Management Report of Fund Performance

Legacy Education Savings Plan

(formerly Global Educational Trust Plan)

For the year ended March 31, 2016 and 2015

This annual management report of fund performance contains financial highlights but does not contain the complete annual audited financial statements of the Legacy Education Savings Plan ("Plan"). You may obtain a copy of the audited financial statements at your request and at no cost by calling Global Client Services at 1-877-460-7377, by writing to us at 100 Mural St, Suite 102, Richmond Hill, Ontario L4B 1J3, or by visiting our Website at www.globalfinancial.ca or SEDAR at www.sedar.com.

The Global Educational Trust Foundation (the Foundation) views corporate governance and compliance as important contributors to overall corporate performance and long-term investment returns. Currently, the investments of the Plan are limited to specified government bonds, guaranteed investment certificates, principal protected notes, and corporate debt securities with an approved rating. These securities do not carry voting rights. Therefore, the Plan's policies and procedures on voting and proxy voting are limited to exceptional circumstances where creditors of an issuer are given a right to vote in accordance with applicable laws.

MANAGEMENT REPORT OF FUND PERFORMANCE

Global Growth Assets Inc. ("GGAI" or the "Manager") has retained the services of 1832 Asset Management L.P. ("1832 AM"), UBS Investment Management Canada Inc. ("UBS") and Yorkville Asset Management ("Yorkville") to act as the portfolio advisors for the Plan.

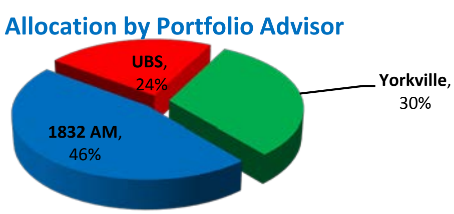
The views of the portfolio advisors contained in this report are as of March 31, 2016 and this report is not intended to provide legal, accounting, tax or specific investment advice. Views, portfolio holdings and allocations may have changed subsequent to this date.

INVESTMENT OBJECTIVE AND STRATEGIES

Global Growth Assets Inc. ("GGAI") invests in a prudent manner, with the objective of protecting your principal and delivering a positive return on your Legacy Education Savings Plan investment. GGAI invests primarily in federal, provincial and investment grade corporate bonds, guaranteed investment certificates, and principal protected notes.

1832 AM, UBS and Yorkville manage assigned portions of the Plan's assets. The assets are allocated among different market sectors and different maturity segments at the portfolio advisors' discretion, but subject to the guidelines defined in GGAI's investment policies and mandates.

As at March 31, 2016 the investment advisors managed the following percentage of assets on behalf of the Plan:



RISK

The risks of investing in the Plan and its suitability for investors are outlined in the Prospectus. As the portfolio is primarily invested in fixed income instruments, the key risks associated with fixed income investing are interest rate risk, liquidity risk, pricing risk and credit risk.

RESULTS OF OPERATIONS

The net assets of the Plan as of March 31, 2016 topped $655 million of which approximately $606 million represents the Plan's investment portfolio. The Plan's rate of return during fiscal year was 0.49% compared to the FTSE TMX Canada All Government Bond Index (formerly known as DEX Universe All Government Index) ("Benchmark") return of 0.81%. Unlike the Index, the Plan's return is after the deduction of its fees and expenses. In a low yield fixed income environment the Plan's portfolio will experience relatively low return.

According to 1832 AM,the Canadian yield curve for the one year period ending March 31, 2016 has been volatile. As the fiscal year began, the fixed income market was still reacting to the surprise Bank of Canada rate cut in January of 2015. The yield curve fell dramatically after the cut and from April to July, yields started to work through the overreaction of the surprise. During this time, yields generally rose in the 7- 30 year area of the curve. The Plan was positioned with a shorter than benchmark duration and this was a contributor to performance.

Duration was then taken to longer than benchmark after July as the realities of the Canadian economic landscape set in; oil prices continued to be under pressure and commodity prices also experienced significant weakness. This weighed heavily on the Canadian market and was reflected in the second Bank of Canada rate cut. As this cut was anticipated, market investors were more modest in their reaction. The yield curve decreased throughout the curve, especially on the long end. The longer duration contributed to performance as rates fell. During the last quarter of the calendar 2015 year, all eyes were on the US Federal Reserve as they had been planning on rising rates most of the year, but postponed due to various factors. In anticipation of the rate hike south of the border, which would put upward pressure on Canadian yields as well, the duration of the portfolio was shortened against the benchmark to protect against rising interest rates.

In December, the Fed finally did raise overnight rates and their comments alluded to 4 more hikes for 2016. Against a backdrop of slower global growth, the market reacted with dismay and instead of increasing yields, the opposite actually occurred. Rates in Canada fell in step with their US counterparts and continued their decent into the first quarter of 2016. During this time, the shorter duration detracted from performance. Government yields hit a low mid-February, coinciding with a low in oil prices and the Canadian dollar. However, towards the end of the fiscal year, commodities, oil and the loonie experienced resurgence as the Canadian economic data came in stronger than expected. As a result, yields recovered and started rising again and the portfolio benefited from the previously established shorter duration.

RECENT DEVELOPMENTS

The bond market priced very low odds of a March rate hike from the US Federal Reserve – which turned out to be correct - but what seemed to catch most investors offside was the extent of the slide in the implied future level for interest rates and scant recognition of budding inflationary pressure. The elevated level of volatility in the bond market appears to reflect the cognitive dissonance unleashed by this new world economic order of unorthodox policy clashing with lingering growth scarcity. Despite this, 1832 AM find that North American bond returns remain competitive when compared to other developed markets and should add ballast to portfolios during periods when global activity is sluggish or decelerating.

The U.S. and Canadian economies should continue producing modest growth. The US Federal Reserve will look to raise rates provided global economic developments stabilize and growth/ inflation continues to unfold as they expect. In Canada the better-than-expected economic start to 2016, growing inflationary pressures, government stimulus, and higher commodity prices have greatly diminished the probability of a Bank of Canada rate cut. The bond market is likely to face significant challenges over the remainder of the interest rate cycle as growth and inflation expectations increase. In this context, bond valuations are stretched and the Plan's overall interest rate exposure has been reduced to a lower than benchmark bond duration to provide a more defensive positioning.

There are several other short-term risks 1832 AM are monitoring as well that could prove disruptive to the current outlook and strategy. There are real short-term risks around a "Brexit" – Britain leaving the Eurozone – that will be voted on in a referendum on June 23rd. There is complacency around this issue right now and we expect heightened volatility to signal that markets are pricing this in over the months preceding the vote. Depending on the outcome, it could trigger a flight to safety to the U.S., as occurred in 2014. Other potential situations that are being monitored include downside U.S. growth surprises; particularly given that it is a U.S. election year and further Chinese economic disappointment which could lead to contagion throughout the rest of emerging markets.

Recent Amendments

The EAP contract has recently been amended with the new terms taking effect starting June 1, 2016. On this date, the amendments will be binding as if they were included in the original EAP Contract signed by the Subscribers. The revised EAP Contract can be found online at www.globalresp.com/eap2016. If you would like to request a hard copy, please contact Client Services by phone (416)740-1622 or 1(877)460-7377 or by email: clientservices@globalresp.com.

Some of the changes include increases in Transactional fees from $15 to $25 with the exception of the fee to transfer a plan to another RESP provider which has been increased to $250 from $50.

Along with the EAP Contract amendment, the Global Educational Trust Plan has been renamed as Legacy Education Savings Plan on the 27th of January 2016. For contracts opened after January 27, 2016, the management fee is 1.95% of plan assets less investment counsel fees, trustee fees and any other fees deducted. Any existing contracts prior to the 27th of January will be grandfathered in at the 1.20% management fee.

Subscriber Death and Disability Insurance

For Subscribers who have enrolled in the optional subscriber death and disability insurance through SSQ Insurance Company, the premiums have decreased from 3.6% of contributions to 3.2%.

FINANCIAL AND OPERATING HIGHLIGHTS

The following table shows key financial data for the Plan and is intended to help you understand the financial results for the past five fiscal years.

(Dollar amounts in $'000)

Statement of Financial Position	**2016[1]**	**2015[1]**	**2014[1]**	**2013[2, 3]**	**2011[2]**
Total Assets	$672,712	$639,753	$556,280	$513,095	$432,489
Net Assets	$ 655,420	$625,700	$553,442[1]	$200,777	$164,391
% change in Net Assets	4.75 %	13.06%	176%	22.13%	22.90%
Statement of Comprehensive Income					
Net Investment Income	**$ (1,811)**	**$33,037**	**($612)**	**$13,003**	**$9,591**
Statement of Changes in Net Assets					
Educational Assistance Payments ("EAP")[4]	$ 6,661	$5,144	$5,524	$4,854	$2,712
Government Grants	$ 7,584	$6,258	$4,892	$4,390	$3,299
Other					
Total Number of Contracts	**82,043**	**82,939**	**83,075**	**82,013**	**79,307**
% change in Number of Contracts	**-1.08%**	**-0.16%**	**1.29%**	**3.41%**	**6.29%**

1) *Based on financial statements in accordance with IFRS. Refer to the audited 2015 financial statements for the effect of the Plan's transition to IFRS.*
2) *Based on financial statements in accordance with Canadian GAAP*
3) *During 2012, the Plan made the decision to change its year-end to March 31 from December 31 to better align with its business model. The period covered by fiscal year 2013 is from January 2012 to March 31, 2013 (15 month period).*
4) *The education assistance payments does not include Discretionary Payments*

MANAGEMENT FEES

Total administration fee expenses for the year ended March 31, 2016 were $8.57 million (2015 - $7.91 million). From the administration fees received by GGAI, investment advisory fees and Trustee fees of $413,581 were paid representing 5% of the total administration expense (2015 - $611,454 representing 8%). The net administration fee of $ 8.2 million representing 95% (2015-$7.3 million and 92% respectively) of total fees, comprises the Plan's administration and financial reporting expenses.

The administration functions of the Plan include processing and call center services related to new and existing agreements, fund payments, government grant collection, plan modifications, terminations, maturities and EAP.

RELATED PARTY TRANSACTIONS

Under the terms of an Administrative Services Agreement, the Foundation has delegated administrative functions to GGAI and distribution functions to Global RESP Corporation ("GRESP"), registered as a scholarship plan dealer under securities legislation in each of the provinces and territories in which it sells scholarship plans. GRESP is the primary distributor of the Plan.

The Foundation receives sales charges which are deducted from contributions made by subscribers. In exchange for its administrative services, GGAI is entitled to receive administration fees of 1.95% per annum of the assets of the Plan (for existing contracts prior to the 27th of January, the management fee is 1.20%). As contribution to the Discretionary Payment Account, the Foundation contributes 15% of the net administration fees charged and 5% of the net sales charges collected from contracts written on or after the 27th of January. For contracts prior to the 27th of January, the Foundation contributes 25% of the net administration fees charged and 5% of the net sales charges collected.

In addition, 20% to 40% of optional insurance premiums collected from subscribers and special service fees charged to subscribers principally in respect of dishonored and returned cheques, are remitted by GGAI to GRESP.

At March 31, 2016, the Plan's receivable from the Foundation of $579,989 (2015 - $1,056,264) for discretionary EAP payments made to subscribers. The Plan has a payable to GRESP of $3,234,701 (2015 - $1,908,452) for sales charges. The Plan's has receivable from GGAI of $80,186 (2015 – payable of $423,901) related to administration fees.

As Distributor of the Legacy, GRESP is considered to be a related entity to the Plan because of their common connection to certain parties, which may mean that the Distributor and the issuer (the Plan) is not independent of each other.

Discretionary Payments

The Foundation intends to enhance EAP paid each year to Qualified Students whose Subscribers have completed all their scheduled deposits. The amount is at the sole discretion of the Foundation, subject to the maximum limit described below. The total amount paid to a Qualified Student will not exceed the total amount of Sales Charges paid by the Subscriber in respect to that Student. The Discretionary Payments are not guaranteed and may fluctuate from year to year. The Foundation may, in any given year, choose to pay less than the amount available in order to reserve funds for payment in future years.

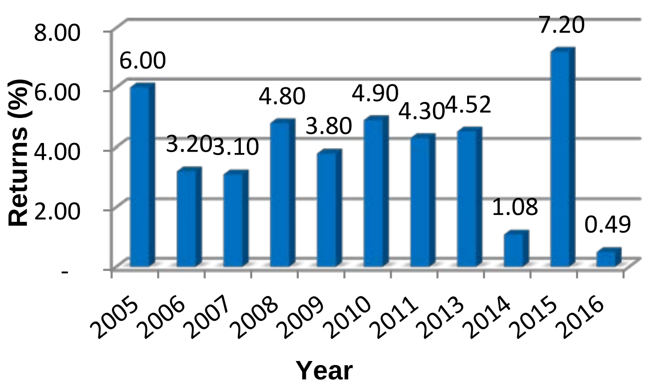
Since inception, Discretionary Payments advanced to Qualified Students totaled to $16.4 million.

PAST PERFORMANCE

The performance information shown assumes that all of the income, interest earned and capital gains distributions are reinvested in the Plan and would be lower if distributions were not reinvested. Past performance is not indicative of how the Fund may perform in the future.

Year-by-Year Returns

The bar chart indicates the Plan's performance for each of the financial years shown. Annual return is the percentage change in the value of an investment from January to December 31, unless otherwise noted. The charts show, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year.



The Plan changed its fiscal year end from December 31st to March 31st resulting in skipping fiscal year 2012. The period covered by fiscal year 2013 is from January 2012 to March 31, 2013 (15 month period).

Annual Compound Returns

The following table compares the historical annual compound returns of the Plan for the periods shown ended March 31st with the Benchmark.

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years
Plan	0.49%	2.88%	3.49%	3.72%
Benchmark	0.81%	3.94%	5.08%	5.07%

The Benchmark index returns do not include any costs of investing. See ***Results of Operation*** for a discussion of performance relative to the Benchmark index. Unlike the Index, the Plan's returns are after the deduction of its fees and expenses.

<u>FTSE TMX Canada All Government Bond Index</u>

The Plan is measured against the FTSE TMX Canada All Government Bond Index for performance. This Index tracks the performance of Government-issued bonds. It is designed to be a broad measure of the Canadian fixed income markets with the exclusion of corporate bonds.

SUMMARY OF INVESTMENT PORTFOLIO
As of March 31, 2016

	Issuer	% of Plan's Portfolio Assets
1	Canada Government 0.25% May 1, 2017	10.88%
2	Bank of Nova Scotia Yorkville Canadian Equity PPN June 3, 2020	3.32%
3	Province of Ontario 6.50% March 8, 2029	3.24%
4	Cash	5.16%
5	Bank of Nova Scotia Yorkville Guaranteed Top-up Yield Seeker May 1, 2020	2.92%
6	Province of Ontario 4.00% June 2, 2021	2.66%
7	ROYAL BANK OF CDA BA April 11,2016	2.52%
8	Bank of Nova Scotia Yorkville Guaranteed Top-up Yield Seeker August 25, 2021	2.26%
9	BAC Canada Finance Ser 1 PPN August 24, 2017	2.25%
10	Province of Quebec 6.00% October 1,2029	1.85%
11	Province of Alberta 2.90% September 20,2029	1.80%
12	Canada Housing Trust 2.75% January 12, 2048	1.78%
13	Province of Ontario 3.50% June 2, 2043	1.72%
14	Province of Ontario 5.60% June 2, 2035	1.62%
15	TD Bank Index Linked Dolphin NT August 16,2021	1.57%
16	JP Morgan S&P 500 Low Index Variable Return PPN January 25, 2021	1.56%
17	Bank of Nova Scotia Yorkville Canadian Equity PPN January 24, 2019	1.52%
18	Province of British Columbia 2.70% December 18, 2022	1.51%
19	Pacific & Western Bank GIC 4.50% August 3, 2021	1.50%
20	Pacific & Western Bank 8.00% March 11, 2021	1.50%
21	JP Morgan ETF Efficiente PPN February 26, 2020	1.48%
22	National Bank of Canada Yorkville Canadian PPN March 21, 2018	1.47%
23	JP Morgan ETF Efficiente 5 Index PPN May 19, 2021	1.45%
24	Canada Government 5.75% June 1, 2029	1.32%
25	Province of Ontario 2.85% June 2, 2023	1.26%
	TOTAL	**60.12%**

All holdings in the Plan are long positions as at March 31, 2016.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Plan.