investments	(280,188)	(85,243)
Proceeds from sale and maturity of investments	381,727	80,317
Interest receivable	1,025	(110)
Receivable for investment sales	(18,770)	—
Payable for investment purchases	—	(11,571)
Net cash from (used in) operating activities	89,733	(10,971)
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	249,760	8,300
Amounts paid on redemption of redeemable units	(358,263)	(8,900)
Net cash used in financing activities	(108,503)	(600)
Net decrease in cash	(18,770)	(11,571)
Cash, beginning of year	—	11,571
Indebtedness, end of year	\$ (18,770)	\$ —
<i>Supplemental information:</i>		
Interest paid	\$ 6,939	\$ 5,489
Non-cash transactions:		
Distributions	(8,197)	(5,529)
Proceeds from issuance of redeemable units	8,197	5,529

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

NBIMC NEW BRUNSWICK FIXED INCOME OPPORTUNITY FUND

Statement of Financial Position

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

As at March 31

	2016	2015
Assets		
Investments	\$ 14,362	\$ 15,455
Interest receivable	67	71
Total assets	14,429	15,526
Net assets attributable to holders of redeemable units	\$ 14,429	\$ 15,526
Net assets attributable to holders of redeemable units per unit	\$ 3,155.92	\$ 3,068.91

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 NEW BRUNSWICK FIXED INCOME OPPORTUNITY FUND**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016		2015
Income			
Interest	\$ 838	\$	881
Net realized gain on investments	2		2
Net change in unrealized (loss) gain on investments	(428)		582
Total income	412		1,465
Increase in net assets attributable to holders of redeemable units	\$ 412	\$	1,465

*The accompanying notes are an integral part of these financial statements.***NBIMC NEW BRUNSWICK FIXED INCOME OPPORTUNITY FUND****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

	2016		2015
Net assets attributable to holders of redeemable units, beginning of year	\$ 15,526	\$	15,527
Increase in net assets attributable to holders of redeemable units	412		1,465
Proceeds from issuance of redeemable units	27		269
Amounts paid on redemption of redeemable units	(1,536)		(1,735)
Net assets attributable to holders of redeemable units, end of year	\$ 14,429	\$	15,526

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

NBIMC NEW BRUNSWICK FIXED INCOME OPPORTUNITY FUND**Statement of Cash Flows***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016		2015
Cash flows from (used in) operating activities			
Increase in net assets attributable to holders of redeemable units	\$ 412	\$	1,465
Adjustments for:			
Net realized gain on sale of investments	(2)		(2)
Net change in unrealized loss (gain) on investments	428		(582)
Proceeds from sale and maturity of investments	667		582
Interest receivable	4		3
Net cash from operating activities	1,509		1,466
Cash flows from (used in) financing activities			
Proceeds from issuances of redeemable units	27		269
Amounts paid on redemption of redeemable units	(1,536)		(1,735)
Net cash used in financing activities	(1,509)		(1,466)
Net increase in cash	—		—
Cash, beginning of year	—		—
Cash, end of year	\$ —	\$	—
<i>Supplemental information:</i>			
Interest received	\$ 842	\$	884

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

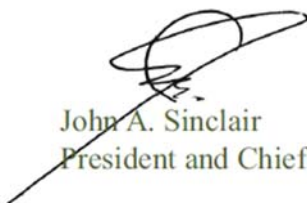
NBIMC MONEY MARKET FUND**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

As at March 31

	2016	2015
Assets		
Investments	\$ 995,047	\$ 1,103,518
Cash	—	73,424
Interest receivable	1,443	1,906
Total assets	996,490	1,178,848
Liabilities		
Indebtedness	4,297	—
Liabilities (excluding net assets attributable to holders of redeemable units)	4,297	—
Net assets attributable to holders of redeemable units	\$ 992,193	\$ 1,178,848
Net assets attributable to holders of redeemable units per unit	\$ 1,595.83	\$ 1,581.29

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 BoardJohn A. Sinclair
President and Chief Executive Officer

NBIMC MONEY MARKET FUND**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016	2015
Income		
Interest	\$ 10,164	\$ 11,384
Net realized loss on investments	(762)	(268)
Net change in unrealized loss on investments	(287)	(236)
Total income	9,115	10,880
Increase in net assets attributable to holders of redeemable units	\$ 9,115	\$ 10,880

*The accompanying notes are an integral part of these financial statements.***NBIMC MONEY MARKET FUND****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

	2016	2015
Net assets attributable to holders of redeemable units, beginning of year	\$ 1,178,848	\$ 737,694
Increase in net assets attributable to holders of redeemable units	9,115	10,880
Distributions	(12,437)	(10,254)
Proceeds from issuance of redeemable units	2,975,487	2,468,590
Amounts paid on redemption of redeemable units	(3,158,820)	(2,028,062)
Net assets attributable to holders of redeemable units, end of year	\$ 992,193	\$ 1,178,848

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

NBIMC MONEY MARKET FUND**Statement of Cash Flows***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016	2015
Cash flows from (used in) operating activities		
Increase in net assets attributable to holders of redeemable units	\$ 9,115	\$ 10,880
Adjustments for:		
Net realized loss on sale of investments	762	268
Net change in unrealized loss on investments	287	236
Purchases of investments	(12,997,919)	(13,406,230)
Proceeds from sale and maturity of investments	13,105,341	13,044,872
Interest receivable	463	(637)
Net cash from (used in) operating activities	118,049	(350,611)
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	2,963,050	2,458,336
Amounts paid on redemption of redeemable units	(3,158,820)	(2,028,062)
Net cash (used in) from financing activities	(195,770)	430,274
Net (decrease) increase in cash	(77,721)	79,663
Cash (indebtedness), beginning of year	73,424	(6,239)
(Indebtedness) cash, end of year	\$ (4,297)	\$ 73,424
<i>Supplemental information:</i>		
Interest received	\$ 10,627	\$ 10,747
Non-cash transactions:		
Distributions	(12,437)	(10,254)
Proceeds from issuance of redeemable units	12,437	10,254

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

NBIMC STUDENT INVESTMENT FUND

Statement of Financial Position

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

As at March 31

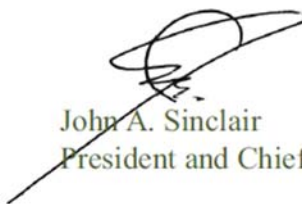
	2016	2015
Assets		
Investments	\$ 3,215	\$ 3,320
Cash	—	3
Interest receivable	20	18
Dividends receivable	4	4
Total assets	3,239	3,345
Liabilities		
Payable for investment purchases	—	3
Liabilities (excluding net assets attributable to holders of redeemable units)	—	3
Net assets attributable to holders of redeemable units	\$ 3,239	\$ 3,342
Net assets attributable to holders of redeemable units per unit	\$ 3,183.63	\$ 3,286.14

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 STUDENT INVESTMENT FUND

Statement of Comprehensive Income (Loss)

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

For the year ended March 31

	2016	2015
Income		
Interest	\$ 60	\$ 59
Dividend	52	49
Securities lending	—	1
Net realized gain on investments	35	60
Net change in unrealized (loss) gain on investments	(250)	120
Total (loss) income	(103)	289
(Decrease) increase in net assets attributable to holders of redeemable units	\$ (103)	\$ 289

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

NBIMC STUDENT INVESTMENT FUND

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

	2016	2015
Net assets attributable to holders of redeemable units, beginning of year	\$ 3,342	\$ 3,053
(Decrease) increase in net assets attributable to holders of redeemable units	(103)	289
Net assets attributable to holders of redeemable units, end of year	\$ 3,239	\$ 3,342

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

NBIMC STUDENT INVESTMENT FUND**Statement of Cash Flows***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016	2015
Cash flows from (used in) operating activities		
(Decrease) increase in net assets attributable to holders of redeemable units	\$ (103)	\$ 289
Adjustments for:		
Net realized gain on sale of investments	(35)	(60)
Net change in unrealized loss (gain) on investments	250	(120)
Purchases of investments	(902)	(781)
Proceeds from sale and maturity of investments	792	669
Interest receivable	(2)	(1)
Receivable for investment sales	—	26
Payable for investment purchases	(3)	(59)
Net cash used in operating activities	(3)	(37)
Net decrease in cash	(3)	(37)
Cash, beginning of year	3	40
Cash, end of year	\$ —	\$ 3
<i>Supplemental information:</i>		
Interest received	\$ 58	\$ 58
Dividends received	\$ 52	\$ 49

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

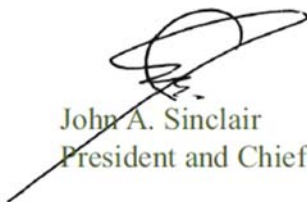
NBIMC CANADIAN EQUITY INDEX FUND**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

As at March 31

	2016	2015
Assets		
Investments	\$ 766,955	\$ 1,211,143
Cash	332	363
Interest receivable	1,455	1,896
Dividends receivable	462	755
Receivable for investment sales	82	480
Derivative assets <i>(note 5)</i>	68,679	23,102
Margin at brokers <i>(note 5)</i>	3,421	320
Total assets	841,386	1,238,059
Liabilities		
Payable for investment purchases	414	843
Derivative liabilities <i>(note 5)</i>	1,285	4,836
Liabilities (excluding net assets attributable to holders of redeemable units)	1,699	5,679
Net assets attributable to holders of redeemable units	\$ 839,687	\$ 1,232,380
Net assets attributable to holders of redeemable units per unit	\$ 2,940.18	\$ 3,138.82

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 CANADIAN EQUITY INDEX FUND**Statement of Comprehensive Income (Loss)***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016	2015
Income		
Interest	\$ 13,253	\$ 14,516
Dividend	7,203	6,632
Securities lending	162	107
Derivative (loss) income	(48,473)	76,398
Net realized (loss) gain on investments	(997)	2,438
Net change in unrealized (loss) gain on investments	(27,321)	6,661
Total (loss) income	(56,173)	106,752
Expenses		
Transaction costs	233	96
Total expenses	233	96
(Decrease) increase in net assets attributable to holders of redeemable units	\$ (56,406)	\$ 106,656

*The accompanying notes are an integral part of these financial statements.***NBIMC CANADIAN EQUITY INDEX FUND****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

	2016	2015
Net assets attributable to holders of redeemable units, beginning of year	\$ 1,232,380	\$ 1,143,583
(Decrease) increase in net assets attributable to holders of redeemable units	(56,406)	106,656
Distributions	(10,426)	(162,891)
Proceeds from issuance of redeemable units	450,135	575,991
Amounts paid on redemption of redeemable units	(775,996)	(430,959)
Net assets attributable to holders of redeemable units, end of year	\$ 839,687	\$ 1,232,380

The accompanying notes are an integral part of these financial statements

NBIMC CANADIAN EQUITY INDEX FUND**Statement of Cash Flows***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016	2015
Cash flows from (used in) operating activities		
(Decrease) increase in net assets attributable to holders of redeemable units	\$ (56,406)	\$ 106,656
Adjustments for:		
Foreign exchange gain on dividends	(5)	(10)
Net realized loss (gain) on sale of investments	997	(2,438)
Net change in unrealized loss (gain) on investments	27,321	(6,661)
Purchases of investments	(2,124,922)	(2,043,853)
Proceeds from sale and maturity of investments	2,540,797	1,939,796
Interest receivable	441	403
Dividends receivable	293	(339)
Receivable for investment sales	398	1,835
Derivative assets/liabilities	(49,128)	24,248
Margin at brokers	(3,101)	58
Payable for investment purchases	(429)	(1,084)
Net cash from operating activities	336,256	18,611
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	439,709	413,100
Amounts paid on redemption of redeemable units	(775,996)	(430,959)
Net cash used in financing activities	(336,287)	(17,859)
Net (decrease) increase in cash	(31)	752
Cash (indebtedness), beginning of year	363	(389)
Cash, end of year	\$ 332	\$ 363
<i>Supplemental information:</i>		
Interest received	\$ 13,694	\$ 14,919
Dividends received	\$ 7,496	\$ 6,293
Non-cash transactions:		
Distributions	(10,426)	(162,891)
Proceeds from issuance of redeemable units	10,426	162,891

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

NBIMC LOW VOLATILITY CANADIAN EQUITY FUND

Statement of Financial Position

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

As at March 31

	2016	2015
Assets		
Investments	\$ 676,559	\$ 482,153
Cash	1,556	—
Dividends receivable	2,119	1,475
Receivable for investment sales	—	5,154
Margin at brokers (note 5)	—	119
Total assets	680,234	488,901
Liabilities		
Indebtedness	—	3,237
Payable for investment purchases	1,556	1,918
Margin at brokers (note 5)	357	—
Liabilities (excluding net assets attributable to holders of redeemable units)	1,913	5,155
Net assets attributable to holders of redeemable units	\$ 678,321	\$ 483,746
Net assets attributable to holders of redeemable units per unit	\$ 1,430.80	\$ 1,443.19

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 LOW VOLATILITY CANADIAN EQUITY FUND

Statement of Comprehensive Income

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

For the year ended March 31

	2016		2015
Income			
Dividend	\$ 19,153	\$	10,378
Securities lending	128		70
Derivative (loss) income	(476)		395
Net realized (loss) gain on investments	(10,529)		23,062
Net change in unrealized (loss) gain on investments	(1,424)		19,626
Total income	6,852		53,531
Expenses			
Transaction costs	164		108
Total expenses	164		108
Increase in net assets attributable to holders of redeemable units	\$ 6,688	\$	53,423

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

NBIMC LOW VOLATILITY CANADIAN EQUITY FUND

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

	2016		2015
Net assets attributable to holders of redeemable units, beginning of year	\$ 483,746	\$	239,057
Increase in net assets attributable to holders of redeemable units	6,688		53,423
Distributions	(27,661)		(11,898)
Proceeds from issuance of redeemable units	301,268		263,288
Amounts paid on redemption of redeemable units	(85,720)		(60,124)
Net assets attributable to holders of redeemable units, end of year	\$ 678,321	\$	483,746

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

NBIMC LOW VOLATILITY CANADIAN EQUITY FUND**Statement of Cash Flows***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016		2015
Cash flows from (used in) operating activities			
Increase in net assets attributable to holders of redeemable units	\$ 6,688	\$	53,423
Adjustments for:			
Foreign exchange loss (gain) on dividends	2		(4)
Net realized loss (gain) on sale of investments	10,529		(23,062)
Net change in unrealized loss (gain) on investments	1,424		(19,626)
Purchases of investments	(443,174)		(441,902)
Proceeds from sale and maturity of investments	236,813		240,641
Dividends receivable	(644)		(641)
Receivable for investment sales	5,154		(5,154)
Margin at brokers	476		(96)
Payable for investment purchases	(362)		1,918
Net cash used in operating activities	(183,094)		(194,503)
Cash flows from (used in) financing activities			
Proceeds from issuances of redeemable units	273,607		251,390
Amounts paid on redemption of redeemable units	(85,720)		(60,124)
Net cash from financing activities	187,887		191,266
Net increase (decrease) in cash	4,793		(3,237)
Indebtedness, beginning of year	(3,237)		—
Cash (indebtedness), end of year	\$ 1,556	\$	(3,237)
<i>Supplemental information:</i>			
Dividends received	\$ 18,509	\$	9,737
Non-cash transactions:			
Distributions	(27,661)		(11,898)
Proceeds from issuance of redeemable units	27,661		11,898

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

NBIMC EXTERNAL CANADIAN EQUITY FUND

Statement of Financial Position

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

As at March 31

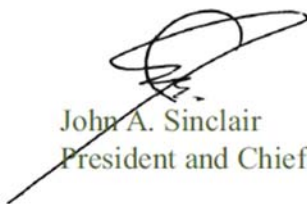
	2016	2015
Assets		
Investments	\$ 217,504	\$ 334,193
Cash	47	4
Dividends receivable	182	229
Receivable for investment sales	59	264
Total assets	217,792	334,690
Liabilities		
Payable for investment purchases	105	268
Liabilities (excluding net assets attributable to holders of redeemable units)	105	268
Net assets attributable to holders of redeemable units	\$ 217,687	\$ 334,422
Net assets attributable to holders of redeemable units per unit	\$ 3,563.77	\$ 3,748.30

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 EXTERNAL CANADIAN EQUITY FUND**Statement of Comprehensive Income (Loss)***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016	2015
Income		
Dividend	\$ 3,819	\$ 4,667
Securities lending	24	23
Derivative	15	—
Net realized gain on investments	28,853	60,455
Net change in unrealized loss on investments	(50,873)	(25,345)
Total (loss) income	(18,162)	39,800
Expenses		
Transaction costs	73	95
Total expenses	73	95
(Decrease) increase in net assets attributable to holders of redeemable units	\$ (18,235)	\$ 39,705

*The accompanying notes are an integral part of these financial statements.***NBIMC EXTERNAL CANADIAN EQUITY FUND****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

	2016	2015
Net assets attributable to holders of redeemable units, beginning of year	\$ 334,422	\$ 448,100
(Decrease) increase in net assets attributable to holders of redeemable units	(18,235)	39,705
Distributions	(16,885)	(19,226)
Proceeds from issuance of redeemable units	25,741	59,695
Amounts paid on redemption of redeemable units	(107,356)	(193,852)
Net assets attributable to holders of redeemable units, end of year	\$ 217,687	\$ 334,422

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

NBIMC EXTERNAL CANADIAN EQUITY FUND**Statement of Cash Flows***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016		2015
Cash flows from (used in) operating activities			
(Decrease) increase in net assets attributable to holders of redeemable units	\$ (18,235)	\$	39,705
Adjustments for:			
Foreign exchange gain on dividends	(2)		(5)
Net realized gain on sale of investments	(28,853)		(60,455)
Net change in unrealized loss on investments	50,873		25,345
Purchases of investments	(69,548)		(103,122)
Proceeds from sale and maturity of investments	164,219		251,814
Dividends receivable	47		101
Receivable for investment sales	205		181
Payable for investment purchases	(163)		(705)
Net cash from operating activities	98,543		152,859
Cash flows from (used in) financing activities			
Proceeds from issuances of redeemable units	8,856		40,469
Amounts paid on redemption of redeemable units	(107,356)		(193,852)
Net cash used in financing activities	(98,500)		(153,383)
Net increase (decrease) in cash	43		(524)
Cash, beginning of year	4		528
Cash, end of year	\$ 47	\$	4
<i>Supplemental information:</i>			
Dividends received	\$ 3,866	\$	4,768
Non-cash transactions:			
Distributions	(16,885)		(19,226)
Proceeds from issuance of redeemable units	16,885		19,226

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

NBIMC CANADIAN EQUITY ACTIVE LONG STRATEGY FUND**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

As at March 31

	2016		2015
Assets			
Investments	\$ 175,889	\$	233,633
Cash	—		1,097
Interest receivable	7		129
Dividends receivable	420		365
Receivable for investment sales	—		346
Derivative assets <i>(note 5)</i>	347		467
Total assets	176,663		236,037
Liabilities			
Payable for investment purchases	—		1,443
Derivative liabilities <i>(note 5)</i>	—		1,404
Margin at brokers <i>(note 5)</i>	399		219
Liabilities (excluding net assets attributable to holders of redeemable units)	399		3,066
Net assets attributable to holders of redeemable units	\$ 176,264	\$	232,971
Net assets attributable to holders of redeemable units per unit	\$ 1,204.69	\$	1,317.48

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 CANADIAN EQUITY ACTIVE LONG STRATEGY FUND**Statement of Comprehensive Income (Loss)***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016	2015
Income		
Interest	\$ 102	\$ 1,742
Dividend	5,830	4,098
Securities lending	56	28
Derivative	363	8,447
Net realized (loss) gain on investments	(12,589)	8,670
Net change in unrealized loss on investments	(10,983)	(5,238)
Total (loss) income	(17,221)	17,747
Expenses		
Transaction costs	223	138
Total expenses	223	138
(Decrease) increase in net assets attributable to holders of redeemable units	\$ (17,444)	\$ 17,609

*The accompanying notes are an integral part of these financial statements.***NBIMC CANADIAN EQUITY ACTIVE LONG STRATEGY FUND****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

	2016	2015
Net assets attributable to holders of redeemable units, beginning of year	\$ 232,971	\$ 253,982
(Decrease) increase in net assets attributable to holders of redeemable units	(17,444)	17,609
Distributions	(13,944)	(25,338)
Proceeds from issuance of redeemable units	23,592	40,151
Amounts paid on redemption of redeemable units	(48,911)	(53,433)
Net assets attributable to holders of redeemable units, end of year	\$ 176,264	\$ 232,971

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

NBIMC CANADIAN EQUITY ACTIVE LONG STRATEGY FUND**Statement of Cash Flows***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016	2015
Cash flows from (used in) operating activities		
(Decrease) increase in net assets attributable to holders of redeemable units	\$ (17,444)	\$ 17,609
Adjustments for:		
Foreign exchange gain on dividends	(2)	(3)
Net realized loss (gain) on sale of investments	12,589	(8,670)
Net change in unrealized loss on investments	10,983	5,238
Purchases of investments	(339,527)	(322,531)
Proceeds from sale and maturity of investments	373,701	341,388
Interest receivable	122	114
Dividends receivable	(55)	23
Receivable for investment sales	346	(346)
Derivative assets / liabilities	(1,284)	5,232
Margin at brokers	180	220
Payable for investment purchases	(1,443)	1,443
Net cash from operating activities	38,166	39,717
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	9,648	14,813
Amounts paid on redemption of redeemable units	(48,911)	(53,433)
Net cash used in financing activities	(39,263)	(38,620)
Net (decrease) increase in cash	(1,097)	1,097
Cash, beginning of year	1,097	—
Cash, end of year	\$ —	\$ 1,097
<i>Supplemental information:</i>		
Interest received	\$ 224	\$ 1,856
Dividends received	\$ 5,775	\$ 4,121
Non-cash transactions:		
Distributions	(13,944)	(25,338)
Proceeds from issuance of redeemable units	13,944	25,338

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

NBIMC EXTERNAL INTERNATIONAL EQUITY FUND

Statement of Financial Position

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

As at March 31

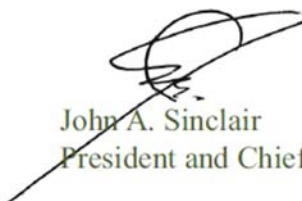
	2016		2015	
Assets				
Investments	\$	248,718	\$	260,681
Cash		—		1
Total assets		248,718		260,682
Liabilities				
Payable for investment purchases		—		1
Liabilities (excluding net assets attributable to holders of redeemable units)		—		1
Net assets attributable to holders of redeemable units	\$	248,718	\$	260,681
Net assets attributable to holders of redeemable units per unit	\$	1,921.05	\$	2,013.52

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 EXTERNAL INTERNATIONAL EQUITY FUND

Statement of Comprehensive Income (Loss)

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

For the year ended March 31

	2016		2015
Income			
Net realized gain on investments	\$ 10	\$	25,712
Net change in unrealized (loss) gain on investments	(12,111)		18,193
Total (loss) income	(12,101)		43,905
Expenses			
Transaction costs	10		4
Foreign taxes recovered, net	(138)		(166)
Total expenses	(128)		(162)
(Decrease) increase in net assets attributable to holders of redeemable units	\$ (11,973)	\$	44,067

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

NBIMC EXTERNAL INTERNATIONAL EQUITY FUND

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

	2016		2015
Net assets attributable to holders of redeemable units, beginning of year			
	\$ 260,681	\$	276,412
(Decrease) increase in net assets attributable to holders of redeemable units	(11,973)		44,067
Distributions	(11,922)		(16,317)
Proceeds from issuance of redeemable units	30,945		31,276
Amounts paid on redemption of redeemable units	(19,013)		(74,757)
Net assets attributable to holders of redeemable units, end of year	\$ 248,718	\$	260,681

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

NBIMC EXTERNAL INTERNATIONAL EQUITY FUND**Statement of Cash Flows***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016	2015
Cash flows from (used in) operating activities		
(Decrease) increase in net assets attributable to holders of redeemable units	\$ (11,973)	\$ 44,067
Adjustments for:		
Foreign exchange gain on cash	—	(1)
Net realized gain on sale of investments	(10)	(25,712)
Net change in unrealized loss (gain) on investments	12,111	(18,193)
Purchases of investments	(158)	(125,031)
Proceeds from sale and maturity of investments	20	184,668
Payable for investment purchases	(1)	1
Net cash (used in) from operating activities	(11)	59,799
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	19,023	14,959
Amounts paid on redemption of redeemable units	(19,013)	(74,757)
Net cash from (used in) financing activities	10	(59,798)
Net (decrease) increase in cash	(1)	1
Cash, beginning of year	1	—
Cash, end of year	\$ —	\$ 1
<i>Supplemental information:</i>		
Non-cash transactions:		
Distributions	(11,922)	(16,317)
Proceeds from issuance of redeemable units	11,922	16,317

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

NBIMC EAFE EQUITY INDEX FUND**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

As at March 31

	2016		2015
Assets			
Investments	\$ 459,525	\$	875,681
Cash	9,194		—
Dividends receivable	1,765		3,958
Receivable for investment sales	256		76,720
Taxes recoverable	1,159		694
Derivative assets <i>(note 5)</i>	12		135
Margin at brokers <i>(note 5)</i>	679		—
Total assets	472,590		957,188
Liabilities			
Indebtedness	—		74,427
Payable for investment purchases	8,294		93
Derivative liabilities <i>(note 5)</i>	—		162
Margin at brokers <i>(note 5)</i>	—		446
Liabilities (excluding net assets attributable to holders of redeemable units)	8,294		75,128
Net assets attributable to holders of redeemable units	\$ 464,296	\$	882,060
Net assets attributable to holders of redeemable units per unit	\$ 1,320.15	\$	1,407.74

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 EAFE EQUITY INDEX FUND**Statement of Comprehensive Income (Loss)***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016		For the period since inception on January 5, 2015 to March 31, 2015	
Income				
Dividend	\$	21,291	\$	8,464
Securities lending		410		113
Derivative (loss) income		(455)		159
Net realized gain on investments		70,075		55,625
Net change in unrealized (loss) gain on investments		(105,677)		126,154
Total (loss) income		(14,356)		190,515
Expenses				
Transaction costs		2,536		892
Other costs		8		5
Total expenses		2,544		897
(Decrease) increase in net assets attributable to holders of redeemable units	\$	(16,900)	\$	189,618

*The accompanying notes are an integral part of these financial statements.***NBIMC EAFE EQUITY INDEX FUND****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

	2016		For the period since inception on January 5, 2015 to March 31, 2015	
Net assets attributable to holders of redeemable units, beginning of period	\$	882,060	\$	—
(Decrease) increase in net assets attributable to holders of redeemable units		(16,900)		189,618
Issuance of redeemable units		119,462		1,136,056
Amounts paid on redemption of redeemable units		(520,326)		(443,614)
Net assets attributable to holders of redeemable units, end of period	\$	464,296	\$	882,060

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

NBIMC EAFE EQUITY INDEX FUND

Statement of Cash Flows

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

For the year ended March 31

	2016	For the period since inception on January 5, 2015 to March 31, 2015
Cash flows from (used in) operating activities		
(Decrease) increase in net assets attributable to holders of redeemable units	\$ (16,900)	\$ 189,618
Adjustments for:		
Foreign exchange gain on dividends	(54,659)	(62,925)
Net realized gain on sale of investments	(70,075)	(55,625)
Net change in unrealized loss (gain) on investments	105,677	(126,154)
Purchases of investments	(141,655)	(53,585)
Proceeds from sale and maturity of investments	576,868	458,162
Dividends receivable	2,193	(3,958)
Receivable for investment sales	76,464	(76,720)
Taxes recoverable	(465)	(694)
Payable for investment purchases	8,201	93
Derivative assets / liabilities	(39)	27
Margin at brokers	(1,125)	446
Net cash from operating activities	484,485	268,685
Cash flows from (used in) financing activities		
Issuances of redeemable units		\$ 1,136,056
Less: non-cash transfer of redeemable units (<i>note 8</i>)		<u>(1,035,554)</u>
Proceeds from issuances of redeemable units	119,462	100,502
Amounts paid on redemption of redeemable units	(520,326)	(443,614)
Net cash used in financing activities	(400,864)	(343,112)
Net increase (decrease) in cash	83,621	(74,427)
(Indebtedness) cash, beginning of period	(74,427)	—
Cash (indebtedness), end of period	\$ 9,194	\$ (74,427)
<i>Supplemental information:</i>		
Dividends received	\$ 23,484	\$ 4,506

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

NBIMC EAFE EQUITY INDEX FUND – CLASS N

Statement of Financial Position

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

As at March 31

	2016	2015
Assets		
Investments	\$ 20,659	\$ 31,157
Cash	—	80
Dividends receivable	115	129
Receivable for investment sales	8,278	6
Taxes recoverable	32	29
Derivative assets (note 5)	—	1
Total assets	29,084	31,402
Liabilities		
Indebtedness	8,239	—
Payable for investment purchases	2	—
Derivative liabilities (note 5)	—	1
Margin at brokers (note 5)	12	1
Liabilities (excluding net assets attributable to holders of redeemable units)	8,253	2
Net assets attributable to holders of redeemable units	\$ 20,831	\$ 31,400
Net assets attributable to holders of redeemable units per unit	\$ 1,322.66	\$ 1,408.22

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 EAFE EQUITY INDEX FUND – CLASS N

Statement of Comprehensive Loss

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

For the year ended March 31

	2016		2015	
Income				
Interest	\$	—	\$	61
Dividend		1,021		31,478
Securities lending		12		814
Derivative loss		(13)		(623)
Net realized gain (loss) on investments		526		(543)
Net change in unrealized loss on investments		(3,355)		(70,545)
Total loss		(1,809)		(39,358)
Expenses				
Transaction costs		101		3,462
Other		3		—
Total expenses		104		3,462
Decrease in net assets attributable to holders of redeemable units	\$	(1,913)	\$	(42,820)

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

NBIMC EAFE EQUITY INDEX FUND – CLASS N

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

	2016		2015	
Net assets attributable to holders of redeemable units, beginning of year	\$	31,400	\$	1,327,350
Decrease in net assets attributable to holders of redeemable units		(1,913)		(42,820)
Distributions		(431)		(45,721)
Proceeds from issuance of redeemable units		1,976		216,414
Redemption of redeemable units		(10,201)		(1,423,823)
Net assets attributable to holders of redeemable units, end of year	\$	20,831	\$	31,400

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

NBIMC EAFE EQUITY INDEX FUND – CLASS N

Statement of Cash Flows

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

For the year ended March 31

	2016		2015
Cash flows from (used in) operating activities			
Decrease in net assets attributable to holders of redeemable units	\$ (1,913)	\$	(42,820)
Adjustments for:			
Foreign exchange gain on dividends	(966)		(54,130)
Net realized (gain) loss on sale of investments	(526)		543
Net change in unrealized loss on investments	3,355		70,545
Purchases of investments	(1,934)		(134,248)
Proceeds from sale and maturity of investments	10,569		368,074
Dividends receivable	14		5,272
Receivable for investment sales	(8,272)		1,259
Taxes recoverable	(3)		936
Margin at brokers	11		1,206
Payable for investment purchases	2		(1,265)
Net cash from operating activities	337		215,372
Cash flows from (used in) financing activities			
Proceeds from issuances of redeemable units	1,545		170,693
Redemption of redeemable units		\$ (1,423,823)	
Add: non-cash transfer of units (note 8)		<u>1,035,554</u>	
Amounts paid on redemption of redeemable units	(10,201)		(388,269)
Net cash used in financing activities	(8,656)		(217,576)
Net decrease in cash	(8,319)		(2,204)
Cash, beginning of year	80		2,284
(Indebtedness) cash, end of year	\$ (8,239)	\$	80
<i>Supplemental information:</i>			
Interest received	\$ —	\$	61
Dividends received	\$ 1,035	\$	36,750
Non-cash transactions:			
Distributions	(431)		(45,721)
Proceeds from issuance of redeemable units	431		45,721

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

NBIMC LOW VOLATILITY INTERNATIONAL EQUITY FUND

Statement of Financial Position

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

As at March 31

	2016	2015
Assets		
Investments	\$ 667,793	\$ 501,805
Cash	1,453	3,345
Dividends receivable	2,880	1,458
Taxes recoverable	1,144	710
Derivative assets (note 5)	21	—
Margin at brokers (note 5)	1,188	203
Total assets	674,479	507,521
Liabilities		
Payable for investment purchases	254	—
Derivative liabilities (note 5)	—	12
Liabilities (excluding net assets attributable to holders of redeemable units)	254	12
Net assets attributable to holders of redeemable units	\$ 674,225	\$ 507,509
Net assets attributable to holders of redeemable units per unit	\$ 1,892.28	\$ 1,805.54

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 LOW VOLATILITY INTERNATIONAL EQUITY FUND**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016		For the period since inception on January 5, 2015 to March 31, 2015	
Income				
Dividend	\$	17,940	\$	3,102
Securities lending		335		15
Derivative (loss) income		(267)		282
Net realized gain on investments		35,634		295
Net change in unrealized (loss) gain on investments		(26,590)		130,057
Total income		27,052		133,751
Expenses				
Transaction costs		1,976		240
Other costs		42		3
Total expenses		2,018		243
Increase in net assets attributable to holders of redeemable units	\$	25,034	\$	133,508

*The accompanying notes are an integral part of these financial statements.***NBIMC LOW VOLATILITY INTERNATIONAL EQUITY FUND****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

	2016		For the period since inception on January 5, 2015 to March 31, 2015	
Net assets attributable to holders of redeemable units, beginning of period	\$	507,509	\$	—
Increase in net assets attributable to holders of redeemable units		25,034		133,508
Issuance of redeemable units		196,400		398,732
Amounts paid on redemption of redeemable units		(54,718)		(24,731)
Net assets attributable to holders of redeemable units, end of period	\$	674,225	\$	507,509

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

NBIMC LOW VOLATILITY INTERNATIONAL EQUITY FUND

Statement of Cash Flows

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

For the year ended March 31

	2016		For the period since inception on January 5, 2015 to March 31, 2015
Cash flows from (used in) operating activities			
Increase in net assets attributable to holders of redeemable units	\$ 25,034	\$	133,508
Adjustments for:			
Foreign exchange (gain) loss on dividends	(7,466)		253
Net realized gain on sale of investments	(35,634)		(295)
Net change in unrealized loss (gain) on investments	26,590		(130,057)
Purchases of investments	(481,141)		(735)
Proceeds from sale and maturity of investments	331,663		42
Dividends receivable	(1,422)		(1,458)
Taxes recoverable	(434)		(710)
Margin at brokers	(985)		(203)
Derivative assets / liabilities	(33)		12
Payable for investment purchases	254		—
Net cash (used in) from operating activities	(143,574)		357
Cash flows from (used in) financing activities			
Issuance of redeemable units		\$ 398,732	
Less: non-cash transfer of redeemable units (note 8)		(371,013)	
Proceeds from issuances of redeemable units	196,400		27,719
Amounts paid on redemption of redeemable units	(54,718)		(24,731)
Net cash from financing activities	141,682		2,988
Net (decrease) increase in cash	(1,892)		3,345
Cash, beginning of period	3,345		—
Cash, end of period	\$ 1,453	\$	3,345
<i>Supplemental information:</i>			
Dividends received	\$ 16,518	\$	1,644

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

NBIMC LOW VOLATILITY INTERNATIONAL EQUITY FUND – CLASS N

Statement of Financial Position

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

As at March 31

	2016	2015
Assets		
Investments	\$ 35,734	\$ 25,448
Cash	286	228
Dividends receivable	96	74
Taxes recoverable	21	43
Margin at brokers (note 5)	—	18
Total assets	36,137	25,811
Liabilities		
Payable for investment purchases	6,680	—
Derivative liabilities (note 5)	21	—
Margin at brokers (note 5)	327	—
Liabilities (excluding net assets attributable to holders of redeemable units)	7,028	—
Net assets attributable to holders of redeemable units	\$ 29,109	\$ 25,811
Net assets attributable to holders of redeemable units per unit	\$ 1,889.65	\$ 1,805.30

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 LOW VOLATILITY INTERNATIONAL EQUITY FUND – CLASS N**Statement of Comprehensive Income (Loss)***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016		2015	
Income				
Dividend	\$	733	\$	9,274
Securities lending		16		187
Derivative loss		(72)		(218)
Net realized gain on investments		3,323		13,136
Net change in unrealized loss on investments		(2,708)		(66,810)
Total income (loss)		1,292		(44,431)
Expenses				
Transaction costs		63		1,035
Other costs		2		8
Total expenses		65		1,043
Increase (decrease) in net assets attributable to holders of redeemable units	\$	1,227	\$	(45,474)

*The accompanying notes are an integral part of these financial statements.***NBIMC LOW VOLATILITY INTERNATIONAL EQUITY FUND – CLASS N****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

	2016		2015	
Net assets attributable to holders of redeemable units, beginning of year	\$	25,811	\$	341,073
Increase (decrease) in net assets attributable to holders of redeemable units		1,227		(45,474)
Distributions		(4)		(29,950)
Proceeds from issuance of redeemable units		7,470		159,529
Redemption of redeemable units		(5,395)		(399,367)
Net assets attributable to holders of redeemable units, end of year	\$	29,109	\$	25,811

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

NBIMC LOW VOLATILITY INTERNATIONAL EQUITY FUND – CLASS N

Statement of Cash Flows

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

For the year ended March 31

	2016	2015
Cash flows from (used in) operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	\$ 1,227	\$ (45,474)
Adjustments for:		
Foreign exchange (gain) loss on dividends	(122)	7,755
Net realized gain on sale of investments	(3,323)	(13,136)
Net change in unrealized loss on investments	2,708	66,810
Purchases of investments	(29,005)	(280,085)
Proceeds from sale and maturity of investments	19,456	160,183
Dividends receivable	(22)	1,011
Receivable for investment sales	—	1,092
Taxes recoverable	22	386
Derivative liabilities	21	(80)
Margin at brokers	345	268
Payable for investment purchases	6,680	(1,092)
Net cash used in operating activities	(2,013)	(102,362)
Cash flows from (used in) financing activities		
Issuances of redeemable units	7,466	129,579
Redemption of redeemable units		\$ (399,367)
Add: non-cash transfer of redeemable units (note 8)		<u>371,013</u>
Amounts paid on redemption of redeemable units	(5,395)	(28,354)
Net cash from financing activities	2,071	101,225
Net increase (decrease) in cash	58	(1,137)
Cash, beginning of year	228	1,365
Cash, end of year	\$ 286	\$ 228
<i>Supplemental information:</i>		
Dividends received	\$ 711	\$ 10,285
Non-cash transactions:		
Distributions	(4)	(29,950)
Proceeds from issuance of redeemable units	4	29,950

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

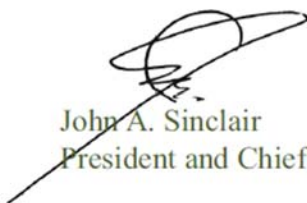
NBIMC LOW VOLATILITY EMERGING MARKETS EQUITY FUND**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

As at March 31

	2016	2015
Assets		
Investments	\$ 382,152	\$ 211,386
Cash	4,836	338
Dividends receivable	830	155
Receivable for investment sales	361	—
Tax recoverable	15	—
Margin at brokers <i>(note 5)</i>	—	2
Total assets	388,194	211,881
Liabilities		
Payable for investment purchases	359	—
Derivative liabilities <i>(note 5)</i>	9	—
Margin at brokers <i>(note 5)</i>	251	—
Liabilities (excluding net assets attributable to holders of redeemable units)	619	—
Net assets attributable to holders of redeemable units	\$ 387,575	\$ 211,881
Net assets attributable to holders of redeemable units per unit	\$ 907.56	\$ 960.22

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 LOW VOLATILITY EMERGING MARKETS EQUITY FUND**Statement of Comprehensive Income (Loss)***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016	For the period since inception on February 18, 2015 to March 31, 2015
Income		
Interest	\$ 245	\$ —
Dividend	9,667	336
Derivative (loss) income	(277)	2
Net realized (loss) gain on investments	(11,941)	5,032
Net change in unrealized loss on investments	(7,461)	(610)
Total (loss) income	(9,767)	4,760
Expenses		
Transaction costs	1,669	372
Total expenses	1,669	372
(Decrease) increase in net assets attributable to holders of redeemable units	\$ (11,436)	\$ 4,388

*The accompanying notes are an integral part of these financial statements.***NBIMC LOW VOLATILITY EMERGING MARKETS EQUITY FUND****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

	2016	For the period since inception on February 18, 2015 to March 31, 2015
Net assets attributable to holders of redeemable units, beginning of period	\$ 211,881	\$ —
(Decrease) increase in net assets attributable to holders of redeemable units	(11,436)	4,388
Proceeds from issuance of redeemable units	194,952	207,501
Amounts paid on redemption of redeemable units	(7,822)	(8)
Net assets attributable to holders of redeemable units, end of period	\$ 387,575	\$ 211,881

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

NBIMC LOW VOLATILITY EMERGING MARKETS EQUITY FUND**Statement of Cash Flows***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016	For the period since inception on February 18, 2015 to March 31, 2015
Cash flows from (used in) operating activities		
(Decrease) increase in net assets attributable to holders of redeemable units	\$ (11,436)	\$ 4,388
Adjustments for:		
Foreign exchange (gain) loss on dividends	(6,349)	5,012
Net realized loss (gain) on sale of investments	11,941	(5,032)
Net change in unrealized loss on investments	7,461	610
Purchases of investments	(457,125)	(366,612)
Proceeds from sale and maturity of investments	273,306	154,636
Dividends receivable	(675)	(155)
Receivable for investment sales	(361)	—
Tax recoverable	(15)	—
Derivative liabilities	9	—
Margin at brokers	253	(2)
Payable for investment purchases	359	—
Net cash used in operating activities	(182,632)	(207,155)
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	194,952	207,501
Amounts paid on redemption of redeemable units	(7,822)	(8)
Net cash from financing activities	187,130	207,493
Net increase in cash	4,498	338
Cash, beginning of period	338	—
Cash, end of period	\$ 4,836	\$ 338
<i>Supplemental information:</i>		
Interest received	\$ 245	\$ —
Dividends received	\$ 8,992	\$ 181

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

NBIMC U.S. EQUITY INDEX FUND

Statement of Financial Position

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

As at March 31

	2016	2015
Assets		
Investments	\$ 804,566	\$ 922,796
Cash	524	—
Dividends receivable	925	1,202
Receivable for investment sales	352	—
Derivative assets (note 5)	7	217
Margin at brokers (note 5)	1,330	375
Total assets	807,704	924,590
Liabilities		
Payable for investment purchases	876	—
Derivative liabilities (note 5)	—	32
Liabilities (excluding net assets attributable to holders of redeemable units)	876	32
Net assets attributable to holders of redeemable units	\$ 806,828	\$ 924,558
Net assets attributable to holders of redeemable units per unit	\$ 2,322.71	\$ 2,229.85

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 U.S. EQUITY INDEX FUND**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016	2015
Income		
Dividend	\$ 19,333	\$ 22,048
Securities lending	219	134
Derivative	6,438	5,666
Other	—	1
Net realized gain on investments	129,617	173,328
Net change in unrealized (loss) gain on investments	(121,229)	63,345
Total income	34,378	264,522
Expenses		
Transaction costs	34	61
Other	9	—
Total expenses	43	61
Increase in net assets attributable to holders of redeemable units	\$ 34,335	\$ 264,461

*The accompanying notes are an integral part of these financial statements.***NBIMC U.S. EQUITY INDEX FUND****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

	2016	2015
Net assets attributable to holders of redeemable units, beginning of year	\$ 924,558	\$ 1,132,873
Increase in net assets attributable to holders of redeemable units	34,335	264,461
Distributions	(64,708)	(53,159)
Proceeds from issuance of redeemable units	260,649	154,864
Amounts paid on redemption of redeemable units	(348,006)	(574,481)
Net assets attributable to holders of redeemable units, end of year	\$ 806,828	\$ 924,558

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

NBIMC U.S. EQUITY INDEX FUND**Statement of Cash Flows***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016	2015
Cash flows from (used in) operating activities		
Increase in net assets attributable to holders of redeemable units	\$ 34,335	\$ 264,461
Adjustments for:		
Foreign exchange gain on dividends	(14,014)	(2,942)
Net realized gain on sale of investments	(129,617)	(173,328)
Net change in unrealized loss (gain) on investments	121,229	(63,345)
Purchases of investments	(3,949,025)	(2,585,500)
Proceeds from sale and maturity of investments	4,089,657	3,033,093
Dividends receivable	277	68
Receivable for investment sales	(352)	—
Derivative assets / liabilities	178	(210)
Margin at brokers	(955)	479
Payable for investment purchases	876	(4)
Net cash from operating activities	152,589	472,772
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	195,941	101,705
Amounts paid on redemption of redeemable units	(348,006)	(574,481)
Net cash used in financing activities	(152,065)	(472,776)
Net increase (decrease) in cash	524	(4)
Cash, beginning of year	—	4
Cash, end of year	\$ 524	\$ —
<i>Supplemental information:</i>		
Dividends received	\$ 19,610	\$ 22,116
Non-cash transactions:		
Distributions	(64,708)	(53,159)
Proceeds from issuance of redeemable units	64,708	53,159

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

NBIMC LOW VOLATILITY U.S. EQUITY FUND

Statement of Financial Position

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

As at March 31

	2016		2015
Assets			
Investments	\$ 776,198	\$	549,163
Dividends receivable	1,557		1,129
Receivable for investment sales	20,694		—
Margin at brokers (note 5)	130		22
Total assets	798,579		550,314
Liabilities			
Payable for investment purchases	40,031		141
Derivative liabilities (note 5)	21		7
Liabilities (excluding net assets attributable to holders of redeemable units)	40,052		148
Net assets attributable to holders of redeemable units	\$ 758,527	\$	550,166
Net assets attributable to holders of redeemable units per unit	\$ 2,395.69	\$	2,148.54

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 LOW VOLATILITY U.S. EQUITY FUND**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016		2015
Income			
Dividend	\$ 17,889	\$	11,431
Securities lending	115		82
Derivative (loss) income	(287)		151
Net realized gain on investments	43,096		26,738
Net change in unrealized gain on investments	13,310		92,390
Total income	74,123		130,792
Expenses			
Transaction costs	97		58
Total expenses	97		58
Increase in net assets attributable to holders of redeemable units	\$ 74,026	\$	130,734

*The accompanying notes are an integral part of these financial statements.***NBIMC LOW VOLATILITY U.S. EQUITY FUND****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

	2016		2015
Net assets attributable to holders of redeemable units, beginning of year	\$ 550,166	\$	368,401
Increase in net assets attributable to holders of redeemable units	74,026		130,734
Distributions	(39,691)		(12,628)
Proceeds from issuance of redeemable units	249,886		137,345
Amounts paid on redemption of redeemable units	(75,860)		(73,686)
Net assets attributable to holders of redeemable units, end of year	\$ 758,527	\$	550,166

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

NBIMC LOW VOLATILITY U.S. EQUITY FUND**Statement of Cash Flows***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016		2015
Cash flows from (used in) operating activities			
Increase in net assets attributable to holders of redeemable units	\$ 74,026	\$	130,734
Adjustments for:			
Foreign exchange loss (gain) on dividends	175		(15)
Net realized gain on sale of investments	(43,096)		(26,738)
Net change in unrealized gain on investments	(13,310)		(92,390)
Purchases of investments	(1,231,671)		(550,539)
Proceeds from sale and maturity of investments	1,060,867		488,447
Dividends receivable	(428)		(581)
Derivative liabilities	14		3
Margin at brokers	(108)		(14)
Receivable for investment sales	(20,694)		—
Payable for investment purchases	39,890		62
Net cash used in operating activities	(134,335)		(51,031)
Cash flows from (used in) financing activities			
Proceeds from issuances of redeemable units	210,195		124,717
Amounts paid on redemption of redeemable units	(75,860)		(73,686)
Net cash from financing activities	134,335		51,031
Net increase in cash	—		—
Cash, beginning of year	—		—
Cash, end of year	\$ —	\$	—
<i>Supplemental information:</i>			
Dividends received	\$ 17,461	\$	10,850
Non-cash transactions:			
Distributions	(39,691)		(12,628)
Proceeds from issuance of redeemable units	39,691		12,628

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

NBIMC INFLATION LINKED SECURITIES FUND

Statement of Financial Position

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

As at March 31

	2016	2015
Assets		
Investments	\$ 668,794	\$ 739,375
Interest receivable	3,879	4,074
Total assets	672,673	743,449
Net assets attributable to holders of redeemable units	\$ 672,673	\$ 743,449

Net assets attributable to holders of redeemable units per unit	\$ 3,581.54	\$ 3,650.89
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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 INFLATION LINKED SECURITIES FUND

Statement of Comprehensive Income (Loss)

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

For the year ended March 31

	2016		2015	
Income				
Interest	\$	11,948	\$	18,205
Securities lending		83		100
Net realized gain on investments		4,682		50,080
Net change in unrealized (loss) gain on investments		(31,901)		54,197
Total (loss) income		(15,188)		122,582
(Decrease) increase in net assets attributable to holders of redeemable units	\$	(15,188)	\$	122,582

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

NBIMC INFLATION LINKED SECURITIES FUND

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

	2016		2015	
Net assets attributable to holders of redeemable units, beginning of year	\$	743,449	\$	998,532
(Decrease) increase in net assets attributable to holders of redeemable units		(15,188)		122,582
Distributions		(14,366)		—
Proceeds from issuance of redeemable units		92,912		97,680
Amounts paid on redemption of redeemable units		(134,134)		(475,345)
Net assets attributable to holders of redeemable units, end of year	\$	672,673	\$	743,449

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

NBIMC INFLATION LINKED SECURITIES FUND**Statement of Cash Flows***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016		2015
Cash flows from (used in) operating activities			
(Decrease) increase in net assets attributable to holders of redeemable units	\$ (15,188)	\$	122,582
Adjustments for:			
Net realized exchange loss on currency forwards	—		1
Net realized gain on sale of investments	(4,682)		(50,080)
Net change in unrealized loss (gain) on investments	31,901		(54,197)
Purchases of investments	(166,158)		(609,601)
Proceeds from sale and maturity of investments	209,520		966,235
Interest receivable	195		2,725
Net cash from operating activities	55,588		377,665
Cash flows from (used in) financing activities			
Proceeds from issuances of redeemable units	78,546		97,680
Amounts paid on redemption of redeemable units	(134,134)		(475,345)
Net cash used in financing activities	(55,588)		(377,665)
Net increase in cash	—		—
Cash, beginning of year	—		—
Cash, end of year	\$ —	\$	—
<i>Supplemental information:</i>			
Interest received	\$ 12,143	\$	20,930
Non-cash transactions:			
Distributions	(14,366)		—
Proceeds from issuance of redeemable units	14,366		—

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

NBIMC CANADIAN REAL ESTATE FUND**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

As at March 31

	2016		2015	
Assets				
Investments	\$	291,386	\$	254,130
Cash		—		13
Total assets		291,386		254,143
Liabilities				
Payable for investment purchases		—		13
Liabilities (excluding net assets attributable to holders of redeemable units)		—		13
Net assets attributable to holders of redeemable units	\$	291,386	\$	254,130
Net assets attributable to holders of redeemable units per unit				
	\$	3,945.43	\$	3,588.64

*Commitments (note 9)**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 CANADIAN REAL ESTATE FUND**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016		2015
Income			
Dividend	\$ 7,165	\$	9,354
Net realized gain on investments	4,948		11,316
Net change in unrealized gain on investments	14,242		3,105
Total income	26,355		23,775
Expenses			
Other	354		411
Total expenses	354		411
Increase in net assets attributable to holders of redeemable units	\$ 26,001	\$	23,364

*The accompanying notes are an integral part of these financial statements.***NBIMC CANADIAN REAL ESTATE FUND****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

	2016		2015
Net assets attributable to holders of redeemable units, beginning of year	\$ 254,130	\$	196,134
Increase in net assets attributable to holders of redeemable units	26,001		23,364
Proceeds from issuance of redeemable units	29,585		73,799
Amounts paid on redemption of redeemable units	(18,330)		(39,167)
Net assets attributable to holders of redeemable units, end of year	\$ 291,386	\$	254,130

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

NBIMC CANADIAN REAL ESTATE FUND**Statement of Cash Flows***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016	2015
Cash flows from (used in) operating activities		
Increase in net assets attributable to holders of redeemable units	\$ 26,001	\$ 23,364
Adjustments for:		
Net realized gain on sale of investments	(4,948)	(11,316)
Net change in unrealized gain on investments	(14,242)	(3,105)
Purchases of investments	(61,567)	(142,595)
Proceeds from sale and maturity of investments	43,501	99,020
Receivable for investment sales	—	118
Payable for investment purchases	(13)	13
Net cash used in operating activities	(11,268)	(34,501)
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	29,585	73,799
Amounts paid on redemption of redeemable units	(18,330)	(39,167)
Net cash from financing activities	11,255	34,632
Net (decrease) increase in cash	(13)	131
Cash (indebtedness), beginning of year	13	(118)
Cash, end of year	\$ —	\$ 13

Supplemental information:

Dividends received	\$ 7,165	\$ 9,354
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The accompanying notes are an integral part of these financial statements.

NBIMC CANADIAN REAL ESTATE INVESTMENT TRUST FUND

Statement of Financial Position

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

As at March 31

	2016		2015	
Assets				
Investments	\$	220,371	\$	263,046
Cash		—		16
Dividends receivable		901		1,012
Total assets		221,272		264,074
Net assets attributable to holders of redeemable units	\$	221,272	\$	264,074

Net assets attributable to holders of redeemable units per unit	\$	1,169.63	\$	1,193.41
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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 CANADIAN REAL ESTATE INVESTMENT TRUST FUND**Statement of Comprehensive Income (Loss)***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016		2015
Income			
Dividend	\$ 13,930	\$	13,998
Securities lending	62		1
Net realized gain on investments	779		52
Net change in unrealized (loss) gain on investments	(20,201)		15,934
Total (loss) income	(5,430)		29,985
Expenses			
Transaction costs	32		21
Total expenses	32		21
(Decrease) increase in net assets attributable to holders of redeemable units	\$ (5,462)	\$	29,964

*The accompanying notes are an integral part of these financial statements.***NBIMC CANADIAN REAL ESTATE INVESTMENT TRUST FUND****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

	2016		2015
Net assets attributable to holders of redeemable units, beginning of year	\$ 264,074	\$	234,488
(Decrease) increase in net assets attributable to holders of redeemable units	(5,462)		29,964
Distributions	(16,833)		(15,443)
Proceeds from issuance of redeemable units	42,362		23,303
Amounts paid on redemption of redeemable units	(62,869)		(8,238)
Net assets attributable to holders of redeemable units, end of year	\$ 221,272	\$	264,074

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

NBIMC CANADIAN REAL ESTATE INVESTMENT TRUST FUND**Statement of Cash Flows***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016	2015
Cash flows from (used in) operating activities		
(Decrease) increase in net assets attributable to holders of redeemable units	\$ (5,462)	\$ 29,964
Adjustments for:		
Net realized gain on sale of investments	(779)	(52)
Net change in unrealized loss (gain) on investments	20,201	(15,934)
Purchases of investments	(51,574)	(52,610)
Proceeds from sale and maturity of investments	74,827	39,112
Dividends receivable	111	(86)
Net cash from operating activities	37,324	394
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	25,529	7,860
Amounts paid on redemption of redeemable units	(62,869)	(8,238)
Net cash used in financing activities	(37,340)	(378)
Net (decrease) increase in cash	(16)	16
Cash, beginning of year	16	—
Cash, end of year	\$ —	\$ 16
<i>Supplemental information:</i>		
Dividends received	\$ 14,041	\$ 13,912
Non-cash transactions:		
Distributions	(16,833)	(15,443)
Proceeds from issuance of redeemable units	16,833	15,443

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

NBIMC NON-CANADIAN PRIVATE REAL ESTATE FUND

Statement of Financial Position

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

As at March 31

	2016	2015
Assets		
Investments	\$ 19,081	\$ —
Derivative assets <i>(note 5)</i>	908	—
Total assets	19,989	—
Net assets attributable to holders of redeemable units	\$ 19,989	\$ —

Net assets attributable to holders of redeemable units per unit	\$ 999.08	\$ —
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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 NON-CANADIAN PRIVATE REAL ESTATE FUND

Statement of Comprehensive Income

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

For the year ended March 31

	2016		For the period since inception on December 19, 2014 to March 31, 2015
Income			
Derivative	\$ 908	\$	—
Net realized loss on investments	(926)		—
Net change in unrealized gain on investments	802		—
Total income	784		—
Expenses			
Other	437		—
Total expenses	437		—
Increase in net assets attributable to holders of redeemable units	\$ 347	\$	—

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

NBIMC NON-CANADIAN PRIVATE REAL ESTATE FUND

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

	2016		For the period since inception on December 19, 2014 to March 31, 2015
Net assets attributable to holders of redeemable units, beginning of period	\$ —	\$	—
Increase in net assets attributable to holders of redeemable units	347		—
Proceeds from issuance of redeemable units	19,894		—
Amounts paid on redemption of redeemable units	(252)		—
Net assets attributable to holders of redeemable units, end of period	\$ 19,989	\$	—

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

NBIMC NON-CANADIAN PRIVATE REAL ESTATE FUND**Statement of Cash Flows***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016	For the period since inception on December 19, 2014 to March 31, 2015
Cash flows from (used in) operating activities		
Increase in net assets attributable to holders of redeemable units	\$ 347	\$ —
Adjustments for:		
Foreign exchange gain on currency forwards	(926)	—
Net realized loss on sale of investments	926	—
Net change in unrealized gain on investments	(802)	—
Purchases of investments	(208,997)	—
Proceeds from sale and maturity of investments	190,718	—
Derivative assets	(908)	—
Net cash used in operating activities	(19,642)	—
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	19,894	—
Amounts paid on redemption of redeemable units	(252)	—
Net cash from financing activities	19,642	—
Net increase in cash	—	—
Cash, beginning of period	—	—
Cash, end of period	\$ —	\$ —

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

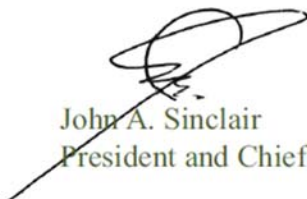
NBIMC INTERNATIONAL REAL ESTATE FUND**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

As at March 31

	2016		2015
Assets			
Investments	\$ 215,965	\$	352,552
Cash	16		—
Dividends receivable	584		1,012
Receivable for investment sales	5,136		—
Total assets	221,701		353,564
Liabilities			
Payable for investment purchases	5,152		—
Liabilities (excluding net assets attributable to holders of redeemable units)	5,152		—
Net assets attributable to holders of redeemable units	\$ 216,549	\$	353,564
Net assets attributable to holders of redeemable units per unit	\$ 7,128.10	\$	6,644.77

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 INTERNATIONAL REAL ESTATE FUND**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016		2015
Income			
Dividend	\$ 10,714	\$	10,590
Securities lending	33		44
Net realized gain on investments	91,271		31,803
Net change in unrealized (loss) gain on investments	(87,984)		68,471
Total income	14,034		110,908
Expenses			
Transaction costs	148		45
Total expenses	148		45
Increase in net assets attributable to holders of redeemable units	\$ 13,886	\$	110,863

*The accompanying notes are an integral part of these financial statements.***NBIMC INTERNATIONAL REAL ESTATE FUND****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

	2016		2015
Net assets attributable to holders of redeemable units, beginning of year	\$ 353,564	\$	309,101
Increase in net assets attributable to holders of redeemable units	13,886		110,863
Distributions	(41,413)		(17,019)
Proceeds from issuance of redeemable units	62,008		53,283
Amounts paid on redemption of redeemable units	(171,496)		(102,664)
Net assets attributable to holders of redeemable units, end of year	\$ 216,549	\$	353,564

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

NBIMC INTERNATIONAL REAL ESTATE FUND**Statement of Cash Flows***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016	2015
Cash flows from (used in) operating activities		
Increase in net assets attributable to holders of redeemable units	\$ 13,886	\$ 110,863
Adjustments for:		
Foreign exchange (gain) loss on currency forwards	(6)	64
Net realized gain on sale of investments	(91,271)	(31,803)
Net change in unrealized loss (gain) on investments	87,984	(68,471)
Purchases of investments	(549,395)	(220,624)
Proceeds from sale and maturity of investments	689,275	276,966
Dividends receivable	428	(145)
Receivable for investment sales	(5,136)	—
Payable for investment purchases	5,152	(555)
Net cash from operating activities	150,917	66,295
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	20,595	36,264
Amounts paid on redemption of redeemable units	(171,496)	(102,664)
Net cash used in financing activities	(150,901)	(66,400)
Net increase (decrease) in cash	16	(105)
Cash, beginning of year	—	105
Cash, end of year	\$ 16	\$ —
<i>Supplemental information:</i>		
Dividends received	\$ 11,142	\$ 10,445
Non-cash transactions:		
Distributions	(41,413)	(17,019)
Proceeds from issuance of redeemable units	41,413	17,019

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

NBIMC PUBLIC INFRASTRUCTURE FUND

Statement of Financial Position

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

As at March 31

	2016
Assets	
Investments	\$ 197,875
Cash	2,939
Dividends receivable	115
Total assets	200,929
Net assets attributable to holders of redeemable units	\$ 200,929

Net assets attributable to holders of redeemable units	
per unit	\$ 978.10

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 PUBLIC INFRASTRUCTURE FUND**Statement of Comprehensive Loss***(All amounts in thousands of Canadian dollars, except per unit amounts)*

	For the period since inception on April 27, 2015 to March 31, 2016
Income	
Interest	\$ 4
Dividend	2,917
Securities lending	28
Net realized loss on investments	(85)
Net change in unrealized loss on investments	(4,079)
Total loss	(1,215)
Expenses	
Transaction costs	177
Total expenses	177
Decrease in net assets attributable to holders of redeemable units	\$ (1,392)

*The accompanying notes are an integral part of these financial statements.***NBIMC PUBLIC INFRASTRUCTURE FUND****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 period since inception on April 27, 2015 to March 31, 2016
Net assets attributable to holders of redeemable units, beginning of period	\$ —
Decrease in net assets attributable to holders of redeemable units	(1,392)
Distributions	(5,505)
Proceeds from issuance of redeemable units	259,747
Amounts paid on redemption of redeemable units	(51,921)
Net assets attributable to holders of redeemable units, end of period	\$ 200,929

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

NBIMC PUBLIC INFRASTRUCTURE FUND**Statement of Cash Flows***(All amounts in thousands of Canadian dollars, except per unit amounts)*

	For the period since inception on April 27, 2015 to March 31, 2016	
Cash flows from (used in) operating activities		
Decrease in net assets attributable to holders of redeemable units	\$	(1,392)
Adjustments for:		
Foreign exchange gain on currency forwards		(322)
Net realized loss on sale of investments		85
Net change in unrealized loss on investments		4,079
Purchases of investments		(397,670)
Proceeds from sale and maturity of investments		195,953
Dividends receivable		(115)
Net cash used in operating activities		(199,382)
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units		254,242
Amounts paid on redemption of redeemable units		(51,921)
Net cash from financing activities		202,321
Net increase in cash		2,939
Cash, beginning of period		—
Cash, end of period	\$	2,939
<i>Supplemental information:</i>		
Interest received	\$	4
Dividends received	\$	2,802
Non-cash transactions:		
Distributions		(5,505)
Proceeds from issuance of redeemable units		5,505

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

NBIMC INFRASTRUCTURE FUND**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

As at March 31

	2016		2015
Assets			
Investments	\$ 161,843	\$	105,741
Cash	—		1
Derivative assets <i>(note 5)</i>	900		—
Total assets	162,743		105,742
Liabilities			
Payable for investment purchases	—		1
Derivative liabilities <i>(note 5)</i>	—		2,051
Deferred placement fees payable	523		—
Liabilities (excluding net assets attributable to holders of redeemable units)	523		2,052
Net assets attributable to holders of redeemable units	\$ 162,220	\$	103,690

**Net assets attributable to holders of redeemable units
per unit**

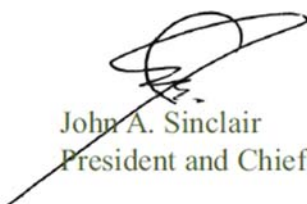
\$ 1,437.30 \$ 1,346.61

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 INFRASTRUCTURE FUND**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016		2015
Income			
Interest	\$ 65	\$	62
Dividend	2,458		3,434
Derivative income (loss)	900		(2,051)
Net realized (loss) gain on investments	(154)		1,338
Net change in unrealized gain on investments	5,559		4,377
Total income	8,828		7,160
Expenses			
Other	936		288
Total expenses	936		288
Increase in net assets attributable to holders of redeemable units	\$ 7,892	\$	6,872

*The accompanying notes are an integral part of these financial statements.***NBIMC INFRASTRUCTURE FUND****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

	2016		2015
Net assets attributable to holders of redeemable units, beginning of year	\$ 103,690	\$	98,159
Increase in net assets attributable to holders of redeemable units	7,892		6,872
Proceeds from issuance of redeemable units	58,505		5,368
Amounts paid on redemption of redeemable units	(7,867)		(6,709)
Net assets attributable to holders of redeemable units, end of year	\$ 162,220	\$	103,690

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

NBIMC INFRASTRUCTURE FUND**Statement of Cash Flows***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016	2015
Cash flows from (used in) operating activities		
Increase in net assets attributable to holders of redeemable units	\$ 7,892	\$ 6,872
Adjustments for:		
Foreign exchange (gain) loss on currency forwards	(35)	1,338
Net realized (gain) loss on sale of investments	154	(1,338)
Net change in unrealized gain on investments	(5,559)	(4,377)
Purchases of investments	(1,208,789)	(688,383)
Proceeds from sale and maturity of investments	1,158,127	687,293
Payable for investment purchases	(1)	1
Derivative assets / liabilities	(2,951)	(64)
Deferred placement fees	523	—
Net cash (used in) from operating activities	(50,639)	1,342
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units	58,505	5,368
Amounts paid on redemption of redeemable units	(7,867)	(6,709)
Net cash from (used in) financing activities	50,638	(1,341)
Net (decrease) increase in cash	(1)	1
Cash, beginning of year	1	—
Cash, end of year	\$ —	\$ 1
<i>Supplemental information:</i>		
Interest received	\$ 65	\$ 62
Dividends received	\$ 2,458	\$ 3,434

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

NBIMC NORTH AMERICAN MARKET NEUTRAL FUND**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

As at March 31

	2016		2015
Assets			
Investments	\$ 494,598	\$	469,484
Cash	—		2,437
Dividends receivable	95		373
Receivable for investment sales	29,336		23,144
Derivative assets <i>(note 5)</i>	—		979
Total assets	524,029		496,417
Liabilities			
Indebtedness	1,336		—
Payable for investment purchases	31,003		31,463
Derivative liabilities <i>(note 5)</i>	2,203		68
Dividends payable	262		439
Liabilities for short equity positions	171,049		219,421
Liabilities (excluding net assets attributable to holders of redeemable units)	205,853		251,391
Net assets attributable to holders of redeemable units	\$ 318,176	\$	245,026
Net assets attributable to holders of redeemable units per unit	\$ 1,288.84	\$	1,259.85

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 NORTH AMERICAN MARKET NEUTRAL FUND**Statement of Comprehensive Income (Loss)***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016		2015
Income			
Dividend income (loss)	\$ 257	\$	(859)
Securities lending	47		19
Derivative (loss) income	(2,203)		910
Net realized gain on investments	7,794		5,366
Net change in unrealized gain (loss) on investments	4,297		(9,586)
Total (loss) income	10,192		(4,150)
Expenses			
Transaction costs	2,941		1,212
Other	694		577
Total expenses	3,635		1,789
Increase (decrease) in net assets attributable to holders of redeemable units	\$ 6,557	\$	(5,939)

*The accompanying notes are an integral part of these financial statements.***NBIMC NORTH AMERICAN MARKET NEUTRAL FUND****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

	2016		2015
Net assets attributable to holders of redeemable units, beginning of year	\$ 245,026	\$	160,551
Increase (decrease) in net assets attributable to holders of redeemable units	6,557		(5,939)
Distributions	(2,684)		—
Proceeds from issuance of redeemable units	114,055		105,053
Amounts paid on redemption of redeemable units	(44,778)		(14,639)
Net assets attributable to holders of redeemable units, end of year	\$ 318,176	\$	245,026

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

NBIMC NORTH AMERICAN MARKET NEUTRAL FUND**Statement of Cash Flows***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016		2015
Cash flows from (used in) operating activities			
Increase (decrease) in net assets attributable to holders of redeemable units	\$ 6,557	\$	(5,939)
Adjustments for:			
Foreign exchange loss on dividends	1,661		3,157
Net realized gain on sale of investments	(7,794)		(5,366)
Net change in unrealized (gain) loss on investments	(4,297)		9,586
Purchases of investments	(3,083,087)		(1,616,491)
Proceeds from sale and maturity of investments	3,020,031		1,519,291
Dividends receivable	278		(162)
Receivable for investment sales	(6,192)		(22,276)
Derivative assets / liabilities	3,114		(897)
Payable for investment purchases	(460)		30,975
Dividends payable	(177)		145
Net cash used in operating activities	(70,366)		(87,977)
Cash flows from (used in) financing activities			
Proceeds from issuances of redeemable units	111,371		105,053
Amounts paid on redemption of redeemable units	(44,778)		(14,639)
Net cash from financing activities	66,593		90,414
Net (decrease) increase in cash	(3,773)		2,437
Cash, beginning of year	2,437		—
(Indebtedness) cash, end of year	\$ (1,336)	\$	2,437
<i>Supplemental information:</i>			
Dividends paid	\$ 535	\$	1,021
Non-cash transactions:			
Distributions	(2,684)		—
Proceeds from issuance of redeemable units	2,684		—

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

NBIMC QUANTITATIVE STRATEGIES FUND**Statement of Financial Position***(All amounts in thousands of Canadian dollars, except per unit amounts)*

As at March 31

	2016		2015
Assets			
Investments	\$ 1,110,936	\$	700,143
Cash	6,184		15,341
Interest receivable	298		47
Dividends receivable	440		297
Receivable for investment sales	32,984		13,284
Taxes recoverable	319		—
Derivative assets <i>(note 5)</i>	2,590		8
Margin at brokers <i>(note 5)</i>	37		11
Total assets	1,153,788		729,131
Liabilities			
Payable for investment purchases	36,478		27,758
Derivative liabilities <i>(note 5)</i>	—		1,003
Dividends payable	653		250
Liabilities for short equity positions	391,009		205,653
Liabilities (excluding net assets attributable to holders of redeemable units)	428,140		234,664
Net assets attributable to holders of redeemable units	\$ 725,648	\$	494,467
Net assets attributable to holders of redeemable units per unit	\$ 1,371.06	\$	1,327.71

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 QUANTITATIVE STRATEGIES FUND**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016		2015
Income			
Interest	\$ 943	\$	410
Dividend	8,765		1,295
Securities lending	91		32
Derivative income (loss)	2,658		(1,152)
Net realized gain on investments	11,685		13,832
Net change in unrealized gain on investments	845		14,093
Total income	24,987		28,510
Expenses			
Transaction costs	3,033		2,371
Other	1,401		991
Total expenses	4,434		3,362
Increase in net assets attributable to holders of redeemable units	\$ 20,553	\$	25,148

*The accompanying notes are an integral part of these financial statements.***NBIMC QUANTITATIVE STRATEGIES FUND****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

	2016		2015
Net assets attributable to holders of redeemable units, beginning of year	\$ 494,467	\$	229,304
Increase in net assets attributable to holders of redeemable units	20,553		25,148
Distributions	(6,934)		—
Proceeds from issuance of redeemable units	264,864		276,538
Amounts paid on redemption of redeemable units	(47,302)		(36,523)
Net assets attributable to holders of redeemable units, end of year	\$ 725,648	\$	494,467

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

NBIMC QUANTITATIVE STRATEGIES FUND**Statement of Cash Flows***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016		2015
Cash flows from (used in) operating activities			
Increase in net assets attributable to holders of redeemable units	\$ 20,553	\$	25,148
Adjustments for:			
Foreign exchange gain on dividends	(6,209)		(2,951)
Net realized gain on sale of investments	(11,685)		(13,832)
Net change in unrealized gain on investments	(845)		(14,093)
Purchases of investments	(7,300,419)		(2,006,821)
Proceeds from sale and maturity of investments	7,093,721		1,771,058
Interest receivable	(251)		(21)
Dividends receivable	(143)		(14)
Receivable for investment sales	(19,700)		16,624
Taxes recoverable	(319)		—
Derivative assets / liabilities	(3,585)		1,139
Margin at brokers	(26)		(11)
Payable for investment purchases	8,720		3,791
Dividends payable	403		(15)
Net cash used in operating activities	(219,785)		(219,998)
Cash flows from (used in) financing activities			
Proceeds from issuances of redeemable units	257,930		276,538
Amounts paid on redemption of redeemable units	(47,302)		(36,523)
Net cash from financing activities	210,628		240,015
Net (decrease) increase in cash	(9,157)		20,017
Cash (indebtedness), beginning of year	15,341		(4,676)
Cash, end of year	\$ 6,184	\$	15,341
<i>Supplemental information:</i>			
Interest received	\$ 692	\$	389
Dividends received	\$ 8,622	\$	1,281
Non-cash transactions:			
Distributions	(6,934)		—
Proceeds from issuance of redeemable units	6,934		—

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

NBIMC NEW BRUNSWICK AND ATLANTIC CANADA EQUITY OPPORTUNITY FUND

Statement of Financial Position

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

As at March 31

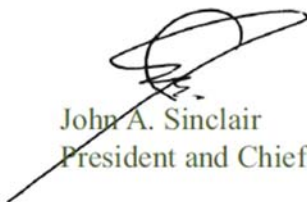
	2016	2015
Assets		
Investments	\$ 31,955	\$ 28,392
Total assets	31,955	28,392
Net assets attributable to holders of redeemable units	\$ 31,955	\$ 28,392
Net assets attributable to holders of redeemable units per unit	\$ 4,747.85	\$ 4,581.54

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 NEW BRUNSWICK AND ATLANTIC CANADA EQUITY OPPORTUNITY FUND**Statement of Comprehensive Income (Loss)***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016		2015	
Income				
Interest	\$	—	\$	48
Dividend		203		197
Net change in unrealized gain (loss) on investments		913		(872)
Total income (loss)		1,116		(627)
Expenses				
Other		8		—
Total expenses		8		—
Increase (decrease) in net assets attributable to holders of redeemable units	\$	1,108	\$	(627)

*The accompanying notes are an integral part of these financial statements.***NBIMC NEW BRUNSWICK AND ATLANTIC CANADA EQUITY OPPORTUNITY FUND****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

	2016		2015	
Net assets attributable to holders of redeemable units, beginning of year	\$	28,392	\$	29,224
Increase (decrease) in net assets attributable to holders of redeemable units		1,108		(627)
Proceeds from issuance of redeemable units		2,717		1,011
Amounts paid on redemption of redeemable units		(262)		(1,216)
Net assets attributable to holders of redeemable units, end of year	\$	31,955	\$	28,392

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

NBIMC NEW BRUNSWICK AND ATLANTIC CANADA EQUITY OPPORTUNITY FUND**Statement of Cash Flows***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016		2015
Cash flows from (used in) operating activities			
Increase (decrease) in net assets attributable to holders of redeemable units	\$ 1,108	\$	(627)
Adjustments for:			
Net change in unrealized loss (gain) on investments	(913)		872
Purchases of investments	(9,650)		(1,093)
Proceeds from sale and maturity of investments	7,000		1,033
Interest receivable	—		20
Net cash (used in) from operating activities	(2,455)		205
Cash flows from (used in) financing activities			
Proceeds from issuances of redeemable units	2,717		1,011
Amounts paid on redemption of redeemable units	(262)		(1,216)
Net cash from (used in) financing activities	2,455		(205)
Net increase in cash	—		—
Cash, beginning of year	—		—
Cash, end of year	\$ —	\$	—
<i>Supplemental information:</i>			
Interest received	\$ —	\$	68
Dividends received	\$ 203	\$	197

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

NBIMC PRIVATE EQUITY FUND

Statement of Financial Position

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

As at March 31

	2016		2015
Assets			
Investments	\$ 495,553	\$	466,649
Cash	2		27
Dividends receivable	—		29
Interest receivable	33		—
Total assets	495,588		466,705
Liabilities			
Payable for investment purchases	—		26
Derivative liabilities (note 5)	2		1
Liabilities (excluding net assets attributable to holders of redeemable units)	2		27
Net assets attributable to holders of redeemable units	\$ 495,586	\$	466,678

Net assets attributable to holders of redeemable units per unit	\$ 2,756.07	\$	2,302.84
<i>Commitments (note 9)</i>			

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 PRIVATE EQUITY FUND**Statement of Comprehensive Income***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016	2015
Income		
Interest	\$ 346	\$ —
Dividend	11,197	11,108
Derivative loss	(2)	(1)
Net realized gain on investments	80,301	33,135
Net change in unrealized gain on investments	6,293	35,211
Total income	98,135	79,453
Expenses		
Other	10,928	9,217
Total expenses	10,928	9,217
Increase in net assets attributable to holders of redeemable units	\$ 87,207	\$ 70,236

*The accompanying notes are an integral part of these financial statements.***NBIMC PRIVATE EQUITY FUND****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

	2016	2015
Net assets attributable to holders of redeemable units, beginning of year	\$ 466,678	\$ 360,260
Increase in net assets attributable to holders of redeemable units	87,207	70,236
Proceeds from issuance of redeemable units	63,043	104,108
Amounts paid on redemption of redeemable units	(121,342)	(67,926)
Net assets attributable to holders of redeemable units, end of year	\$ 495,586	\$ 466,678

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

NBIMC PRIVATE EQUITY FUND**Statement of Cash Flows***(All amounts in thousands of Canadian dollars, except per unit amounts)*

For the year ended March 31

	2016		2015
Cash flows from (used in) operating activities			
Increase in net assets attributable to holders of redeemable units	\$ 87,207	\$	70,236
Adjustments for:			
Foreign exchange (gain) loss on dividends	(36)		33
Net realized gain on sale of investments	(80,301)		(33,135)
Net change in unrealized gain on investments	(6,293)		(35,211)
Purchases of investments	(462,616)		(437,356)
Proceeds from sale and maturity of investments	520,342		399,280
Dividends receivable	29		(29)
Interest receivable	(33)		—
Payable for investment purchases	(26)		26
Derivative liabilities	1		1
Net cash from (used in) operating activities	58,274		(36,155)
Cash flows from (used in) financing activities			
Proceeds from issuances of redeemable units	63,043		104,108
Amounts paid on redemption of redeemable units	(121,342)		(67,926)
Net cash (used in) from financing activities	(58,299)		36,182
Net (decrease) increase in cash	(25)		27
Cash, beginning of year	27		—
Cash, end of year	\$ 2	\$	27
<i>Supplemental information:</i>			
Interest paid	\$ 313	\$	3
Dividends received	\$ 11,226	\$	11,079

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

NBIMC ASSET MIX STRATEGY FUND

Statement of Financial Position

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

As at March 31

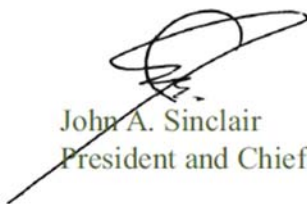
	2016
Assets	
Investments	\$ 79,965
Derivative assets (note 5)	105
Margin at brokers (note 5)	29
Total assets	80,099
Liabilities	
Payable for investment purchases	6,120
Liabilities (excluding net assets attributable to holders of redeemable units)	6,120
Net assets attributable to holders of redeemable units	\$ 73,979
Net assets attributable to holders of redeemable units per unit	\$ 1,038.35

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 ASSET MIX STRATEGY FUND**Statement of Comprehensive Loss***(All amounts in thousands of Canadian dollars, except per unit amounts)*

	For the period since inception on June 26, 2015 to March 31, 2016
Income	
Dividend	\$ 250
Derivative loss	(826)
Net realized loss on investments	(861)
Net change in unrealized gain on investments	292
Total loss	(1,145)
Expenses	
Transaction costs	5
Total expenses	5
Decrease in net assets attributable to holders of redeemable units	\$ (1,150)

*The accompanying notes are an integral part of these financial statements.***NBIMC ASSET MIX STRATEGY FUND****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 period since inception on June 26, 2015 to March 31, 2016
Net assets attributable to holders of redeemable units, beginning of period	\$ —
Decrease in net assets attributable to holders of redeemable units	(1,150)
Proceeds from issuance of redeemable units	188,874
Amounts paid on redemption of redeemable units	(113,745)
Net assets attributable to holders of redeemable units, end of period	\$ 73,979

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

NBIMC ASSET MIX STRATEGY FUND**Statement of Cash Flows***(All amounts in thousands of Canadian dollars, except per unit amounts)*

	For the period since inception on June 26, 2015 to March 31, 2016	
<hr/>		
Cash flows from (used in) operating activities		
Decrease in net assets attributable to holders of redeemable units	\$	(1,150)
Adjustments for:		
Foreign exchange gain on currency forwards		(1,426)
Net realized loss on sale of investments		861
Net change in unrealized gain on investments		(292)
Purchases of investments		(718,866)
Proceeds from sale and maturity of investments		639,758
Derivative assets		(105)
Margin at brokers		(29)
Payable for investment purchases		6,120
Net cash used in operating activities		(75,129)
<hr/>		
Cash flows from (used in) financing activities		
Proceeds from issuances of redeemable units		188,874
Amounts paid on redemption of redeemable units		(113,745)
Net cash from financing activities		75,129
<hr/>		
Net increase in cash		—
Cash, beginning of period		—
Cash, end of period	\$	—
<hr/>		
<i>Supplemental information:</i>		
Dividends received	\$	250

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, 2016

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

The NBIMC Unit Trust Funds are established pursuant to a Trust Declaration made by the New Brunswick Investment Management Corporation (“NBIMC”) on April 1, 1998 and subsequently amended from time to time. Each unit trust fund is an open-ended, unincorporated trust, governed by the laws of the Province of New Brunswick. The Unit Trust Funds 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* (the Act), which was proclaimed on March 11, 1996, and is trustee for the Funds. The Funds were established for the collective investment management and administration of the assets of public sector pension and other funds. 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, 2016:

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 rolling 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 rolling average.

NBP Canadian Long-Term Bond Fund (formerly NBIMC Canadian Long-Term Bond Fund)

On December 30, 2015, this fund was renamed and transitioned to a special purpose fund to invest primarily in investment grade Canadian long-term government bonds paying a nominal rate of interest. The performance objective is the actual return of the portfolio. Previously the benchmark for this fund was the FTSE TMX Canada Long-Term Overall Bond Index.

NBIMC New Brunswick Fixed Income Opportunity Fund

This fund invests primarily in fixed income issued 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 rolling 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 T-Bill Index plus 7% One-day Canadian 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 and seeks to add 50 basis points to its benchmark over a rolling four year period. 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 Composite Total Return Index, 45% FTSE TMX Canada All Government Bond Index, 4.65% FTSE TMX Canada 91 Day T-Bill Index and 0.35% One-day Canadian 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 Total Return 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 Composite Total Return Index over four-year rolling periods.

NBIMC Low Volatility Canadian Equity Fund

This fund actively invests in securities to gain exposure to the MSCI Canada Minimum Volatility Total Return Index, Gross. Prior to October 1, 2014, this fund's benchmark was the S&P/TSX Composite Total Return Index. The objective is to achieve a long-term rate of return equivalent to this index over four-year rolling periods.

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 Composite Total Return Index, over a four-year rolling average.

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 Composite Total Return 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 add 150 basis points net of fees to its benchmark, the MSCI EAFE Total Return Index in \$C, Net, over a four-year rolling average.

NBIMC EAFE Equity Index Fund

This fund was created on January 5, 2015 to invest in publicly-traded securities in the MSCI EAFE Total Return Index in \$C, Net. The performance objective is to add 20 basis points net of fees to its benchmark, the MSCI EAFE Total Return Index in \$C, Net, over a four-year rolling average. This fund is restricted to pension fund unitholders only.

NBIMC EAFE Equity Index Fund – Class N

This fund, previously named the NBIMC EAFE Equity Index Fund, invests in publicly-traded securities in the MSCI EAFE Total Return Index in \$C, Net. The performance objective is to add 20 basis points net of fees to its benchmark, the MSCI EAFE Total Return Index in \$C, Net, over a four-year rolling average. This fund is restricted to non-pension fund unitholders only.

NBIMC Low Volatility International Equity Fund

This fund was created on January 5, 2015 to actively invest in securities in the MSCI EAFE Minimum Volatility (USD) Total Return Index in \$C, Net. The objective is to achieve a long-term rate of return equivalent to this index, net of fees, on an annualized four-year rolling average. This fund is restricted to pension fund unitholders only.

NBIMC Low Volatility International Equity Fund – Class N

This fund, previously named the NBIMC Low Volatility International Equity Fund, actively invests in securities in the MSCI EAFE Minimum Volatility (USD) Total Return Index in \$C, Net. Prior to October 1, 2014, this fund's benchmark was the MSCI EAFE (Developed Markets) Index (CAD\$). The objective is to achieve a long-term rate of return equivalent to this index, net of fees, on an annualized four-year rolling average. This fund is restricted to non-pension fund unitholders only.

NBIMC Low Volatility Emerging Markets Equity Fund

This fund was created in on February 18, 2015 to actively invest in securities in the MSCI Emerging Markets Minimum Volatility Total Return Index in \$C, Net. The objective is to achieve a long-term rate of return equivalent to this index, net of fees, on an annualized four-year rolling average.

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 in \$C.

NBIMC Low Volatility U.S. Equity Fund

This fund actively invests in securities to gain exposure to the MSCI USA Minimum Volatility (USD) Total Return Index in \$C, Net. Prior to October 1, 2014, this fund's benchmark was the S&P 500 Total Return Index in \$C. The objective is to achieve a long-term rate of return equivalent to this index, net of fees, on an annualized four-year rolling average.

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 rolling 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 (REIT) securities. The performance objective is to match the return of the S&P/TSX Capped REIT Total Return Index.

NBIMC Non-Canadian Private Real Estate Fund

This fund was created on December 19, 2014 to invest in private non-Canadian real estate investments directly or indirectly through limited partnerships or similar investment vehicles. The benchmark is inflation, as measured by the percentage change in the twelve-month average CPI-Canada All Items Index, plus 4%.

NBIMC International Real Estate Fund

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

NBIMC Public Infrastructure Fund

This fund was created on April 27, 2015 to provide additional investment diversification by providing infrastructure-like exposure with enhanced liquidity. The benchmark is inflation, as measured by the percentage change in the twelve-month CPI-Canada All Items Index, plus 4%.

NBIMC Infrastructure Fund

This fund was created to provide additional investment diversification through direct investment in infrastructure through co-investment structures. The performance objective is to achieve a 4% real rate of return over a long-term investment horizon.

NBIMC North American Market Neutral Fund

This fund focuses on adding value through security selection within its universe of the S&P/TSX Total Return 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 350 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 T-Bill Index plus 7% One-day Canadian 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 350 basis points over its benchmark. The benchmark is calculated as 93% of the FTSE TMX Canada 91 Day T-Bill Index plus 7% One-day Canadian 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 in \$C.

NBIMC Asset Mix Strategy Fund

This fund was created on June 26, 2015 to add value through active asset mix decisions by the NBIMC's internal Asset Mix Strategy Committee. The objective is to add 10 basis points of absolute return.

1. Basis of presentation

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

The financial statements were authorized for issue by the Board of Directors of NBIMC on June 6, 2016.

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.

Certain comparative information, including distributions to holders of redeemable units presented net of proceeds from issuance of redeemable units, has been reclassified from that previously presented to conform to the financial statement presentation adopted in the current year.

2. Significant Accounting Policies

(a) Changes in Accounting Policies

The Funds have chosen to early adopt IFRS 9 - *Financial instruments*. There were no accounting impacts to the previously disclosed financial results as a result of early adopting this accounting standard.

For an explanation of how the Funds classify financial assets and liabilities under IFRS 9, see Note 2(b)(ii).

(b) Financial instruments

(i) Recognition and initial measurement

Financial assets and financial liabilities at FVTPL are recognized 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

Financial assets are required to be classified as measured at amortized cost, fair value through other comprehensive income or FVTPL according to the business model used for managing them and their contractual cash flow characteristics. Financial liabilities are classified as measured through amortized cost unless they are measured at FVTPL.

2. Significant Accounting Policies (continued)

The Funds make an assessment of the objective of a business model because this best reflects the way the business is managed and information is provided. The information considered includes:

- the stated policies and objectives and the operation of those policies in practice. In particular, whether strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realizing cash flows through the sale of assets;
- how performance is evaluated and reported;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Funds' stated objective for managing the financial assets is achieved and how cash flows are realized.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

The investments of each Fund, regardless of the type of investments, are managed and their performance is evaluated on a fair value basis. As such, the Funds classify all investments as FVTPL with changes in fair value being recognized in net investment income in the Statement of Comprehensive Income (Loss).

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

2. Significant Accounting Policies (continued)

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 if 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.

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

On derecognition of a financial asset or financial liability, the difference between its carrying amount 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 asset or financial liability that is created or retained by the Funds is recognized as a separate asset or liability.

(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 intend 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.

2. Significant Accounting Policies (continued)

(c) 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.

(d) 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.

(e) 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.

(f) 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.

(g) 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.

2. Significant Accounting Policies *(continued)*

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.

(h) *Income taxes*

The 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.

(i) *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 Declaration. As such, redeemable units are classified as financial liabilities at FVTPL and measured at redemption amounts. Distributions to holders of redeemable units are recognized in the Statement of Changes in Net Assets Attributable to Holders of Redeemable Units. Unit issues and redemptions are recorded on a trade date basis. The total number of units available for issue is unlimited.

2. Significant Accounting Policies *(continued)*

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.

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 fixed income securities, publicly traded equity securities, real estate investment trusts (REITs) and exchange-traded funds and futures.

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, and derivatives traded over-the-counter.

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-term nature.

3. Fair value of financial instruments (continued)

The levels of input for valuation of the Funds' financial instruments at FVTPL as at March 31, 2016 are as follows:

	March 31, 2016 \$	Level 1 \$	Level 2 \$	Level 3 \$
Fixed Income Funds:				
NBIMC Nominal Bond Fund	2,146,821	1,816,182	330,639	—
NBIMC Corporate Bond Fund	2,201,761	2,148,693	53,068	—
NBP Canadian Long-Term Bond Fund (formerly NBIMC Canadian Long-Term Bond Fund)	67,343	66,898	445	—
NBIMC New Brunswick Fixed Income Opportunity Fund	14,362	—	—	14,362
NBIMC Money Market Fund	995,047	59,999	935,048	—
NBIMC Student Investment Fund	3,215	2,976	239	—
Equity Funds:				
NBIMC Canadian Equity Index Fund	834,349	249,259	585,090	—
NBIMC Low Volatility Canadian Equity Fund	676,559	674,549	2,010	—
NBIMC External Canadian Equity Fund	217,504	113,490	104,014	—
NBIMC Canadian Equity Active Long Strategy Fund	176,236	162,066	14,170	—
NBIMC External International Equity Fund	248,718	—	248,718	—
NBIMC EAFE Equity Index Fund	459,537	459,865	(328)	—
NBIMC EAFE Equity Index Fund – Class N	20,659	20,716	(57)	—
NBIMC Low Volatility International Equity Fund	667,814	668,950	(1,136)	—
NBIMC Low Volatility International Equity Fund – Class N	35,713	28,742	6,971	—
NBIMC Low Volatility Emerging Markets Equity Fund	382,143	385,460	(3,317)	—
NBIMC U.S. Equity Index Fund	804,573	810,493	(5,920)	—
NBIMC Low Volatility U.S. Equity Fund	776,177	755,733	20,444	—
Inflation Linked Funds:				
NBIMC Inflation Linked Securities Fund	668,794	16,589	652,205	—
NBIMC Canadian Real Estate Fund	291,386	—	—	291,386
NBIMC Canadian Real Estate Investment Trust Fund	220,371	220,364	7	—
NBIMC Non-Canadian Private Real Estate Fund	19,989	—	908	19,081
NBIMC International Real Estate Fund	215,965	214,139	1,826	—
NBIMC Public Infrastructure Fund	197,875	94,759	103,116	—
NBIMC Infrastructure Fund	162,743	—	900	161,843
Alternative Investments Funds:				
NBIMC North American Market Neutral Fund	321,346	5,949	315,397	—
NBIMC Quantitative Strategies Fund	722,517	59,927	662,590	—
NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund	31,955	—	—	31,955
NBIMC Private Equity Fund	495,551	—	(2)	495,553
Tactical Asset Allocation:				
NBIMC Asset Mix Strategy Fund	80,070	12,533	67,537	—

3. Fair value of financial instruments (continued)

The levels of input for valuation of the Funds' financial instruments at FVTPL as at March 31, 2015 are as follows:

	March 31, 2015 \$	Level 1 \$	Level 2 \$	Level 3 \$
Fixed Income Funds:				
NBIMC Nominal Bond Fund	2,100,888	1,686,328	414,560	—
NBIMC Corporate Bond Fund	1,705,714	1,515,925	189,789	—
NBIMC Canadian Long-Term Bond Fund	159,456	154,942	4,514	—
NBIMC New Brunswick Fixed Income Opportunity Fund	15,455	—	—	15,455
NBIMC Money Market Fund	1,103,518	54,124	1,049,394	—
NBIMC Student Investment Fund	3,320	3,121	199	—
Equity Funds:				
NBIMC Canadian Equity Index Fund	1,229,409	336,068	893,341	—
NBIMC Low Volatility Canadian Equity Fund	482,153	469,532	12,621	—
NBIMC External Canadian Equity Fund	334,193	163,350	170,843	—
NBIMC Canadian Equity Active Long Strategy Fund	232,696	145,927	86,769	—
NBIMC External International Equity Fund	260,681	—	260,681	—
NBIMC EAFE Equity Index Fund	875,654	837,107	38,547	—
NBIMC EAFE Equity Index Fund – Class N	31,157	31,156	1	—
NBIMC Low Volatility International Equity Fund	501,793	499,994	1,799	—
NBIMC Low Volatility International Equity Fund – Class N	25,448	25,437	11	—
NBIMC Low Volatility Emerging Markets Equity Fund	211,386	211,689	(303)	—
NBIMC U.S. Equity Index Fund	922,981	958,233	(35,252)	—
NBIMC Low Volatility U.S. Equity Fund	549,156	547,911	1,245	—
Inflation Linked Funds:				
NBIMC Inflation Linked Securities Fund	739,375	—	739,375	—
NBIMC Canadian Real Estate Fund	254,130	—	—	254,130
NBIMC Canadian Real Estate Investment Trust Fund	263,046	263,021	25	—
NBIMC International Real Estate Fund	352,552	349,396	3,156	—
NBIMC Infrastructure Fund	103,690	—	(2,051)	105,741
Alternative Investments Funds:				
NBIMC North American Market Neutral Fund	250,974	8,413	242,561	—
NBIMC Quantitative Strategies Fund	493,495	78,817	414,678	—
NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund	28,392	—	—	28,392
NBIMC Private Equity Fund	466,648	—	(1)	466,649

All fair value measurements above are recurring.

3. Fair value of financial instruments *(continued)*

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-termed 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.

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

There were no transfers between Level 1, Level 2 and Level 3 in either the current or comparative year.

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.

3. Fair value of financial instruments (continued)

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, 2016, the provincial credit quality spread was estimated to be 127 basis points ("bps") (2015 – 100 bps) and the illiquidity premium was estimated to be 30 bps (2015 – 45 bps). A 10 bps change in valuation would increase or decrease the March 31, 2016 value by \$69 (2015 - \$87).

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, 2016, 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 \$19,219 or \$20,857 respectively (2015 - \$18,288 or \$20,625 respectively).

The NBIMC Non-Canadian Private Real Estate Fund holds investments in international real properties, indirectly through wholly owned holding companies invested in limited partnership structures. 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, 2016, 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 \$1,289 or \$1,948 respectively.

3. Fair value of financial instruments (continued)

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 note 5). The independent valuations received for each of the Fund's investments suggest an aggregate range of values of \$159,123 to \$173,867 as at March 31, 2016 (2015 - \$103,344 to \$112,233). 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. At March 31, 2016, an increase or decrease of \$1 in the comparable per share value for these investments would increase or decrease the carrying value of this Fund's investments by approximately \$830 (2015 - \$750). 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 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 publicly-traded holdings using current quoted market values. Excluding the publicly-traded holdings, a 1% increase or decrease in the per unit net asset values reported by the limited partnerships would increase or decrease the carrying value of investments in this Fund at March 31, 2016 by \$4,712 (2015 - \$4,449). It is reasonably possible 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(b)).

3. Fair value of financial instruments (continued)

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, 2016	Fair Value, beginning of year \$	Gains (losses) in profit or loss \$	Purchases \$	Settlements \$	Fair Value, end of year \$
NBIMC New Brunswick Fixed Income Opportunity Fund	15,455	(426)	—	(667)	14,362
NBIMC Canadian Real Estate Fund	254,130	19,189	61,567	(43,500)	291,386
NBIMC Non-Canadian Private Real Estate Fund	—	802	21,816	(3,537)	19,081
NBIMC Infrastructure Fund	105,741	5,436	80,684	(30,018)	161,843
NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund	28,392	913	9,650	(7,000)	31,955
NBIMC Private Equity Fund	466,649	86,630	80,962	(138,688)	495,553

Year ended March 31, 2015	Fair Value, beginning of year \$	Gains (losses) in profit or loss \$	Purchases \$	Settlements \$	Fair Value, end of year \$
NBIMC New Brunswick Fixed Income Opportunity Fund	15,453	582	—	(580)	15,455
NBIMC Canadian Real Estate Fund	196,134	14,070	109,041	(65,115)	254,130
NBIMC Infrastructure Fund	100,274	4,376	1,091	—	105,741
NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund	29,204	(872)	533	(473)	28,392
NBIMC Private Equity Fund	360,260	66,685	124,587	(84,883)	466,649

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.

4. Financial Instrument Risk Management *(continued)*

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.

4. Financial Instrument Risk Management (continued)

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	2016		2015	
NBIMC Nominal Bond Fund	\$	291,650	\$	31,790
NBIMC Inflation Linked Securities Fund		239,858		363,979

Pledged By	2016		2015	
NBIMC Canadian Equity Index Fund	\$	11,439	\$	3,288
NBIMC Low Volatility Canadian Equity Fund		—		1,219
NBIMC EAFE Equity Index Fund		2,275		291
NBIMC EAFE Equity Index Fund – Class N		—		4
NBIMC Low Volatility International Equity Fund		3,984		2,085
NBIMC Low Volatility International Equity Fund – Class N		—		182
NBIMC Low Volatility Emerging Markets Fund		—		23
NBIMC U.S. Equity Index Fund		4,446		3,680
NBIMC Low Volatility U.S. Equity Fund		436		218
NBIMC North American Market Neutral Fund		158,761		190,369
NBIMC Quantitative Strategies Fund		350,070		194,410
NBIMC Asset Mix Strategy Fund		97		—

(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 at March 31 are as follows:

NBIMC Nominal Bond Fund

Currency	2016 Fair Value by Currency				2015 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	2,178,105	13,671	2,164,434	99.98	2,231,127	113,104	2,118,023	99.97
U.S. Dollar	(13,186)	(13,671)	485	0.02	(112,363)	(113,104)	741	0.03
Total	2,164,919	—	2,164,919	100.00	2,118,764	—	2,118,764	100.00

NBIMC Student Investment Fund

Currency	2016 Fair Value by Currency				2015 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	3,229	—	3,229	99.69	3,325	—	3,325	99.49
U.S. Dollar	10	—	10	0.31	17	—	17	0.51
Total	3,239	—	3,239	100.00	3,342	—	3,342	100.00

4. Financial Instrument Risk Management (continued)

NBIMC Canadian Equity Index Fund

Currency	2016 Fair Value by Currency				2015 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	839,343	—	839,343	99.96	1,231,675	—	1,231,675	99.94
U.S. Dollar	344	—	344	0.04	705	—	705	0.06
Total	839,687	—	839,687	100.00	1,232,380	—	1,232,380	100.00

NBIMC Canadian Equity Active Long Strategy Fund

Currency	2016 Fair Value by Currency				2015 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	176,006	—	176,006	99.85	232,971	—	232,971	100.00
U.S. Dollar	258	—	258	0.15	—	—	—	—
Total	176,264	—	176,264	100.00	232,971	—	232,971	100.00

NBIMC External International Equity Fund

Currency	2016 Fair Value by Currency				2015 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
U.S. Dollar	248,718	—	248,718	100.00	260,681	—	260,681	100.00
Total	248,718	—	248,718	100.00	260,681	—	260,681	100.00

NBIMC EAFE Equity Index Fund

Currency	2016 Fair Value by Currency				2015 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	(8,298)	(8,262)	(36)	(0.01)	40,521	39,690	831	0.09
U.S. Dollar	2,521	28	2,493	0.54	78,249	38,826	39,423	4.47
Euro	144,815	2,533	142,282	30.64	233,363	(24,416)	257,779	29.23
Pound Sterling	90,569	1,595	88,974	19.16	150,610	(15,417)	166,027	18.82
Danish Kroner	9,368	165	9,203	1.98	12,751	(1,329)	14,080	1.60
Japanese Yen	106,203	1,865	104,338	22.47	170,962	(16,938)	187,900	21.30
Norwegian Kroner	2,705	45	2,660	0.57	4,825	(503)	5,328	0.60
Swedish Kroner	13,911	247	13,664	2.94	23,576	(2,408)	25,984	2.95
Swiss Franc	43,775	749	43,026	9.27	70,621	(7,178)	77,799	8.82
Australian Dollar	33,852	589	33,263	7.16	56,405	(5,687)	62,092	7.04
Hong Kong Dollar	14,793	262	14,531	3.13	23,605	(2,812)	26,417	3.00
Singapore Dollar	6,304	116	6,188	1.33	11,011	(1,101)	12,112	1.37
Other	3,778	68	3,710	0.80	5,561	(727)	6,288	0.71
Total	464,296	—	464,296	100.00	882,060	—	882,060	100.00

4. Financial Instrument Risk Management (continued)

NBIMC EAFE Equity Index Fund – Class N

Currency	2016 Fair Value by Currency				2015 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	8,110	8,262	(152)	(0.73)	(27)	—	(27)	(0.09)
U.S. Dollar	55	(28)	83	0.40	21	—	21	0.07
Euro	3,916	(2,533)	6,449	30.96	9,619	—	9,619	30.63
Pound Sterling	2,447	(1,595)	4,042	19.40	6,219	—	6,219	19.81
Danish Kroner	270	(165)	435	2.09	526	—	526	1.67
Japanese Yen	2,858	(1,865)	4,723	22.66	6,984	—	6,984	22.27
Norwegian Kroner	95	(45)	140	0.67	199	—	199	0.63
Swedish Kroner	371	(247)	618	2.97	967	—	967	3.08
Swiss Franc	1,195	(749)	1,944	9.33	2,903	—	2,903	9.24
Australian Dollar	863	(589)	1,452	6.97	2,315	—	2,315	7.37
Hong Kong Dollar	377	(262)	639	3.07	987	—	987	3.14
Singapore Dollar	167	(116)	283	1.36	451	—	451	1.44
Other	107	(68)	175	0.85	236	—	236	0.74
Total	20,831	—	20,831	100.00	31,400	—	31,400	100.00

NBIMC Low Volatility International Equity Fund

Currency	2016 Fair Value by Currency				2015 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	1,275	1,205	70	0.01	(1,609)	(1,704)	95	0.02
U.S. Dollar	6,626	(1,205)	7,831	1.16	3,683	1,704	1,979	0.39
Euro	135,054	—	135,054	20.03	99,329	—	99,329	19.57
Pound Sterling	133,637	—	133,637	19.82	104,479	—	104,479	20.59
Danish Kroner	6,895	—	6,895	1.02	2,707	—	2,707	0.53
Japanese Yen	169,639	—	169,639	25.16	134,274	—	134,274	26.46
Norwegian Kroner	4,875	—	4,875	0.72	5,301	—	5,301	1.04
Swedish Kroner	9,281	—	9,281	1.38	7,702	—	7,702	1.52
Swiss Franc	71,478	—	71,478	10.60	47,269	—	47,269	9.31
Australian Dollar	51,870	—	51,870	7.70	46,257	—	46,257	9.11
Hong Kong Dollar	44,619	—	44,619	6.62	28,936	—	28,936	5.70
Singapore Dollar	19,844	—	19,844	2.94	14,031	—	14,031	2.77
Other	19,132	—	19,132	2.84	15,150	—	15,150	2.99
Total	674,225	—	674,225	100.00	507,509	—	507,509	100.00

4. Financial Instrument Risk Management (continued)

NBIMC Low Volatility International Equity Fund – Class N

Currency	2016 Fair Value by Currency				2015 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	(7,115)	(7,043)	(72)	(0.25)	11	—	11	0.05
U.S. Dollar	13,928	7,043	6,885	23.65	20	—	20	0.08
Euro	4,515	—	4,515	15.51	5,107	—	5,107	19.78
Pound Sterling	4,459	—	4,459	15.32	5,358	—	5,358	20.76
Danish Kroner	254	—	254	0.87	137	—	137	0.53
Japanese Yen	5,643	—	5,643	19.39	6,879	—	6,879	26.65
Norwegian Kroner	176	—	176	0.60	268	—	268	1.04
Swedish Kroner	327	—	327	1.12	391	—	391	1.51
Swiss Franc	2,381	—	2,381	8.18	2,376	—	2,376	9.20
Australian Dollar	1,742	—	1,742	5.98	2,328	—	2,328	9.02
Hong Kong Dollar	1,490	—	1,490	5.12	1,469	—	1,469	5.69
Singapore Dollar	666	—	666	2.29	704	—	704	2.72
Other	643	—	643	2.22	763	—	763	2.97
Total	29,109	—	29,109	100.00	25,811	—	25,811	100.00

NBIMC Low Volatility Emerging Markets Equity Fund

Currency	2016 Fair Value by Currency				2015 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	(4,356)	(519)	(3,837)	(0.99)	(303)	—	(303)	(0.14)
U.S. Dollar	42,391	519	41,872	10.80	11,718	—	11,718	5.53
Hong Kong Dollar	46,487	—	46,487	11.99	52,579	—	52,579	24.81
UAE Dirham	1,215	—	1,215	0.31	1,448	—	1,448	0.68
Brazilian Reals	9,018	—	9,018	2.33	10,925	—	10,925	5.16
Chilean Pesos	19,230	—	19,230	4.96	8,899	—	8,899	4.20
Indonesian Rupiahs	14,490	—	14,490	3.74	5,496	—	5,496	2.59
Philippine Pesos	13,002	—	13,002	3.35	8,319	—	8,319	3.93
Polish Zlotys	12,341	—	12,341	3.18	8,865	—	8,865	4.18
Qatari Rials	13,883	—	13,883	3.58	2,255	—	2,255	1.06
Thailand Baht	22,739	—	22,739	5.87	10,271	—	10,271	4.85
New Taiwan Dollars	73,574	—	73,574	19.00	30,989	—	30,989	14.63
S.A. Unitary Rand	20,923	—	20,923	5.40	22,454	—	22,454	10.60
South Korean Won	37,186	—	37,186	9.59	20,524	—	20,524	9.69
Malaysian Ringgit	35,988	—	35,988	9.29	10,347	—	10,347	4.88
Mexican Pesos	16,214	—	16,214	4.18	5,170	—	5,170	2.44
Other	13,250	—	13,250	3.42	1,925	—	1,925	0.91
Total	387,575	—	387,575	100.00	211,881	—	211,881	100.00

4. Financial Instrument Risk Management (continued)

NBIMC U.S. Equity Index Fund

Currency	2016 Fair Value by Currency				2015 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	6,401	(5,901)	500	0.06	37,569	36,411	1,158	0.13
U.S. Dollar	800,427	5,901	806,328	99.94	886,989	(36,411)	923,400	99.87
Total	806,828	—	806,828	100.00	924,558	—	924,558	100.00

NBIMC Low Volatility U.S. Equity Fund

Currency	2016 Fair Value by Currency				2015 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	(19,567)	(20,005)	438	0.06	(629)	(937)	308	0.06
U.S. Dollar	778,094	20,005	758,089	99.94	550,795	937	549,858	99.94
Total	758,527	—	758,527	100.00	550,166	—	550,166	100.00

NBIMC Non-Canadian Private Real Estate Fund

Currency	2016 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	36,967	18,029	18,938	94.74
Euro	(16,978)	(18,029)	1,051	5.26
Total	19,989	—	19,989	100.00

NBIMC International Real Estate Fund

Currency	2016 Fair Value by Currency				2015 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	1,842	—	1,842	0.85	3,156	—	3,156	0.89
U.S. Dollar	214,707	—	214,707	99.15	350,408	—	350,408	99.11
Total	216,549	—	216,549	100.00	353,564	—	353,564	100.00

4. Financial Instrument Risk Management (continued)

NBIMC Public Infrastructure Fund

Currency	2016 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	113,195	—	113,195	56.34
U.S. Dollar	47,049	—	47,049	23.42
Euro	15,104	—	15,104	7.52
Pound Sterling	11,980	—	11,980	5.96
Japanese Yen	1,855	—	1,855	0.92
Swiss Franc	536	—	536	0.27
Australian Dollar	5,533	—	5,533	2.75
Hong Kong Dollar	4,970	—	4,970	2.47
Singapore Dollar	39	—	39	0.02
Other	668	—	668	0.33
Total	200,929	—	200,929	100.00

NBIMC Infrastructure Fund

Currency	2016 Fair Value by Currency				2015 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	156,156	51,058	105,098	64.78	137,027	44,533	92,494	89.20
U.S. Dollar	51,780	—	51,780	31.92	—	—	—	—
Euro	(3,640)	(1,820)	(1,820)	(1.12)	—	—	—	—
Pound Sterling	(53,651)	(49,238)	(4,413)	(2.72)	(45,092)	(44,533)	(559)	(0.54)
Australian Dollar	11,575	—	11,575	7.14	11,755	—	11,755	11.34
Total	162,220	—	162,220	100.00	103,690	—	103,690	100.00

NBIMC North American Market Neutral Fund

Currency	2016 Fair Value by Currency				2015 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	295,762	(22,380)	318,142	99.99	226,990	(18,342)	245,332	100.12
U.S. Dollar	22,414	22,380	34	0.01	18,036	18,342	(306)	(0.12)
Total	318,176	—	318,176	100.00	245,026	—	245,026	100.00

4. Financial Instrument Risk Management (continued)

NBIMC Quantitative Strategies Fund

Currency	2016 Fair Value by Currency				2015 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	750,275	25,221	725,054	99.92	520,862	26,806	494,056	99.92
U.S. Dollar	(24,627)	(25,221)	594	0.08	(26,395)	(26,806)	411	0.08
Total	725,648	—	725,648	100.00	494,467	—	494,467	100.00

NBIMC Private Equity Fund

Currency	2016 Fair Value by Currency				2015 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	51,400	189	51,211	10.33	49,861	(130)	49,991	10.71
U.S. Dollar	209,337	—	209,337	42.24	203,215	2	203,213	43.54
Euro	187,670	(189)	187,859	37.91	176,139	128	176,011	37.72
Pound Sterling	47,179	—	47,179	9.52	37,463	—	37,463	8.03
Total	495,586	—	495,586	100.00	466,678	—	466,678	100.00

NBIMC Asset Mix Strategy Fund

Currency	2016 Fair Value by Currency			
	Total Exposure \$	Hedging \$	Net Exposure \$	Total %
Canadian Dollar	79,303	5,869	73,434	99.26
U.S. Dollar	(5,324)	(5,869)	545	0.74
Total	73,979	—	73,979	100.00

4. Financial Instrument Risk Management (continued)

A 1% absolute 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 at March 31 as follows:

	2016	2015
	\$	\$
NBIMC Nominal Bond Fund	5	7
NBIMC Canadian Equity Index Fund	3	7
NBIMC Canadian Equity Active Long Strategy Fund	3	—
NBIMC External International Equity Fund	2,487	2,607
NBIMC EAFE Equity Index Fund	4,643	8,812
NBIMC EAFE Equity Index Fund – Class N	210	314
NBIMC Low Volatility International Equity Fund	6,742	5,074
NBIMC Low Volatility International Equity Fund – Class N	292	258
NBIMC Low Volatility Emerging Markets Equity Fund	3,914	2,122
NBIMC U.S. Equity Index Fund	8,063	9,234
NBIMC Low Volatility U.S. Equity Fund	7,581	5,499
NBIMC Non-Canadian Private Real Estate Fund	11	—
NBIMC International Real Estate Fund	2,147	3,504
NBIMC Public Infrastructure Fund	877	—
NBIMC Infrastructure Fund	571	112
NBIMC North American Market Neutral Fund	—	(3)
NBIMC Quantitative Strategies Fund	6	4
NBIMC Private Equity Fund	4,444	4,167
NBIMC Asset Mix Strategy Fund	5	—

(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 invested in fixed income securities or in derivative securities that have interest-bearing short-term securities as underlay to prevent leverage 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.

4. Financial Instrument Risk Management (continued)

The duration of financial instruments in each of these Funds, and the sensitivity to an increase or decrease of 1.0% in interest rates, at March 31 are as follows:

	2016		
	Financial Instruments	Duration	Sensitivity to
	Fair Value	(years)	1.0% change in rates
	\$		\$
NBIMC Nominal Bond Fund	2,054,971	8.4	167,865
NBIMC Corporate Bond Fund	2,152,858	6.6	136,483
NBP Canadian Long-Term Bond Fund <i>(formerly NBIMC Canadian Long-Term Bond Fund)</i>	66,898	14.6	9,402
NBIMC New Brunswick Fixed Income Opportunity Fund	14,362	4.8	614
NBIMC Money Market Fund	995,047	0.4	4,089
NBIMC Student Investment Fund	1,482	7.9	114
NBIMC Canadian Equity Index Fund	907,698	2.0	17,621
NBIMC Canadian Equity Active Long Strategy Fund	12,936	1.4	175
NBIMC Inflation Linked Securities Fund	668,354	15.7	101,742
NBIMC Quantitative Strategies Fund	26,013	2.8	671
NBIMC Private Equity Fund	3,288	5.2	154

	2015		
	Financial Instruments	Duration	Sensitivity to
	Fair Value	(years)	1.0% change in rates
	\$		\$
NBIMC Nominal Bond Fund	1,931,206	8.9	166,540
NBIMC Corporate Bond Fund	1,578,678	6.8	103,954
NBIMC Canadian Long-Term Bond Fund	154,943	15.1	22,497
NBIMC New Brunswick Fixed Income Opportunity Fund	15,455	5.2	720
NBIMC Money Market Fund	1,103,518	0.3	3,762
NBIMC Student Investment Fund	1,421	8.1	111
NBIMC Canadian Equity Index Fund	952,630	2.9	27,410
NBIMC Canadian Equity Active Long Strategy Fund	84,793	2.5	2,066
NBIMC Inflation Linked Securities Fund	734,722	16.6	118,276
NBIMC Quantitative Strategies Fund	4,933	5.0	238
NBIMC Private Equity Fund	2,976	10.1	281

4. Financial Instrument Risk Management (continued)

The remaining term to maturity of the aggregate financial instruments in each of these Funds at March 31 are as follows:

	2016				Total \$	Average Effective Yield %
	Within 1 Year \$	1-5 Years \$	6-10 Years \$	Over 10Years \$		
NBIMC Nominal Bond Fund	63,032	496,231	700,965	794,743	2,054,971	3.28
NBIMC Corporate Bond Fund	78,324	1,024,698	612,971	436,865	2,152,858	3.02
NBP Canadian Long-Term Bond Fund (formerly NBIMC Canadian Long-Term Bond Fund)	—	—	—	66,898	66,898	3.91
NBIMC New Brunswick Fixed Income Opportunity Fund	—	—	14,362	—	14,362	5.72
NBIMC Money Market Fund	863,997	131,050	—	—	995,047	1.09
NBIMC Student Investment Fund	131	334	412	605	1,482	4.38
NBIMC Canadian Equity Index Fund	647,341	260,357	—	—	907,698	1.28
NBIMC Canadian Equity Active Long Strategy Fund	3,927	9,009	—	—	12,936	1.15
NBIMC Inflation Linked Securities Fund	—	—	124,320	544,034	668,354	1.75
NBIMC Quantitative Strategies Fund	—	17,738	3,567	4,708	26,013	8.92
NBIMC Private Equity Fund	—	—	3,288	—	3,288	10.50

	2015				Total \$	Average Effective Yield %
	Within 1 Year \$	1-5 Years \$	6-10 Years \$	Over 10Years \$		
NBIMC Nominal Bond Fund	83,794	563,594	468,455	815,363	1,931,206	3.45
NBIMC Corporate Bond Fund	2,906	752,896	533,195	289,681	1,578,678	3.02
NBIMC Canadian Long-Term Bond Fund	—	—	885	154,058	154,943	3.70
NBIMC New Brunswick Fixed Income Opportunity Fund	—	—	—	15,455	15,455	5.62
NBIMC Money Market Fund	941,838	161,680	—	—	1,103,518	1.13
NBIMC Student Investment Fund	—	507	369	545	1,421	4.20
NBIMC Canadian Equity Index Fund	451,920	500,710	—	—	952,630	0.47
NBIMC Canadian Equity Active Long Strategy Fund	25,636	59,157	—	—	84,793	0.63
NBIMC Inflation Linked Securities Fund	—	—	139,157	595,565	734,722	1.69
NBIMC Quantitative Strategies Fund	—	—	4,933	—	4,933	6.07
NBIMC Private Equity Fund	—	—	2,976	—	2,976	10.50

4. Financial Instrument Risk Management (continued)

(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 credit exposure for each of the Funds as at March 31, 2016 is as follows:

	Financial Instruments at FVTPL \$	Financial Instruments at Amortized Cost \$	2016 Total \$
NBIMC Nominal Bond Fund	2,055,336	18,098	2,073,434
NBIMC Corporate Bond Fund	2,152,858	15,376	2,168,234
NBP Canadian Long-Term Bond Fund <i>(formerly NBIMC Canadian Long-Term Bond Fund)</i>	66,898	43	66,941
NBIMC New Brunswick Fixed Income Opportunity Fund	14,362	67	14,429
NBIMC Money Market Fund	995,047	1,443	996,490
NBIMC Student Investment Fund	1,482	24	1,506
NBIMC Canadian Equity Index Fund	976,863	5,338	982,201
NBIMC Low Volatility Canadian Equity Fund	—	2,119	2,119
NBIMC External Canadian Equity Fund	—	182	182
NBIMC Canadian Equity Active Long Strategy Fund	13,239	427	13,666
NBIMC EAFE Equity Index Fund	12	3,603	3,615
NBIMC EAFE Equity Index Fund – Class N	—	147	147
NBIMC Low Volatility International Equity Fund	21	5,212	5,233
NBIMC Low Volatility International Equity Fund – Class N	—	117	117
NBIMC Low Volatility Emerging Markets Equity Fund	—	845	845
NBIMC U.S. Equity Index Fund	7	2,255	2,262
NBIMC Low Volatility U.S. Equity Fund	—	1,687	1,687
NBIMC Inflation Linked Securities Fund	668,354	3,879	672,233
NBIMC Canadian Real Estate Fund	7,651	—	7,651
NBIMC Canadian Real Estate Investment Trust Fund	—	901	901
NBIMC Non-Canadian Private Real Estate Fund	908	—	908
NBIMC International Real Estate Fund	—	584	584
NBIMC Public Infrastructure Fund	—	115	115
NBIMC Infrastructure Fund	11,468	—	11,468
NBIMC North American Market Neutral Fund	—	95	95
NBIMC Quantitative Strategies Fund	28,602	1,084	29,686
NBIMC Private Equity Fund	3,288	33	3,321
NBIMC Asset Mix Strategy Fund	105	29	134

4. Financial Instrument Risk Management (continued)

The credit exposure for each of the Funds as at March 31, 2015 is as follows:

	Financial Instruments at FVTPL \$	Financial Instruments at Amortized Cost \$	2015 Total \$
NBIMC Nominal Bond Fund	1,931,204	17,876	1,949,080
NBIMC Corporate Bond Fund	1,578,678	10,806	1,589,484
NBIMC Canadian Long-Term Bond Fund	154,943	1,068	156,011
NBIMC New Brunswick Fixed Income Opportunity Fund	15,455	71	15,526
NBIMC Money Market Fund	1,103,519	1,906	1,105,425
NBIMC Student Investment Fund	1,421	22	1,443
NBIMC Canadian Equity Index Fund	976,213	2,971	979,184
NBIMC Low Volatility Canadian Equity Fund	—	1,594	1,594
NBIMC External Canadian Equity Fund	—	229	229
NBIMC Canadian Equity Active Long Strategy Fund	85,169	494	85,663
NBIMC EAFE Equity Index Fund	135	4,652	4,787
NBIMC EAFE Equity Index Fund – Class N	1	158	159
NBIMC Low Volatility International Equity Fund	—	2,371	2,371
NBIMC Low Volatility International Equity Fund – Class N	—	135	135
NBIMC Low Volatility Emerging Markets Equity Fund	—	157	157
NBIMC U.S. Equity Index Fund	217	1,577	1,794
NBIMC Low Volatility U.S. Equity Fund	—	1,151	1,151
NBIMC Inflation Linked Securities Fund	734,722	4,074	738,796
NBIMC Canadian Real Estate Fund	11,281	—	11,281
NBIMC Canadian Real Estate Investment Trust Fund	—	1,012	1,012
NBIMC International Real Estate Fund	—	1,012	1,012
NBIMC Infrastructure Fund	10,777	—	10,777
NBIMC North American Market Neutral Fund	979	373	1,352
NBIMC Quantitative Strategies Fund	4,941	355	5,296
NBIMC Private Equity Fund	2,976	29	3,005

4. Financial Instrument Risk Management (continued)

The quality of the credit exposure as at March 31, 2016 is as follows:

	2016					
	AAA \$	AA \$	A \$	BBB \$	R-1 \$	Other \$
NBIMC Nominal Bond Fund	860,458	428,550	757,094	8,868	18,464	—
NBIMC Corporate Bond Fund	99,479	467,186	949,081	626,375	21,950	4,163
NBP Canadian Long-Term Bond Fund <i>(formerly NBIMC Canadian Long-Term Bond Fund)</i>	—	—	66,898	—	43	—
NBIMC New Brunswick Fixed Income Opportunity Fund	—	—	14,362	—	67	—
NBIMC Money Market Fund	—	336,814	75,595	—	584,081	—
NBIMC Student Investment Fund	1,047	116	319	—	24	—
NBIMC Canadian Equity Index Fund	—	674,777	90,140	—	217,284	—
NBIMC Low Volatility Canadian Equity Fund	—	—	—	—	2,119	—
NBIMC External Canadian Equity Fund	—	—	—	—	182	—
NBIMC Canadian Equity Active Long Strategy Fund	—	9,010	—	—	4,656	—
NBIMC EAFE Equity Index Fund	—	—	—	—	3,615	—
NBIMC EAFE Equity Index Fund – Class N	—	—	—	—	147	—
NBIMC Low Volatility International Equity Fund	—	—	—	—	5,233	—
NBIMC Low Volatility International Equity Fund – Class N	—	—	—	—	117	—
NBIMC Low Volatility Emerging Markets Equity Fund	—	—	—	—	845	—
NBIMC U.S. Equity Index Fund	—	—	—	—	2,262	—
NBIMC Low Volatility U.S. Equity Fund	—	—	—	—	1,687	—
NBIMC Inflation Linked Securities Fund	525,414	—	142,940	—	3,879	—
NBIMC Canadian Real Estate Fund	—	—	—	—	—	7,651
NBIMC Canadian Real Estate Investment Trust Fund	—	—	—	—	901	—
NBIMC Non-Canadian Private Real Estate Fund	—	—	—	—	908	—
NBIMC International Real Estate Fund	—	—	—	—	584	—
NBIMC Public Infrastructure Fund	—	—	—	—	115	—
NBIMC Infrastructure Fund	—	—	—	—	900	10,568
NBIMC North American Market Neutral Fund	—	—	—	—	95	—
NBIMC Quantitative Strategies Fund	—	—	—	20,373	3,684	5,629
NBIMC Private Equity Fund	—	—	—	—	33	3,288
NBIMC Asset Mix Strategy Fund	—	—	—	—	134	—

4. Financial Instrument Risk Management (continued)

The quality of the maximum credit exposure as at March 31, 2015 is as follows:

	2015					
	AAA \$	AA \$	A \$	BBB \$	R-1 \$	Other \$
NBIMC Nominal Bond Fund	826,580	540,364	549,654	14,606	17,876	—
NBIMC Corporate Bond Fund	53,369	402,484	680,535	431,344	17,456	4,296
NBIMC Canadian Long-Term Bond Fund	40,467	17,345	74,631	22,500	1,068	—
NBIMC New Brunswick Fixed Income Opportunity Fund	—	—	15,455	—	71	—
NBIMC Money Market Fund	—	215,863	63,030	—	826,532	—
NBIMC Student Investment Fund	902	118	401	—	22	—
NBIMC Canadian Equity Index Fund	—	709,626	35,025	—	234,533	—
NBIMC Low Volatility Canadian Equity Fund	—	—	—	—	1,594	—
NBIMC External Canadian Equity Fund	—	—	—	—	229	—
NBIMC Canadian Equity Active Long Strategy Fund	—	54,147	5,010	—	26,506	—
NBIMC EAFE Equity Index Fund	—	—	—	—	4,787	—
NBIMC EAFE Equity Index Fund – Class N	—	—	—	—	159	—
NBIMC Low Volatility International Equity Fund	—	—	—	—	2,371	—
NBIMC Low Volatility International Equity Fund – Class N	—	—	—	—	135	—
NBIMC Low Volatility Emerging Markets Equity Fund	—	—	—	—	157	—
NBIMC U.S. Equity Index Fund	—	—	—	—	1,794	—
NBIMC Low Volatility U.S. Equity Fund	—	—	—	—	1,151	—
NBIMC Inflation Linked Securities Fund	585,770	63,685	85,267	—	4,074	—
NBIMC Canadian Real Estate Fund	—	—	—	—	—	11,281
NBIMC Canadian Real Estate Investment Trust Fund	—	—	—	—	1,012	—
NBIMC International Real Estate Fund	—	—	—	—	1,012	—
NBIMC Infrastructure Fund	—	—	—	—	—	10,777
NBIMC North American Market Neutral Fund	—	—	—	—	1,352	—
NBIMC Quantitative Strategies Fund	—	—	—	—	363	4,933
NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund	—	—	—	—	29	2,976

4. Financial Instrument Risk Management (continued)

As at March 31, 2016, 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.

4. Financial Instrument Risk Management (continued)

As at March 31, 2016				
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	157	
NBIMC Canadian Equity Index Fund	S&P/TSX Total Return Composite Index	+/- 10	83,704	
NBIMC Low Volatility Canadian Equity Fund	MSCI Canada Minimum Volatility Total Return Index, Gross	+/- 10	67,817	
NBIMC External Canadian Equity Fund	S&P/TSX Total Return Composite Index	+/- 10	21,692	
NBIMC Canadian Equity Active Long Strategy Fund	S&P/TSX Total Return Composite Index	+/- 10	17,608	
NBIMC External International Equity Fund	MSCI EAFE Total Return Index in \$C, Net	+/- 10	24,872	
NBIMC EAFE Equity Index Fund	MSCI EAFE Total Return Index in \$C, Net	+/- 10	46,428	
NBIMC EAFE Equity Index Fund – Class N	MSCI EAFE Total Return Index in \$C, Net	+/- 10	2,082	
NBIMC Low Volatility International Equity Fund	MSCI EAFE Minimum Volatility (USD) Total Return Index, \$C	+/- 10	67,305	
NBIMC Low Volatility International Equity Fund – Class N	MSCI EAFE Minimum Volatility (USD) Total Return Index in \$C, Net	+/- 10	2,906	
NBIMC Low Volatility Emerging Markets Equity Fund	MSCI Emerging Markets Minimum Volatility (USD) Total Return Index in \$C, Net	+/- 10	38,745	
NBIMC U.S. Equity Index Fund	S&P 500 Total Return Index \$C	+/- 10	80,677	
NBIMC Low Volatility U.S. Equity Fund	MSCI USA Minimum Volatility (USD) Total Return Index in \$C, Net	+/- 10	75,853	
NBIMC Canadian Real Estate Investment Trust Fund	S&P/TSX Capped REIT Total Return Index	+/- 10	22,037	
NBIMC International Real Estate Fund	Applicable country index, weighted according to percentage of total assets committed, \$C	+/- 10	21,414	
NBIMC Public Infrastructure Fund	4% Real Return	+/- 10	17,666	
NBIMC North American Market Neutral Fund	93% FTSE TMX Canada 91 Day T-Bill Index plus 7% One-day Canadian Call Loan	+/- 10	818	
NBIMC Quantitative Strategies Fund	93% FTSE TMX Canada 91 Day T-Bill Index plus 7% One-day Canadian Call Loan	+/- 10	6,908	

4. Financial Instrument Risk Management (continued)

As at March 31, 2015				
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	178	
NBIMC Canadian Equity Index Fund	S&P/TSX Total Return Composite Index	+/- 10	122,897	
NBIMC Low Volatility Canadian Equity Fund	MSCI Canada Minimum Volatility Total Return Index, Gross	+/- 10	48,372	
NBIMC External Canadian Equity Fund	S&P/TSX Total Return Composite Index	+/- 10	32,771	
NBIMC Canadian Equity Active Long Strategy Fund	S&P/TSX Total Return Composite Index	+/- 10	23,266	
NBIMC External International Equity Fund	MSCI EAFE Total Return Index in \$C, Net	+/- 10	26,068	
NBIMC EAFE Equity Index Fund	MSCI EAFE Total Return Index in \$C, Net	+/- 10	88,142	
NBIMC EAFE Equity Index Fund – Class N	MSCI EAFE Total Return Index in \$C, Net	+/- 10	3,127	
NBIMC Low Volatility International Equity Fund	MSCI EAFE Minimum Volatility (USD) Total Return Index, in \$C, Net	+/- 10	50,683	
NBIMC Low Volatility International Equity Fund – Class N	MSCI EAFE Minimum Volatility (USD) Total Return Index in \$C, Net	+/- 10	2,567	
NBIMC Low Volatility Emerging Markets Equity Fund	MSCI Emerging Markets Minimum Volatility (USD) Total Return Index in \$C, Net	+/- 10	21,181	
NBIMC U.S. Equity Index Fund	S&P 500 Total Return Index in \$C	+/- 10	92,399	
NBIMC Low Volatility U.S. Equity Fund	MSCI USA Minimum Volatility (USD) Total Return Index in \$C, Net	+/- 10	55,013	
NBIMC Canadian Real Estate Investment Trust Fund	S&P/TSX Capped REIT Total Return Index	+/- 10	26,302	
NBIMC International Real Estate Fund	Applicable country index, weighted according to percentage of total assets committed, \$C	+/- 10	34,940	
NBIMC North American Market Neutral Fund	93% FTSE TMX Canada 91 Day T-Bill Index plus 7% One-day Canadian Call Loan Rate	+/- 10	841	
NBIMC Quantitative Strategies Fund	93% FTSE TMX Canada 91 Day T-Bill Index plus 7% One-day Canadian Call Loan Rate	+/- 10	8,193	

4. Financial Instrument Risk Management (continued)

(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 New Brunswick Fixed Income Opportunity Fund, NBIMC Canadian Real Estate Fund, NBIMC Non-Canadian Private Real Estate Fund, NBIMC Infrastructure Fund, NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund and the NBIMC Private Equity 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.

4. Financial Instrument Risk Management (continued)

The fair value of securities on loan at March 31 consisted of the following:

Fund	2016	2015
NBIMC Nominal Bond Fund	\$ 386,176	\$ 310,377
NBIMC Corporate Bond Fund	157,104	91,563
NBP Canadian Long-Term Bond Fund (formerly NBIMC Canadian Long-Term Bond Fund)	3,867	31,633
NBIMC Money Market Fund	176,986	172,689
NBIMC Student Investment Fund	755	691
NBIMC Canadian Equity Index Fund	37,249	71,316
NBIMC Low Volatility Canadian Equity Fund	93,068	37,424
NBIMC External Canadian Equity Fund	34,560	15,190
NBIMC Canadian Equity Active Long Strategy Fund	15,503	13,808
NBIMC EAFE Equity Index Fund	88,598	—
NBIMC EAFE Equity Index Fund – Class N	1,942	1,280
NBIMC Low Volatility International Equity Fund	123,265	—
NBIMC Low Volatility International Equity Fund – Class N	3,614	5,017
NBIMC U.S. Equity Index Fund	208,742	93,503
NBIMC Low Volatility U.S. Equity Fund	187,317	76,531
NBIMC Inflation Linked Securities Fund	119,991	108,908
NBIMC Canadian Real Estate Investment Trust Fund	9,977	610
NBIMC International Real Estate Fund	42,250	46,964
NBIMC Public Infrastructure Fund	18,728	—
NBIMC North American Market Neutral Fund	12,722	32,667
NBIMC Quantitative Strategies Fund	45,034	29,882

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).

5. Derivatives (continued)

Offsetting within the Statement of Financial Position may be achieved where financial assets and liabilities are subject to master netting arrangements that provide the currently enforceable right of offset and where there is an intention to settle on a net basis or realize assets and liabilities simultaneously. The Funds intend to settle derivative contracts subject to Master ISDA Agreements that include the right to offset when those contracts have the same counterparty and maturity date. The amount of offsetting recorded on the Statement of Financial Position is immaterial and would not provide meaningful disclosure. The Master ISDA Agreements also specify the types and amount of securities eligible for posting as collateral (*see 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 at March 31. 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 2016	Fair Value 2016	Notional Value 2015	Fair Value 2015
	\$	\$	\$	\$
Foreign currency management:				
Forward exchange contracts	14,036	366	111,081	(2,023)
Net fair value of derivative contracts		366		(2,023)
Represented by:				
Derivative assets		366		—
Derivative liabilities		—		(2,023)
Total		366		(2,023)

5. Derivatives (continued)

NBIMC Canadian Equity Index Fund				
	Notional Value 2016	Fair Value 2016	Notional Value 2015	Fair Value 2015
	\$	\$	\$	\$
Asset management:				
Equity futures	(330,871)	3,421	(77,765)	320
Equity swaps	906,073	68,640	952,029	18,266
Interest rate swaps	50,000	(1,246)	—	—
Net fair value of derivative contracts		70,815		18,586
Represented by:				
Derivative assets		68,679		23,102
Margin at brokers		3,421		320
Derivative liabilities		(1,285)		(4,836)
Total		70,815		18,586

NBIMC Low Volatility Canadian Equity Fund				
	Notional Value 2016	Fair Value 2016	Notional Value 2015	Fair Value 2015
	\$	\$	\$	\$
Asset management:				
Equity futures	3,613	(357)	14,214	119
Net fair value of derivative contracts		(357)		119
Represented by:				
Margin at brokers		(357)		119
Total		(357)		119

NBIMC Canadian Equity Active Long Strategy Fund				
	Notional Value 2016	Fair Value 2016	Notional Value 2015	Fair Value 2015
	\$	\$	\$	\$
Asset management:				
Equity futures	786	(399)	3,122	(219)
Equity swaps	12,927	347	84,644	(937)
Net fair value of derivative contracts		(52)		(1,156)
Represented by:				
Derivative assets		347		467
Margin at brokers		(399)		(219)
Derivative liabilities		—		(1,404)
Total		(52)		(1,156)

5. Derivatives (continued)

NBIMC EAFE Equity Index Fund				
	Notional Value 2016	Fair Value 2016	Notional Value 2015	Fair Value 2015
	\$	\$	\$	\$
Asset management:				
Equity futures	4,535	679	44,367	(446)
Foreign currency management:				
Foreign exchange contracts	(8,248)	12	39,666	(27)
Net fair value of derivative contracts		691		(473)
Represented by:				
Derivative assets		12		135
Margin at brokers		679		(446)
Derivative liabilities		—		(162)
Total		691		(473)

NBIMC EAFE Equity Index Fund – Class N				
	Notional Value 2016	Fair Value 2016	Notional Value 2015	Fair Value 2015
	\$	\$	\$	\$
Asset management:				
Equity futures	109	(12)	115	(1)
Foreign currency management:				
Foreign exchange contracts	8,260	—		—
Net fair value of derivative contracts		(12)		(1)
Represented by:				
Derivative assets		—		1
Margin at brokers		(12)		(1)
Derivative liabilities		—		(1)
Total		(12)		(1)

NBIMC Low Volatility International Equity Fund				
	Notional Value 2016	Fair Value 2016	Notional Value 2015	Fair Value 2015
	\$	\$	\$	\$
Asset management:				
Equity futures	4,205	1,188	6,797	203
Foreign currency management:				
Forward exchange contracts	1,226	21	(1,716)	(12)
Net fair value of derivative contracts		1,209		191
Represented by:				
Derivative assets		21		—
Margin at brokers		1,188		203
Derivative liabilities		—		(12)
Total		1,209		191

5. Derivatives (continued)

NBIMC Low Volatility International Equity Fund – Class N				
	Notional Value 2016	Fair Value 2016	Notional Value 2015	Fair Value 2015
	\$	\$	\$	\$
Asset management:				
Equity futures	326	(327)	230	18
Foreign currency management:				
Forward exchange contracts	(7,064)	(21)		—
Net fair value of derivative contracts		(348)		18
Represented by:				
Margin at brokers		(327)		18
Derivative liabilities		(21)		—
Total		(348)		18

NBIMC Low Volatility Emerging Markets Equity Fund				
	Notional Value 2016	Fair Value 2016	Notional Value 2015	Fair Value 2015
	\$	\$	\$	\$
Asset management:				
Equity futures	1,987	(251)	120	2
Foreign currency management:				
Forward exchange contracts	(528)	(9)		—
Net fair value of derivative contracts		(260)		2
Represented by:				
Margin at brokers		(251)		2
Derivative liabilities		(9)		—
Total		(260)		2

NBIMC U.S. Equity Index Fund				
	Notional Value 2016	Fair Value 2016	Notional Value 2015	Fair Value 2015
	\$	\$	\$	\$
Asset management:				
Equity futures	(3,712)	1,330	37,512	375
Foreign currency management:				
Forward exchange contracts	5,908	7	36,595	185
Net fair value of derivative contracts		1,337		560
Represented by:				
Derivative assets		7		217
Margin at brokers		1,330		375
Derivative liabilities		—		(32)
Total		1,337		560

5. Derivatives (continued)

NBIMC Low Volatility U.S. Equity Fund				
	Notional Value 2016	Fair Value 2016	Notional Value 2015	Fair Value 2015
	\$	\$	\$	\$
Asset management:				
Equity futures	2,815	130	2,213	22
Foreign currency management:				
Forward exchange contracts	(20,026)	(21)	(944)	(7)
Net fair value of derivative contracts		109		15
Represented by:				
Margin at brokers		130		22
Derivative liabilities		(21)		(7)
Total		109		15

NBIMC Non-Canadian Private Real Estate Fund		
	Notional Value 2016	Fair Value 2016
	\$	\$
Foreign currency management:		
Forward exchange contracts	18,937	908
Net fair value of derivative contracts		908
Represented by:		
Derivative assets		908
Total		908

NBIMC Infrastructure Fund				
	Notional Value 2016	Fair Value 2016	Notional Value 2015	Fair Value 2015
	\$	\$	\$	\$
Foreign currency management:				
Forward exchange contracts	51,959	900	42,482	(2,051)
Net fair value of derivative contracts		900		(2,051)
Represented by:				
Derivative assets		900		—
Derivative liabilities		—		(2,051)
Total		900		(2,051)

5. Derivatives (continued)

NBIMC North American Market Neutral Fund				
	Notional Value 2016	Fair Value 2016	Notional Value 2015	Fair Value 2015
	\$	\$	\$	\$
Foreign currency management:				
Forward exchange contracts	(24,583)	(2,203)	(17,432)	911
Net fair value of derivative contracts		(2,203)		911
Represented by:				
Derivative assets		—		979
Derivative liabilities		(2,203)		(68)
Total		(2,203)		911
NBIMC Quantitative Strategies Fund				
	Notional Value 2016	Fair Value 2016	Notional Value 2015	Fair Value 2015
	\$	\$	\$	\$
Asset management:				
Equity futures	(1,008)	37	(1,431)	11
Foreign currency management:				
Forward exchange contracts	27,811	2,590	25,811	(995)
Net fair value of derivative contracts		2,627		(984)
Represented by:				
Derivative assets		2,590		8
Margin at brokers		37		11
Derivative liabilities		—		(1,003)
Total		2,627		(984)
NBIMC Private Equity Fund				
	Notional Value 2016	Fair Value 2016	Notional Value 2015	Fair Value 2015
	\$	\$	\$	\$
Foreign currency management:				
Forward exchange contracts	186	(2)	(131)	(1)
Net fair value of derivative contracts		(2)		(1)
Represented by:				
Derivative liabilities		(2)		(1)
Total		(2)		(1)

5. Derivatives (continued)

NBIMC Asset Mix Strategy Fund		
	Notional Value 2016	Fair Value 2016
	\$	\$
Asset management:		
Equity futures	61,415	29
Foreign currency management:		
Forward exchange contracts	5,974	105
Net fair value of derivative contracts		134
Represented by:		
Derivative assets		105
Margin at brokers		29
Total		134

The term to maturity based on the notional value for the above derivative contracts as at March 31, 2016 is as follows:

	Under 1 year	1 – 5 years
NBIMC Nominal Bond Fund	\$ 14,036	\$ —
NBIMC Canadian Equity Index Fund	(280,871)	906,073
NBIMC Low Volatility Canadian Equity Fund	3,613	—
NBIMC Canadian Equity Active Long Strategy Fund	786	12,927
NBIMC EAFE Equity Index Fund	(3,713)	—
NBIMC EAFE Equity Index Fund – Class N	8,369	—
NBIMC Low Volatility International Equity Fund	5,431	—
NBIMC Low Volatility International Equity Fund – Class N	(6,738)	—
NBIMC Low Volatility Emerging Markets Equity Fund	1,459	—
NBIMC U.S. Equity Index Fund	2,196	—
NBIMC Low Volatility U.S. Equity Fund	(17,211)	—
NBIMC Non-Canadian Private Real Estate Fund	18,937	—
NBIMC Infrastructure Fund	51,959	—
NBIMC North American Market Neutral Fund	(24,583)	—
NBIMC Quantitative Strategies Fund	26,803	—
NBIMC Private Equity Fund	186	—
NBIMC Asset Mix Strategy Fund	67,389	—

5. Derivatives (continued)

The term to maturity based on the notional value for the above derivative contracts as at March 31, 2015 is as follows:

	Under 1 year	1 – 5 years
NBIMC Nominal Bond Fund	\$ 111,081	\$ —
NBIMC Canadian Equity Index Fund	77,765	952,029
NBIMC Low Volatility Canadian Equity Fund	14,214	—
NBIMC Canadian Equity Active Long Strategy Fund	3,122	84,644
NBIMC EAFE Equity Index Fund	84,033	—
NBIMC EAFE Equity Index Fund – Class N	115	—
NBIMC Low Volatility International Equity Fund	5,081	—
NBIMC Low Volatility International Equity Fund – Class N	230	—
NBIMC Low Volatility Emerging Markets Equity Fund	120	—
NBIMC U.S. Equity Index Fund	74,107	—
NBIMC Low Volatility U.S. Equity Fund	1,269	—
NBIMC Infrastructure Fund	42,482	—
NBIMC North American Market Neutral Fund	(17,432)	—
NBIMC Quantitative Strategies Fund	27,242	—
NBIMC Private Equity Fund	(131)	—

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. The NBIMC Asset Mix Strategy Fund is a tactical asset allocation overlay strategy and therefore a performance return and benchmark is not applicable.

Benchmark returns and Fund returns are non-GAAP measures. Performance returns are calculated in Canadian dollars on the daily change in net assets measured using either closing market price valuations or estimated fair values where closing market price valuations are not available, excluding external cash flows, divided by the beginning value of net assets, as per the time-weighted rate of return methodology and in accordance with Chartered Financial Analysts' Institute standards.

6. Capital and Performance (continued)

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

	2016		2015	
	Annual return %	Benchmark return %	Annual return %	Benchmark return %
NBIMC Nominal Bond Fund	1.14	0.81	11.13	11.11
NBIMC Corporate Bond Fund	0.86	0.69	8.47	8.22
NBP Canadian Long-Term Bond Fund <i>(formerly NBIMC Canadian Long-Term Bond Fund)</i>	(1.96)	(1.46)	19.19	19.72
NBIMC New Brunswick Fixed Income Opportunity Fund	2.84	0.81	9.91	11.11
NBIMC Money Market Fund	0.92	0.53	1.28	0.94
NBIMC Student Investment Fund	(3.09)	(2.31)	9.44	9.74
NBIMC Canadian Equity Index Fund	(6.33)	(6.57)	8.67	6.93
NBIMC Low Volatility Canadian Equity Fund	(0.86)	0.79	18.86	12.91
NBIMC External Canadian Equity Fund	(4.93)	(6.57)	9.28	6.93
NBIMC Canadian Equity Active Long Strategy Fund	(8.56)	(6.57)	7.26	6.93
NBIMC External International Equity Fund	(4.59)	(6.32)	17.10	13.70
NBIMC EAFE Equity Index Fund ¹	(6.22)	(6.32)	15.84	15.84
NBIMC EAFE Equity Index Fund – Class N	(6.07)	(6.32)	13.91	13.70
NBIMC Low Volatility International Equity Fund ¹	4.81	5.83	16.02	16.25
NBIMC Low Volatility International Equity Fund – Class N	4.67	5.83	19.93	19.63
NBIMC Low Volatility Emerging Markets Equity Fund ²	(5.47)	(8.80)	0.88	2.98
NBIMC U.S. Equity Index Fund	4.16	4.09	29.27	29.36
NBIMC Low Volatility U.S. Equity Fund	11.50	10.66	33.08	34.65
NBIMC Inflation Linked Securities Fund	(1.90)	(2.23)	14.29	14.47
NBIMC Canadian Real Estate Fund	9.94	5.44	9.92	5.52
NBIMC Canadian Real Estate Investment Trust Fund	(1.99)	(2.24)	12.79	12.61
NBIMC Non-Canadian Private Real Estate Fund ³	(0.09)	3.33	—	—
NBIMC International Real Estate Fund	7.27	7.04	42.64	40.77
NBIMC Public Infrastructure Fund ⁴	(2.17)	4.94	—	—
NBIMC Infrastructure Fund	6.74	5.44	6.97	5.52
NBIMC North American Market Neutral Fund	2.30	0.53	(3.34)	0.94
NBIMC Quantitative Strategies Fund	3.26	0.53	7.84	0.94
NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund	3.63	5.44	(2.16)	5.52
NBIMC Private Equity Fund	19.68	(2.43)	18.63	18.58

¹ returns are since inception of trading in this Fund on January 5, 2015

² returns are since inception of trading in this Fund on February 18, 2015

³ returns are since inception of trading in this Fund on August 11, 2015

⁴ returns are since inception of trading in this Fund on May 1, 2015.

7. Redeemable Units

The number of redeemable units issued and redeemed for the year ended and outstanding at March 31, 2016 was as follows:

	Outstanding March 31, 2015 <i>(rounded)</i>	Units Issued <i>(rounded)</i>	Units Redeemed <i>(rounded)</i>	Outstanding, March 31, 2016 <i>(rounded)</i>
NBIMC Nominal Bond Fund	815,703	186,729	178,328	824,104
NBIMC Corporate Bond Fund	1,424,338	565,235	165,536	1,824,037
NBP Canadian Long-Term Bond Fund <i>(formerly NBIMC Canadian Long-Term Bond Fund)</i>	133,848	231,199	307,737	57,310
NBIMC New Brunswick Fixed Income Opportunity Fund	5,059	9	496	4,572
NBIMC Money Market Fund	745,500	1,864,446	1,988,206	621,740
NBIMC Student Investment Fund	1,017	—	—	1,017
NBIMC Canadian Equity Index Fund	392,625	160,421	267,456	285,590
NBIMC Low Volatility Canadian Equity Fund	335,193	202,217	63,327	474,083
NBIMC External Canadian Equity Fund	89,220	2,433	30,570	61,083
NBIMC Canadian Equity Active Long Strategy Fund	176,830	7,761	38,276	146,315
NBIMC External International Equity Fund	129,465	9,297	9,292	129,470
NBIMC EAFE Equity Index Fund	626,580	89,233	364,114	351,699
NBIMC EAFE Equity Index Fund – Class N	22,297	1,036	7,583	15,750
NBIMC Low Volatility International Equity Fund	281,085	103,935	28,718	356,302
NBIMC Low Volatility International Equity Fund – Class N	14,297	3,940	2,833	15,404
NBIMC Low Volatility Emerging Markets Equity Fund	220,660	214,967	8,577	427,050
NBIMC U.S. Equity Index Fund	414,628	84,842	152,106	347,364
NBIMC Low Volatility U.S. Equity Fund	256,065	93,156	32,599	316,622
NBIMC Inflation Linked Securities Fund	203,635	22,360	38,178	187,817
NBIMC Canadian Real Estate Fund	70,815	7,962	4,923	73,854
NBIMC Canadian Real Estate Investment Trust Fund	221,278	22,323	54,421	189,180
NBIMC Non-Canadian Private Real Estate Fund	—	20,269	262	20,007
NBIMC International Real Estate Fund	53,209	3,152	25,981	30,380
NBIMC Public Infrastructure Fund	—	258,911	53,483	205,428
NBIMC Infrastructure Fund	77,001	41,401	5,538	112,864
NBIMC North American Market Neutral Fund	194,488	87,085	34,703	246,870
NBIMC Quantitative Strategies Fund	372,421	192,051	35,210	529,262
NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund	6,197	590	57	6,730
NBIMC Private Equity Fund	202,653	24,341	47,178	179,816
NBIMC Asset Mix Strategy Fund	—	188,679	117,433	71,246

7. Redeemable Units (continued)

The number of redeemable units issued and redeemed for the year ended and outstanding at March 31, 2015 was as follows:

	Outstanding March 31, 2014 (rounded)	Units Issued (rounded)	Units Redeemed (rounded)	Outstanding, March 31, 2015 (rounded)
NBIMC Nominal Bond Fund	786,321	84,260	54,878	815,703
NBIMC Corporate Bond Fund	744,152	758,297	78,111	1,424,338
NBIMC Canadian Long-Term Bond Fund	134,509	7,491	8,152	133,848
NBIMC New Brunswick Fixed Income Opportunity Fund	5,561	91	593	5,059
NBIMC Money Market Fund	472,483	1,562,879	1,289,862	745,500
NBIMC Student Investment Fund	1,017	—	—	1,017
NBIMC Canadian Equity Index Fund	395,924	136,297	139,596	392,625
NBIMC Low Volatility Canadian Equity Fund	196,879	182,846	44,532	335,193
NBIMC External Canadian Equity Fund	130,638	11,287	52,705	89,220
NBIMC Canadian Equity Active Long Strategy Fund	206,770	11,594	41,534	176,830
NBIMC External International Equity Fund	160,749	8,643	39,927	129,465
NBIMC EAFE Equity Index Fund	—	945,939	319,359	626,580
NBIMC EAFE Equity Index Fund – Class N	1,073,720	139,396	1,190,819	22,297
NBIMC Low Volatility International Equity Fund	—	295,285	14,200	281,085
NBIMC Low Volatility International Equity Fund – Class N	226,594	85,338	297,635	14,297
NBIMC Low Volatility Emerging Markets Equity Fund	—	220,668	8	220,660
NBIMC U.S. Equity Index Fund	656,761	52,877	295,010	414,628
NBIMC Low Volatility U.S. Equity Fund	228,189	66,765	38,889	256,065
NBIMC Inflation Linked Securities Fund	312,586	27,981	136,932	203,635
NBIMC Canadian Real Estate Fund	60,073	22,173	11,431	70,815
NBIMC Canadian Real Estate Investment Trust Fund	221,623	6,929	7,274	221,278
NBIMC International Real Estate Fund	66,351	6,517	19,659	53,209
NBIMC Infrastructure Fund	77,976	4,170	5,145	77,001
NBIMC North American Market Neutral Fund	123,182	82,770	11,464	194,488
NBIMC Quantitative Strategies Fund	186,241	214,371	28,191	372,421
NBIMC New Brunswick and Atlantic Canada Equity Opportunity Fund	6,241	217	261	6,197
NBIMC Private Equity Fund	185,581	50,263	33,191	202,653

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 January 5, 2015, the NBIMC EAFE Equity Index Fund changed its name to NBIMC EAFE Equity Index Fund – Class N and transferred that proportion of its underlying investment portfolio beneficially owned by its pension fund unitholders to a new fund, the NBIMC EAFE Equity Index Fund. These assets had a fair value of \$1,062,219, including an unrealized gain of \$24,317 and was effected through a non-cash transfer of redeemable units at the net amount of \$1,035,554. This transaction was completed for international withholding tax reasons.

On January 5, 2015, the NBIMC Low Volatility International Equity Fund changed its name to NBIMC Low Volatility International Equity Fund – Class N and transferred that proportion of its underlying investment portfolio beneficially owned by its pension fund unitholders to a new fund, the NBIMC Low Volatility International Equity Fund. These assets had a fair value of \$437,253, including an unrealized gain of \$63,425 and was effected through a non-cash transfer of redeemable units at the net amount of \$371,013. This transaction was completed for international withholding tax reasons.

Certain Funds executed inter-fund trades for the years ended March 31, 2016 and March 31, 2015. Inter-fund trading is the buying and selling of portfolio securities between Funds to which NBIMC serves as trustee and manager. All such inter-fund transactions are priced at the quoted market prices in active markets on the trade date.

The NBIMC Nominal Bond Fund holds New Brunswick provincial and municipal bonds in the following amounts as at March 31:

<i>(\$ thousands)</i>	2016	2015
Provincial bonds	\$ 47,979	\$ 57,542
Municipal bonds	\$ 32,875	\$ 33,566

The NBP Canadian Long-Term Bond Fund (*formerly NBIMC Canadian Long-Term Bond Fund*) holds New Brunswick provincial bonds in the following amounts as at March 31, 2016 - \$66,943 (2015 - \$54,822).

8. Related Party Transactions (continued)

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 at March 31 is as follows:

	2016	2015
NBIMC Nominal Bond Fund	\$ 91,483	\$ 171,705
NBIMC Corporate Bond Fund	48,903	127,037
NBP Canadian Long-Term Bond Fund <i>(formerly NBIMC Canadian Long-Term Bond Fund)</i>	445	4,514
NBIMC Student Investment Fund	164	122
NBIMC Canadian Equity Index Fund	(339,315)	(77,556)
NBIMC Low Volatility Canadian Equity Fund	2,010	12,621
NBIMC External Canadian Equity Fund	584	6,486
NBIMC Canadian Equity Active Long Strategy Fund	886	2,913
NBIMC EAFE Equity Index Fund	(340)	38,531
NBIMC EAFE Equity Index Fund – Class N	(57)	—
NBIMC Low Volatility International Equity Fund	(1,157)	1,811
NBIMC Low Volatility International Equity Fund – Class N	6,992	11
NBIMC Low Volatility Emerging Markets Equity Fund	(3,308)	(303)
NBIMC U.S. Equity Index Fund	(5,927)	(35,437)
NBIMC Low Volatility U.S. Equity Fund	20,465	1,252
NBIMC Inflation Linked Securities Fund	440	4,653
NBIMC Canadian Real Estate Investment Trust Fund	7	25
NBIMC International Real Estate Fund	1,826	3,156
NBIMC Public Infrastructure Fund	21,213	—
NBIMC North American Market Neutral Fund	315,371	241,650
NBIMC Quantitative Strategies Fund	649,846	411,128
NBIMC Asset Mix Strategy Fund	67,432	—

8. Related Party Transactions (continued)

The amount of investment income earned by each Fund for the year ended March 31, 2016 from its investments in the units of the NBIMC Money Market Fund is as follows:

	Unrealized Gains / (Losses) \$	Realized Gains (Losses) \$	2016 Total Income (Loss) \$
NBIMC Nominal Bond Fund	(253)	1,285	1,032
NBIMC Corporate Bond Fund	(176)	1,009	833
NBP Canadian Long-Term Bond Fund (formerly NBIMC Canadian Long-Term Bond Fund)	(8)	34	26
NBIMC Student Investment Fund	—	1	1
NBIMC Canadian Equity Index Fund	(518)	(1,344)	(1,862)
NBIMC Low Volatility Canadian Equity Fund	(8)	45	37
NBIMC External Canadian Equity Fund	(23)	67	44
NBIMC Canadian Equity Active Long Strategy Fund	(7)	27	20
NBIMC EAFE Equity Index Fund	(19)	124	105
NBIMC Low Volatility International Equity Fund	(9)	27	18
NBIMC Low Volatility International Equity Fund – Class N	1	(1)	—
NBIMC Low Volatility Emerging Markets Equity Fund	(1)	15	14
NBIMC U.S. Equity Index Fund	(252)	(220)	(472)
NBIMC Low Volatility U.S. Equity Fund	(1)	27	26
NBIMC Inflation Linked Securities Fund	(15)	94	79
NBIMC Canadian Real Estate Investment Trust Fund	—	2	2
NBIMC Non-Canadian Private Real Estate Fund	—	1	1
NBIMC International Real Estate Fund	(4)	19	15
NBIMC Public Infrastructure Fund	36	8	44
NBIMC North American Market Neutral Fund	(512)	2,862	2,350
NBIMC Quantitative Strategies Fund	1,872	2,619	4,491
NBIMC Asset Mix Strategy Fund	—	119	119

8. Related Party Transactions (continued)

The amount of investment income earned by each Fund for the year ended March 31, 2015 from its investments in the units of the NBIMC Money Market Fund is as follows:

	Unrealized Gains / (Losses) \$	Realized Gains \$	2015 Total Income (Loss) \$
NBIMC Nominal Bond Fund	236	1,116	1,352
NBIMC Corporate Bond Fund	195	490	685
NBIMC Canadian Long-Term Bond Fund	4	38	42
NBIMC Student Investment Fund	—	1	1
NBIMC Canadian Equity Index Fund	(329)	160	(169)
NBIMC Low Volatility Canadian Equity Fund	7	31	38
NBIMC External Canadian Equity Fund	(3)	89	86
NBIMC S&P/TSX Completion Index Fund	(1)	12	11
NBIMC Canadian Equity Active Long Strategy Fund	8	16	24
NBIMC EAFE Equity Index Fund	19	—	19
NBIMC EAFE Equity Index Fund – Class N	(98)	293	195
NBIMC Low Volatility International Equity Fund	7	—	7
NBIMC Low Volatility International Equity Fund – Class N	(26)	54	28
NBIMC Low Volatility Emerging Markets Equity Fund	—	20	20
NBIMC U.S. Equity Index Fund	(117)	310	193
NBIMC Low Volatility U.S. Equity Fund	1	16	17
NBIMC Inflation Linked Securities Fund	(28)	206	178
NBIMC Canadian Real Estate Fund	—	6	6
NBIMC Canadian Real Estate Investment Trust Fund	—	3	3
NBIMC International Real Estate Fund	—	22	22
NBIMC North American Market Neutral Fund	509	1,932	2,441
NBIMC Quantitative Strategies Fund	1,478	1,799	3,277

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.

8. Related Party Transactions (continued)

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	2016		2015	
NBIMC Canadian Equity Index Fund	\$	40	\$	55
NBIMC Low Volatility Canadian Equity Fund		54		39
NBIMC Canadian Equity Active Long Strategy Fund		12		14
NBIMC U.S. Equity Index Fund		87		63
NBIMC Low Volatility U.S. Equity Fund		7		7
NBIMC Canadian Real Estate Investment Trust Fund		2		—
NBIMC North American Market Neutral Fund		6		—

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	2016		2015	
NBIMC North American Market Neutral Fund	\$	50	\$	61
NBIMC Quantitative Strategies Fund		158		117

The fair value of total securities loaned (borrowed) internally that are included in investments in the Statement of Financial Position at March 31 is as follows:

Fund	2016		2015	
NBIMC Canadian Equity Index Fund	\$	25,800	\$	24,166
NBIMC Low Volatility Canadian Equity Fund		46,639		35,796
NBIMC Canadian Equity Active Long Strategy Fund		5,339		3,795
NBIMC U.S. Equity Index Fund		28,432		26,974
NBIMC Low Volatility U.S. Equity Fund		6,956		3,134
NBIMC North American Market Neutral Fund		(42,062)		(44,950)
NBIMC Quantitative Strategies Fund		(71,104)		(48,915)

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 and primarily Toronto commercial properties, with an uncalled commitment of \$23,895.
676185 NB Corp.	Pension fund realty corporation to hold an indirect investment in retail properties.	28.93% limited partnership interest in a fund owning an interest in three separate Canadian retail properties.
676512 NB Corp.	Pension fund realty corporation to hold an indirect investment in office and commercial properties.	45.34% limited partnership interest in a fund owning an interest in an office property in Burnaby, BC.

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.

The NBIMC Private Equity Fund owns 100% of the common share capital of the following New Brunswick-domiciled unconsolidated entity that has been measured at FVTPL:

Name	Nature and Purpose	Underlying Investments
683477 NB Corp.	Investment holding corporation.	2.375% limited partnership interest in a fund owning an 81% interest in a retail services business.

(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 \$37,365 and \$323,758 (2015 - \$37,365 and \$323,758) 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.

9. Interests in Other Entities (continued)

(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. Subsequent Events

On April 26, 2016, the NBIMC Quantitative Equity Strategic Beta Fund was created. This fund seeks to add value by investing in either long or short positions to achieve approximate market neutrality. Short positions are supported by cash underlay. The objective is to add 350 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.