



## Important Tax Notice to U.S. Investors

This statement is provided to shareholders who are United States persons for purposes of the U.S. Internal Revenue Code of 1986, as amended ("IRC") and the regulations thereunder. It is not relevant to other shareholders.

NEI Balanced Yield Portfolio (the "Fund") may be deemed to be classified as a Passive Foreign Investment Company ("PFIC") as defined in Section 1297(a) of the IRC for the year ending September 30, 2021.

We recommend that all U.S. taxpayer clients consult a tax advisor concerning the overall tax consequences of their ownership of securities of the Fund and their U.S. tax reporting requirements. You can also find information on U.S. tax rules applicable to investments in a PFIC on the IRS website, [www.irs.gov](http://www.irs.gov), by searching "Form 8621 Instructions".

Please find below a PFIC Annual Information Statement ("AIS") for the Fund. The PFIC AIS is being provided pursuant to the requirements of Treasury Regulation §1.1295-1(g)(1). The PFIC AIS contains information to enable you, should you so choose based on the advice of your tax advisor in light of your personal tax circumstances, to elect to treat the Fund as a qualified electing fund ("QEF").

Generally, an election is filed for each mutual fund for which you wish to make a QEF election. If you hold a NEI Investments fund that holds one or more underlying funds, you will receive a combined PFIC AISs containing information that will enable you to elect to treat any or all of the funds as a QEF as you choose, as well as information relating to your securities and values in your indirect holdings.

Note that the information attached with this letter is intended to help you make one or more QEF elections, if you decide to do so, and neither such information nor this letter constitutes tax advice. The taxpayer should seek advice based on their particular circumstances from an independent tax advisor.

If you have any questions regarding this matter, please contact your Financial Advisor and/or, a U.S. tax advisor or go to <http://www.neiinvestments.com/pages/reports/> for more information. Thank you for investing in NEI Funds.



**NEI Balanced Yield Portfolio**  
**PFIC Annual Information Statement**  
**For the Year Ending September 30, 2021**

- 1) This Information Statement applies to the taxable year of the Fund for the year beginning October 1, 2020 and ending on September 30, 2021.
- 2) Your pro-rata per share per day amounts of ordinary earnings and net capital gains for each Series of the Fund for the period specified in paragraph (1) are as follows:

<b>Series</b>	<b>Ordinary Earnings (US\$)</b>	<b>Net Capital Gains (US\$)</b>
Series A	0.0000000000	0.0001596734
Series F	0.0000000000	0.0004554544
Series I	0.0001618644	0.0006143007
Series O	0.0001325859	0.0005477870
Series P	0.0000000000	0.0002327448
Series PF	0.0000000000	0.0004976497

To determine your pro-rata share of the ordinary earnings and net capital gains of the Fund for the taxable year, multiply the number of shares you held on each day of the year by the per share per day ordinary earnings and net capital gains figures, and then adding the resulting sums for each day.

Similarly, if the Fund held shares of another fund at any time during the year, your indirect pro-rata share of the ordinary earnings and net capital gains of these funds may be determined by multiplying the number of shares you held on each day of the year in the Fund by the ordinary earnings and net capital gains figures for each of these lower-tier funds, and adding the resulting sums for each day.

Example: You owned 100 shares of Fund A from the period October 1, 2020 through March 31, 2021. On April 1, 2021 you purchased another 100 shares of Fund A. You did not sell any shares of the fund at any time during the year. Fund A's ordinary earnings were \$0.00050 per share per day and Fund A's net capital gains were \$0.00025 per share per day.

Result: Your ordinary earnings for 2021 are (\$0.00050 multiplied by 182 days multiplied by 100) + (\$0.00050 multiplied by 183 days multiplied by 200) = \$27.40 and your net capital gains for 2021 are (\$0.00025 multiplied by 182 days multiplied by 100) + (\$0.00025 multiplied by 183 days multiplied by 200) = \$13.70



Please note that for reporting purposes you need to separately report your pro-rata share of income from the Fund and for each underlying fund. Information below is intended to provide this information. Please consult your tax advisor.

Your pro-rata per share per day of ordinary earnings and net capital gains for each Series of the Fund and its underlying funds for the period specified in paragraph (1) are as follows:

<b>Series</b>	<b>Ordinary Earnings (US\$)</b>	<b>Net Capital Gains (US\$)</b>	<b>Year End</b>
Series A			
NEI Canadian Bond Fund - Series I	0.0000961264	0.0000203987	2021-09-30
NEI Global Equity RS Fund - Series I	0.0000263137	0.0000866654	2021-09-30
NEI International Equity RS Fund - Series I	0.0000173507	0.0000253728	2021-09-30
NEI Global Dividend RS Fund - Series I	0.0001244516	0.0000768603	2021-09-30
NEI Canadian Dividend Fund - Series I	0.0000985482	0.0000637124	2021-09-30
NEI Emerging Markets Fund - Series I	0.0000061856	0.0000164902	2021-09-30
NEI U.S. Dividend Fund - Series I	0.0001303139	0.0004776922	2021-09-30
NEI Global High Yield Bond Fund - Series I	0.0001296641	0.0000000000	2021-09-30
NEI Global Total Return Bond Fund - Series I	0.0003011798	0.0000000000	2021-09-30
NEI ESG Canadian Enhanced Index Fund - Series I	0.0000466901	0.0000220420	2021-09-30
Total	0.0009768241	0.0007892340	
Series F			
NEI Canadian Bond Fund - Series I	0.0000997995	0.0000211781	2021-09-30
NEI Global Equity RS Fund - Series I	0.0000273192	0.0000899770	2021-09-30
NEI International Equity RS Fund - Series I	0.0000180137	0.0000263423	2021-09-30
NEI Global Dividend RS Fund - Series I	0.0001292070	0.0000797972	2021-09-30
NEI Canadian Dividend Fund - Series I	0.0001023138	0.0000661469	2021-09-30
NEI Emerging Markets Fund - Series I	0.0000064220	0.0000171203	2021-09-30
NEI U.S. Dividend Fund - Series I	0.0001352934	0.0004959454	2021-09-30
NEI Global High Yield Bond Fund - Series I	0.0001346187	0.0000000000	2021-09-30
NEI Global Total Return Bond Fund - Series I	0.0003126883	0.0000000000	2021-09-30
NEI ESG Canadian Enhanced Index Fund - Series I	0.0000484742	0.0000228843	2021-09-30
Total	0.0010141498	0.0008193915	



Series I

NEI Canadian Bond Fund - Series I	0.0001113267	0.0000236243	2021-09-30
NEI Global Equity RS Fund - Series I	0.0000304746	0.0001003697	2021-09-30
NEI International Equity RS Fund - Series I	0.0000200943	0.0000293849	2021-09-30
NEI Global Dividend RS Fund - Series I	0.0001441309	0.0000890141	2021-09-30
NEI Canadian Dividend Fund - Series I	0.0001141315	0.0000737872	2021-09-30
NEI Emerging Markets Fund - Series I	0.0000071637	0.0000190977	2021-09-30
NEI U.S. Dividend Fund - Series I	0.0001509203	0.0005532290	2021-09-30
NEI Global High Yield Bond Fund - Series I	0.0001501677	0.0000000000	2021-09-30
NEI Global Total Return Bond Fund - Series I	0.0003488050	0.0000000000	2021-09-30
NEI ESG Canadian Enhanced Index Fund - Series I	0.0000540731	0.0000255275	2021-09-30
Total	0.0011312878	0.0009140344	

Series O

NEI Canadian Bond Fund - Series I	0.0000992727	0.0000210664	2021-09-30
NEI Global Equity RS Fund - Series I	0.0000271750	0.0000895021	2021-09-30
NEI International Equity RS Fund - Series I	0.0000179186	0.0000262032	2021-09-30
NEI Global Dividend RS Fund - Series I	0.0001285251	0.0000793761	2021-09-30
NEI Canadian Dividend Fund - Series I	0.0001017738	0.0000657978	2021-09-30
NEI Emerging Markets Fund - Series I	0.0000063881	0.0000170299	2021-09-30
NEI U.S. Dividend Fund - Series I	0.0001345793	0.0004933278	2021-09-30
NEI Global High Yield Bond Fund - Series I	0.0001339082	0.0000000000	2021-09-30
NEI Global Total Return Bond Fund - Series I	0.0003110379	0.0000000000	2021-09-30
NEI ESG Canadian Enhanced Index Fund - Series I	0.0000482183	0.0000227635	2021-09-30
Total	0.0010087970	0.0008150668	

Series P

NEI Canadian Bond Fund - Series I	0.0000973546	0.0000206593	2021-09-30
NEI Global Equity RS Fund - Series I	0.0000266499	0.0000877728	2021-09-30
NEI International Equity RS Fund - Series I	0.0000175724	0.0000256969	2021-09-30
NEI Global Dividend RS Fund - Series I	0.0001260417	0.0000778423	2021-09-30
NEI Canadian Dividend Fund - Series I	0.0000998073	0.0000645265	2021-09-30
NEI Emerging Markets Fund - Series I	0.0000062646	0.0000167009	2021-09-30
NEI U.S. Dividend Fund - Series I	0.0001319789	0.0004837956	2021-09-30
NEI Global High Yield Bond Fund - Series I	0.0001313208	0.0000000000	2021-09-30
NEI Global Total Return Bond Fund - Series I	0.0003050279	0.0000000000	2021-09-30
NEI ESG Canadian Enhanced Index Fund - Series I	0.0000472866	0.0000223236	2021-09-30
Total	0.0009893047	0.0007993179	



Series PF

NEI Canadian Bond Fund - Series I	0.0000999703	0.0000212144	2021-09-30
NEI Global Equity RS Fund - Series I	0.0000273659	0.0000901310	2021-09-30
NEI International Equity RS Fund - Series I	0.0000180445	0.0000263874	2021-09-30
NEI Global Dividend RS Fund - Series I	0.0001294282	0.0000799338	2021-09-30
NEI Canadian Dividend Fund - Series I	0.0001024890	0.0000662602	2021-09-30
NEI Emerging Markets Fund - Series I	0.0000064330	0.0000171496	2021-09-30
NEI U.S. Dividend Fund - Series I	0.0001355249	0.0004967943	2021-09-30
NEI Global High Yield Bond Fund - Series I	0.0001348492	0.0000000000	2021-09-30
NEI Global Total Return Bond Fund - Series I	0.0003132235	0.0000000000	2021-09-30
NEI ESG Canadian Enhanced Index Fund - Series I	0.0000485571	0.0000229234	2021-09-30
Total	0.0010158856	0.0008207941	



3) Your pro-rata share of cash distributions<sup>1</sup> and property distributions for each Series of the Fund for the period specified in paragraph (1) are as follows:<sup>2</sup>

<b>Series</b>	<b>Property Distributions (US\$)</b>	<b>Cash Distributions (US\$)</b>
Series A	0.4576659039	0.0000000000
Series F	0.4734474868	0.0000000000
Series I	0.0315631658	0.0000000000
Series O	0.0000000000	0.0000000000
Series P	0.4655566953	0.0000000000
Series PF	0.4734474868	0.0000000000

To determine your pro-rata share of the amounts above, multiply the amounts by the number of securities of each Series you held during the year.

- i. If you owned the same number of securities from October 1, 2020 through September 30, 2021 multiply the number of such securities by the amounts above.
  - ii. If you did not own same number of securities from October 1, 2020 through September 30, 2021, multiply the number of securities you owned by the amounts above as well by the number of days the securities were held in the period specified in paragraph (1) and divide the result by 365.
- 4) The Fund will, upon receipt of a request, permit you to inspect and copy its permanent books of account, records, and other such documents as may be maintained by the Fund that are necessary to establish its ordinary earnings and net capital gains are computed in accordance with U.S. income tax principles under IRC Section 1293 and to verify these amounts and your pro-rata share thereof.<sup>3</sup>

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<sup>1</sup> Under U.S. tax reporting rules, cash distributions only include distributions denominated in U.S. currency. Distributions denominated in Canadian currency are reported as property distributions.

<sup>2</sup> All amounts are reported in U.S. dollars. Distributions represent average distributions that are not reinvested in the fund. If you have elected to reinvest your distributions, the above amount may not be reflective of the actual distribution amount you received during the year. If you have made a QEF election, your basis in your fund securities is based on your investment in the fund before the election, plus your share of ordinary earnings and/or net capital gains less the actual distributions you have received during the year. You should consult your U.S. tax advisor to determine your U.S. tax basis in the fund securities during the year.

<sup>3</sup> The per unit amount of ordinary earnings and net capital gains for each Series of the Fund for the period are calculated under U.S. tax principles and may not be reflective of the per unit Canadian dollar amounts reported in your fund account statement.

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By: Rodney Ancrum

Title: SVP, Chief Financial Officer and Chief Administrative Officer

Date: March 07, 2022

THIS INFORMATION CONTAINED HEREIN IS TAKEN FROM THE AUDITED FINANCIAL STATEMENTS OF THE VARIOUS NEI FUNDS AND IS PROVIDED IN ORDER TO ASSIST INVESTORS IN MAKING CALCULATIONS AND DOES NOT CONSTITUTE TAX ADVICE. COPIES OF THE FINANCIAL STATEMENTS ARE AVAILABLE ON <http://www.neiinvestments.com/pages/reports/>. INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS CONCERNING THE OVERALL TAX CONSEQUENCES OF THE OWNERSHIP OF SECURITIES ARISING IN THEIR OWN PARTICULAR SITUATIONS UNDER UNITED STATES FEDERAL, STATE, LOCAL OR FOREIGN LAW.