

COUNSEL | PORTFOLIO SERVICES

Counsel Global Fixed Income

ANNUAL FINANCIAL STATEMENTS

For the year ended March 31, 2018

COUNSEL | PORTFOLIO SERVICES

Management's *Responsibility for Financial Reporting*

To the securityholders of:

| | | |
|------------------------------------|--------------------------------------|---|
| Counsel All Equity Portfolio | Counsel Conservative Portfolio Class | Counsel Income Portfolio |
| Counsel All Equity Portfolio Class | Counsel Defensive Global Equity | Counsel International Growth |
| Counsel Balanced Growth Portfolio | Counsel Fixed Income | Counsel International Value |
| Counsel Balanced Portfolio | Counsel Global Dividend | Counsel Money Market |
| Counsel Balanced Portfolio Class | Counsel Global Fixed Income | Counsel Monthly Income Portfolio |
| Counsel Canadian Core Fixed Income | Counsel Global Low Volatility Equity | Counsel North American High Yield Bond |
| Counsel Canadian Dividend | Counsel Global Real Estate | Counsel Retirement Accumulation Portfolio |
| Counsel Canadian Dividend Class | Counsel Global Small Cap | Counsel Retirement Foundation Portfolio |
| Counsel Canadian Growth | Counsel Global Trend Strategy | Counsel Retirement Income Portfolio |
| Counsel Canadian Growth Class | Counsel Growth Portfolio | Counsel Retirement Preservation Portfolio |
| Counsel Canadian Value | Counsel Growth Portfolio Class | Counsel Short Term Bond |
| Counsel Canadian Value Class | Counsel High Income Portfolio | Counsel U.S. Growth |
| Counsel Conservative Portfolio | Counsel High Yield Fixed Income | Counsel U.S. Value |

(collectively, “the Funds”)

The accompanying financial statements have been prepared by Counsel Portfolio Services Inc. (“Counsel”), as manager of the Funds. The statements have been approved by the Board of Directors of Counsel (the “Board”). Management is responsible for the information and representations contained in these financial statements.

Counsel maintains internal controls over the financial reporting process to ensure that relevant and reliable financial information is provided. The financial statements have been prepared in accordance with International Financial Reporting Standards and include certain amounts that are based on estimates and judgments. The significant accounting policies, which management believes are appropriate for the Funds, are described in note 3 to the financial statements.

The Board is responsible for reviewing and approving the financial statements and overseeing the Manager’s performance of its financial reporting responsibilities. The Board is assisted in discharging this responsibility by an Audit Committee, which reviews the financial statements and recommends them for approval by the Board. The Audit Committee also meets regularly with the Manager, internal auditors and external auditors to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues.

Deloitte LLP are the external auditors of the Funds. They are appointed by the Board. The external auditors have audited the financial statements in accordance with generally accepted auditing standards to enable them to express to securityholders their opinion on the financial statements.



Chris Reynolds
Director



Frank Gawlina
Chief Financial Officer

June 7, 2018

Independent Auditor's Report

To the Securityholders of

| | | |
|------------------------------------|--------------------------------------|---|
| Counsel All Equity Portfolio | Counsel Conservative Portfolio Class | Counsel Income Portfolio |
| Counsel All Equity Portfolio Class | Counsel Defensive Global Equity | Counsel International Growth |
| Counsel Balanced Growth Portfolio | Counsel Fixed Income | Counsel International Value |
| Counsel Balanced Portfolio | Counsel Global Dividend | Counsel Money Market |
| Counsel Balanced Portfolio Class | Counsel Global Fixed Income | Counsel Monthly Income Portfolio |
| Counsel Canadian Core Fixed Income | Counsel Global Low Volatility Equity | Counsel North American High Yield Bond |
| Counsel Canadian Dividend | Counsel Global Real Estate | Counsel Retirement Accumulation Portfolio |
| Counsel Canadian Dividend Class | Counsel Global Small Cap | Counsel Retirement Foundation Portfolio |
| Counsel Canadian Growth | Counsel Global Trend Strategy | Counsel Retirement Income Portfolio |
| Counsel Canadian Growth Class | Counsel Growth Portfolio | Counsel Retirement Preservation Portfolio |
| Counsel Canadian Value | Counsel Growth Portfolio Class | Counsel Short Term Bond |
| Counsel Canadian Value Class | Counsel High Income Portfolio | Counsel U.S. Growth |
| Counsel Conservative Portfolio | Counsel High Yield Fixed Income | Counsel U.S. Value |

(collectively "the Funds")

We have audited the accompanying financial statements of the Funds, which comprise the statements of financial position, statements of comprehensive income, statements of changes in financial position and statements of cash flows as at and for the periods indicated in note 1, and 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 audit 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 the auditor's 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, the auditor considers internal control relevant to the Funds' 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 Funds' 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 each of the Funds, their financial performance and their cash flows as at and for the periods indicated in note 1 in accordance with International Financial Reporting Standards.

/s/ Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
Toronto, Ontario
June 7, 2018

STATEMENTS OF FINANCIAL POSITION

at March 31, 2018 with comparative figures at March 31, 2017
(in \$ 000 except per security amounts)

| | Mar. 31 2018 | Mar. 31 2017 |
|---|-----------------|-----------------|
| Assets | | |
| Current assets: | | |
| Investments at fair value | 78,498 | 79,174 |
| Cash and cash equivalents | 70,972 | 189 |
| Accrued interest receivable | 1,439 | - |
| Dividends receivable | - | - |
| Accounts receivable for investments sold | - | 8 |
| Accounts receivable for securities issued | 173 | 329 |
| Accounts receivable from the Manager | - | - |
| Margin on derivative contracts | 219 | - |
| Derivative assets | 1,227 | - |
| Other assets | - | - |
| | 152,528 | 79,700 |
| Non-current assets: | | |
| Taxes recoverable | - | - |
| Other assets | - | - |
| | - | - |
| Total assets | 152,528 | 79,700 |
| Liabilities | | |
| Current liabilities: | | |
| Bank indebtedness | - | - |
| Accounts payable for investments purchased | - | 198 |
| Accounts payable for securities redeemed | 206 | 224 |
| Distributions payable | - | - |
| Accrued expenses and miscellaneous payables | 1 | - |
| Dividends payable on investments sold short | - | - |
| Derivative liabilities | 1,521 | - |
| Taxes payable | - | - |
| Other liabilities | - | - |
| | 1,728 | 422 |
| Total liabilities | 1,728 | 422 |
| Net assets attributable to securityholders | 150,800 | 79,278 |

| | Net assets attributable to securityholders | | | |
|-----------------------|--|-----------------|-----------------|-----------------|
| | per security | | per series | |
| | Mar. 31 2018 | Mar. 31 2017 | Mar. 31 2018 | Mar. 31 2017 |
| Series O | 10.26 | n/a | 61,796 | n/a |
| Series Private Wealth | 9.78 | 9.92 | 89,003 | 79,277 |
| Series R | 9.79 | 9.93 | 1 | 1 |
| | | | 150,800 | 79,278 |

STATEMENTS OF COMPREHENSIVE INCOME

for the periods ended March 31
(in \$ 000 except per security amounts)

| | 2018 | 2017 |
|---|-------|-------|
| Income: | | |
| Dividends | - | - |
| Interest and other income | 2,659 | 2,359 |
| Net realized gain (loss) | (534) | 759 |
| Net unrealized gain (loss) | 693 | 2,510 |
| Income (loss) from derivatives | - | - |
| Income (loss) from short selling | - | - |
| Securities lending income | - | - |
| Trust income | - | - |
| Total income | 2,818 | 5,628 |
| Expenses: | | |
| Management fees | - | - |
| Management fee rebates | - | - |
| Administration fees | 138 | 112 |
| Commissions and other portfolio transaction costs | 2 | - |
| Independent Review Committee costs | 2 | 1 |
| Interest and other charges | 3 | - |
| Expenses before amounts absorbed by Manager | 145 | 113 |
| Expenses absorbed by Manager | - | - |
| Net expenses | 145 | 113 |
| Increase (decrease) in net assets attributable to securityholders from operations before tax | 2,673 | 5,515 |
| Foreign withholding tax expense (recovery) | 8 | - |
| Foreign income tax expense (recovery) | - | - |
| Income tax expense (recovery) | - | - |
| Increase (decrease) in net assets attributable to securityholders from operations | 2,665 | 5,515 |

| | Increase (decrease) in net assets attributable to securityholders from operations | | | |
|-----------------------|---|------|------------|-------|
| | per security | | per series | |
| | 2018 | 2017 | 2018 | 2017 |
| Series O | 0.34 | n/a | 1,578 | n/a |
| Series Private Wealth | 0.10 | 0.72 | 1,087 | 5,515 |
| Series R | 0.12 | 0.74 | - | - |
| | | | 2,665 | 5,515 |

STATEMENTS OF CHANGES IN FINANCIAL POSITION

for the periods ended March 31 (in \$ 000 except when stated)

| | TOTAL | | SERIES O | | SERIES PRIVATE WEALTH | | SERIES R | |
|---|----------|----------|----------|------|-----------------------|-----------|----------|------|
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| Net assets attributable to securityholders, beginning of period | 79,278 | 58,489 | - | - | 79,277 | 58,488 | 1 | 1 |
| Increase (decrease) in net assets attributable to securityholders resulting from: | | | | | | | | |
| Operations | 2,665 | 5,515 | 1,578 | - | 1,087 | 5,515 | - | - |
| Distributions: | | | | | | | | |
| Income | (2,541) | (3,599) | (372) | - | (2,169) | (3,599) | - | - |
| Capital gains | - | (148) | - | - | - | (148) | - | - |
| Return of capital | - | - | - | - | - | - | - | - |
| Management fee rebates | - | - | - | - | - | - | - | - |
| Total distributions | (2,541) | (3,747) | (372) | - | (2,169) | (3,747) | - | - |
| Security transactions: | | | | | | | | |
| Proceeds from sale of securities | 81,543 | 26,186 | 62,161 | - | 19,382 | 26,186 | - | - |
| Proceeds from securities issued on merger | - | - | - | - | - | - | - | - |
| Reinvested from distributions | 2,524 | 3,720 | 372 | - | 2,152 | 3,720 | - | - |
| Payment on redemption of securities | (12,669) | (10,885) | (1,943) | - | (10,726) | (10,885) | - | - |
| Total security transactions | 71,398 | 19,021 | 60,590 | - | 10,808 | 19,021 | - | - |
| Increase (decrease) in assets attributable to securityholders | 71,522 | 20,789 | 61,796 | - | 9,726 | 20,789 | - | - |
| Net assets attributable to securityholders, end of period | 150,800 | 79,278 | 61,796 | - | 89,003 | 79,277 | 1 | 1 |
| Increase (decrease) in securities (in thousands): | | | | | | | | |
| Securities outstanding, beginning of period | | | - | - | 7,988.4 | 6,010.7 | 0.1 | 0.1 |
| Add (deduct): | | | | | | | | |
| Securities sold | | | 6,179.2 | - | 1,990.7 | 2,718.1 | - | - |
| Securities issued on merger | | | - | - | - | - | - | - |
| Reinvested from distributions | | | 36.9 | - | 223.0 | 390.4 | - | - |
| Securities redeemed | | | (192.0) | - | (1,106.7) | (1,130.8) | - | - |
| Securities outstanding, end of period | | | 6,024.1 | - | 9,095.4 | 7,988.4 | 0.1 | 0.1 |

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

STATEMENTS OF CASH FLOWS

for the periods ended March 31 (in \$ 000)

| | 2018 | 2017 |
|---|---------------|-----------------|
| Cash flows from operating activities | | |
| Increase (decrease) in net assets attributable to securityholders from operations | 2,665 | 5,515 |
| Less non-cash impact of: | | |
| Net realized loss (gain) on investments | 534 | (759) |
| Change in net unrealized loss (gain) on investments | (693) | (2,510) |
| Distributions received from Underlying Funds | (1,377) | (2,359) |
| Adjustments for: | | |
| Proceeds from sale and maturity of investments | 88,615 | 7,569 |
| Purchases of investments | (87,095) | (22,464) |
| (Increase) decrease in accounts receivable and other assets | (1,658) | - |
| Increase (decrease) in accounts payable and other liabilities | 1 | - |
| Net cash provided by (used in) operating activities | 992 | (15,008) |
| Cash flows from financing activities: | | |
| Proceeds from securities issued | 81,699 | 25,991 |
| Proceeds from securities issued on merger | - | - |
| Payments on redemption of securities | (12,687) | (10,766) |
| Distributions paid net of reinvestments | (17) | (27) |
| Net cash provided by (used in) financing activities | 68,995 | 15,198 |
| Increase (decrease) in cash and cash equivalents | 69,987 | 190 |
| Cash and cash equivalents at beginning of period | 189 | (1) |
| Effect of exchange rate fluctuations on cash and cash equivalents | 796 | - |
| Cash and cash equivalents, end of period | 70,972 | 189 |
| Cash | 70,972 | 189 |
| Cash equivalents | - | - |
| Bank indebtedness | - | - |
| | 70,972 | 189 |

Supplementary disclosures on cash flow from operating activities:

| | | |
|--|-------|---|
| Dividends received net of withholding taxes | - | - |
| Interest received (purchased) net of withholding taxes | (164) | - |
| Interest paid | 3 | - |
| Income taxes paid (recovered) | - | - |

SCHEDULE OF INVESTMENTS

as at March 31, 2018

| | Country | Sector | Currency* | No. of Units, Shares, or Par Value | Average Cost (\$ 000) | Fair Value (\$ 000) |
|--|-------------|---------------------|-----------|--|-----------------------------|---------------------------|
| BONDS | | | | | | |
| Argentine Bonos del Tesoro 21.20% 09-19-2018 | Argentina | Foreign Governments | ARS | 3,655,000 | 247 | 231 |
| Argentine Bonos del Tesoro 18.20% 10-03-2021 | Argentina | Foreign Governments | ARS | 19,627,000 | 1,540 | 1,262 |
| Argentine Bonos del Tesoro 16.00% 10-17-2023 | Argentina | Foreign Governments | ARS | 19,496,000 | 1,478 | 1,214 |
| Argentine Bonos del Tesoro 15.50% 10-17-2026 | Argentina | Foreign Governments | ARS | 17,900,000 | 1,400 | 1,128 |
| Bank of Thailand Bond 1.49% 08-28-2019 Series 2 | Thailand | Foreign Governments | THB | 107,000,000 | 4,162 | 4,422 |
| Bonos de la Nacion Argentina con Ajuste por CER 3.75% 02-08-2019 | Argentina | Foreign Governments | ARS | 6,200,000 | 396 | 434 |
| Federative Republic of Brazil 0% 07-01-2021 Series LTN | Brazil | Foreign Governments | BRL | 1,500,000 | 4,249 | 4,530 |
| Federative Republic of Brazil 0% 01-01-2022 | Brazil | Foreign Governments | BRL | 835,000 | 2,414 | 2,396 |
| Federative Republic of Brazil 10.00% 01-01-2023 | Brazil | Foreign Governments | BRL | 1,020,000 | 4,177 | 4,161 |
| Ghana Government Bond 24.50% 10-22-2018 Series 3YR | Ghana | Foreign Governments | GHS | 470,000 | 141 | 143 |
| Ghana Government Bond 16.50% 03-22-2021 Series 3Y | Ghana | Foreign Governments | GHS | 5,880,000 | 1,732 | 1,725 |
| Ghana Government Bond 18.25% 07-25-2022 Series 5YR | Ghana | Foreign Governments | GHS | 470,000 | 139 | 147 |
| Ghana Government Bond 17.60% 11-28-2022 Series 5YR | Ghana | Foreign Governments | GHS | 1,030,000 | 299 | 316 |
| Government of Indonesia 7.88% 04-15-2019 | Indonesia | Foreign Governments | IDR | 42,000,000,000 | 4,023 | 4,043 |
| Government of Indonesia 7.00% 05-15-2022 | Indonesia | Foreign Governments | IDR | 41,000,000,000 | 4,034 | 3,963 |
| Government of Indonesia 7.00% 05-15-2027 | Indonesia | Foreign Governments | IDR | 42,000,000,000 | 4,129 | 4,023 |
| Government of Mexico 6.50% 06-10-2021 | Mexico | Foreign Governments | MXN | 61,000,000 | 4,061 | 4,236 |
| Korea Monetary Stabilization Bond 2.06% 12-02-2019 | South Korea | Foreign Governments | KOR | 3,520,000,000 | 4,276 | 4,257 |
| Korea Treasury Bond 1.75% 06-10-2020 | South Korea | Foreign Governments | KOR | 3,560,000,000 | 4,288 | 4,279 |
| Korea Treasury Bond 1.75% 12-10-2020 | South Korea | Foreign Governments | KOR | 3,570,000,000 | 4,285 | 4,279 |
| Letras del Banco Central de la Republic Argentina 0% 06-21-2018 | Argentina | Foreign Governments | ARS | 2,455,000 | 141 | 149 |
| Letras del Banco Central de la Republic Argentina 0% 07-18-2018 | Argentina | Foreign Governments | ARS | 7,857,000 | 445 | 467 |
| Letras del Banco Central de la Republic Argentina 0% 08-15-2018 | Argentina | Foreign Governments | ARS | 6,136,000 | 341 | 359 |
| Letras del Banco Central de la Republic Argentina 0% 09-19-2018 | Argentina | Foreign Governments | ARS | 21,849,000 | 1,192 | 1,249 |
| Letras del Banco Central de la Republic Argentina 0% 10-17-2018 | Argentina | Foreign Governments | ARS | 7,307,000 | 395 | 411 |
| Mexico Cetes 0% 05-10-2018 Series BI | Mexico | Foreign Governments | MXN | 7,245,000 | 46 | 51 |
| Mexico Cetes 0% 07-05-2018 Series BI | Mexico | Foreign Governments | MXN | 7,244,000 | 45 | 50 |
| Mexico Cetes 0% 07-19-2018 Series BI | Mexico | Foreign Governments | MXN | 655,200,000 | 4,206 | 4,540 |
| Mexico Cetes 0% 10-11-2018 Series BI | Mexico | Foreign Governments | MXN | 640,000,000 | 4,098 | 4,357 |
| Mexico Cetes 0% 12-06-2018 Series BI | Mexico | Foreign Governments | MXN | 6,158,000 | 37 | 41 |
| Republic of Colombia 7.00% 05-04-2022 Series B | Colombia | Foreign Governments | COP | 9,455,000,000 | 4,260 | 4,572 |
| Republic of Colombia 10.00% 07-24-2024 Series B | Colombia | Foreign Governments | COP | 5,880,000,000 | 3,027 | 3,259 |
| Thailand Government Bond 3.88% 06-13-2019 | Thailand | Foreign Governments | THB | 138,200,000 | 5,626 | 5,877 |
| Thailand Government Bond 5.50% 08-13-2019 | Thailand | Foreign Governments | THB | 44,200,000 | 1,820 | 1,927 |
| TOTAL INVESTMENTS | | | | | 77,148 | 78,498 |
| Net Assets | | | | | | |
| Total investments | | | | | | 78,498 |
| Cash and cash equivalents | | | | | | 70,972 |
| Derivative assets (see schedule of derivative instruments) | | | | | | 1,227 |
| Derivative liabilities (see schedule of derivative instruments) | | | | | | (1,521) |
| Other net assets (liabilities) | | | | | | 1,624 |
| | | | | | | <u>150,800</u> |

*Par value of bonds is stated in Canadian dollars unless otherwise noted.

Schedule of Composition of the Underlying Fund

at March 31, 2018

| | % of net assets |
|---------------------------|-----------------|
| BY ASSET TYPE | |
| Government Bonds | 52.0 |
| Cash and cash equivalents | 47.1 |
| Other | 0.9 |
| Total | 100.0 |

REGIONAL ALLOCATION

| | |
|---------------------------|--------------|
| Latin America | 25.9 |
| Pacific ex Japan | 24.6 |
| Middle East and Africa | 1.5 |
| Canada | 0.9 |
| Cash and cash equivalents | 47.1 |
| Total | 100.0 |

at March 31, 2017

| | % of net assets |
|-----------------------------------|-----------------|
| UNDERLYING FUND ASSET TYPE | |
| Government Bonds | 68.6 |
| Cash and cash equivalents | 31.5 |
| Other | (0.1) |
| Total | 100.0 |

UNDERLYING FUND REGIONAL ALLOCATION

| | |
|---------------------------|--------------|
| Latin America | 31.1 |
| Pacific ex Japan | 30.4 |
| Europe ex U.K. | 4.9 |
| Middle East | 1.0 |
| Europe | 1.0 |
| Canada | 0.1 |
| Cash and cash equivalents | 31.5 |
| Total | 100.0 |

Schedule of Derivative Instruments

as at March 31, 2018

Schedule of Forward Currency Contracts

| Counterparty credit rating | Settlement date | Currency to be received (000) | Contract costs (CAD\$ 000) | Currency to be delivered (000) | Current fair value (CAD\$ 000) | Unrealized gains (CAD\$ 000) | Unrealized losses (CAD\$ 000) |
|-------------------------------|--------------------|-------------------------------------|----------------------------------|--------------------------------------|--------------------------------------|------------------------------------|-------------------------------------|
| A | 06-12-2018 | 6,120 BRL | 2,344 | 1,820 USD | 2,372 | 28 | - |
| AA | 05-08-2018 | 18,621 CAD | 18,621 | 14,899 USD | 19,182 | - | (561) |
| AA | 05-08-2018 | 18,637 CAD | 18,637 | 14,899 USD | 19,182 | - | (544) |
| A | 06-12-2018 | 215,000 INR | 4,213 | 3,270 USD | 4,220 | 8 | - |
| A | 07-30-2018 | 250,000 INR | 4,959 | 3,849 USD | 4,881 | - | (77) |
| A | 12-12-2018 | 215,000 INR | 4,135 | 3,209 USD | 4,137 | 2 | - |
| A | 06-13-2018 | 79,000 MXN | 5,216 | 4,049 USD | 5,532 | 316 | - |
| A | 07-30-2018 | 91,780 MXN | 6,160 | 4,782 USD | 6,381 | 221 | - |
| A | 12-13-2018 | 79,000 MXN | 5,062 | 3,929 USD | 5,378 | 316 | - |
| AA | 05-08-2018 | 14,899 USD | 19,308 | 19,308 CAD | 19,182 | - | (126) |
| A | 06-21-2018 | 4,722 USD | 6,083 | 5,050,000 KOR | 6,138 | - | (55) |
| A | 09-21-2018 | 4,734 USD | 6,099 | 5,050,000 KOR | 6,158 | - | (59) |
| A | 06-13-2018 | 697 USD | 898 | 13,100 MXN | 917 | - | (19) |
| A | 06-13-2018 | 1,436 USD | 1,850 | 27,080 MXN | 1,896 | - | (47) |
| | | | | | | 891 | (1,488) |

Note:

The following abbreviations are used in the above tables:

CAD – Canadian dollars

ARS – Argentina peso

BRL – Brazilian real

CNY – Chinese yuan

COP – Colombian peso

EUR – Euro

GBP – United Kingdom pounds

GHS – Ghana cedi

IDR – Indonesian rupiah

INR – Indian rupee

JPY – Japanese yen

KOR – South Korean won

MXN – Mexican peso

THB – Thailand baht

USD – United States dollars

Schedule of Derivative Instruments (continued)

as at March 31, 2018

Schedule of Interest Rate Swaps

| Counterparty credit rating | No. of contracts | Maturity date | Fund pays return on: | Fund receives return on: | Notional value (CAD\$ 000) | Unrealized gains (CAD\$ 000) | Unrealized losses (CAD\$ 000) | |
|-------------------------------------|---------------------|------------------|----------------------------|---|----------------------------------|------------------------------------|-------------------------------------|---------|
| | 1 | 01-05-2028 | Fixed interest at 2.42850% | Floating interest LIBOR BBA plus 1.69693% | 2,319 | 69 | - | |
| | 1 | 01-05-2048 | Fixed interest at 2.58500% | Floating interest LIBOR BBA plus 1.69693% | 902 | 49 | - | |
| | 1 | 02-20-2048 | Fixed interest at 2.97981% | Floating interest LIBOR BBA plus 1.85000% | 268 | - | (10) | |
| | 1 | 02-22-2048 | Fixed interest at 3.00200% | Floating interest LIBOR BBA plus 1.88494% | 268 | - | (11) | |
| | 1 | 02-23-2048 | Fixed interest at 3.01900% | Floating interest LIBOR BBA plus 1.89213% | 268 | - | (12) | |
| | 1 | 12-21-2027 | Fixed interest at 2.4300% | Floating interest LIBOR BBA plus 1.61331% | 5,282 | 123 | - | |
| | 1 | 12-21-2047 | Fixed interest at 2.59300% | Floating interest LIBOR BBA plus 1.61331% | 2,190 | 95 | - | |
| | | | | | | 336 | (33) | |
| TOTAL DERIVATIVE ASSETS | | | | | | | | 1,227 |
| TOTAL DERIVATIVE LIABILITIES | | | | | | | | (1,521) |

NOTES TO ANNUAL FINANCIAL STATEMENTS**1. FISCAL PERIODS AND GENERAL INFORMATION**

The information provided in these financial statements and notes thereto is for the year ended or as at March 31, 2018 and 2017, as applicable. In the year a series is established, 'period' represents the period from inception to the period end of that fiscal period. Refer to Note 10 for series inception dates.

The Fund is organized as an open-ended mutual fund trust established under the laws of the Province of Ontario pursuant to a Declaration of Trust as amended and restated from time to time. The address of the Fund's registered office is 5015 Spectrum Way, Suite 300, Mississauga, Ontario, Canada. The Fund is authorized to issue an unlimited number of units (referred to as "security" or "securities") of multiple series. Series of the Fund are available for sale under Simplified Prospectus and/or exempt distribution options.

Counsel Portfolio Services Inc. (the "Manager" or "Counsel") acts as the Fund's manager and trustee.

2. BASIS OF PREPARATION AND PRESENTATION

These annual financial statements ("financial statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). A summary of the Fund's significant accounting policies under IFRS is presented in Note 3.

These financial statements are presented in Canadian dollars, which is the Fund's functional currency, and rounded to the nearest thousand unless otherwise indicated. These financial statements are prepared on a going concern basis using the historical cost basis, except for financial assets and liabilities that have been measured at fair value.

These financial statements were authorized for issue by Counsel's Board of Directors on June 7, 2018.

3. SIGNIFICANT ACCOUNTING POLICIES**(a) Financial Instruments**

Financial instruments include financial assets and liabilities such as debt and equity securities, open-ended investment funds, and derivatives. The Fund classifies and measures financial instruments in accordance with IFRS 9 Financial Instruments ("IFRS 9"). Upon initial recognition, financial instruments are classified as fair value through profit or loss ("FVTPL"). All financial instruments are recognized in the Statements of Financial Position when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date.

Investments are designated on initial recognition as FVTPL with changes in fair value recognized in the Statement of Comprehensive Income – Net unrealized gain (loss).

The Fund's redeemable securities contain multiple contractual obligations and therefore meet the criteria for classification as financial liabilities. The Fund's obligation for net assets attributable to securityholders is presented at the redemption amount.

Realized and unrealized gains and losses on investments are calculated based on average cost of investments and exclude commissions and other portfolio transaction costs, which are separately reported in the Statement of Comprehensive Income – Commissions and other portfolio transaction costs.

Gains and losses arising from changes in the fair value of the investments are included in the Statement of Comprehensive Income for the period in which they arise.

(b) Investments in underlying mutual funds

The Fund accounts for its holdings in underlying mutual funds at FVTPL. Counsel has concluded that the unlisted open-ended investment funds in which the Fund invests, do not meet the definition of structured entities.

(c) Fair Value Measurement

Fair value is defined as 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.

Investments, including exchange traded funds ("ETFs"), listed on a public securities exchange or traded on an over-the-counter market are valued on the basis of the last traded market price where this price falls within the quoted bid-ask spread for the investment. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. Mutual fund securities of an underlying fund are valued on a business day at the price calculated by the manager of such underlying fund in accordance with the constating documents of such underlying fund. Unlisted or non-exchange traded investments, or investments where a last sale or close price is unavailable or investments for which market quotations are, in Counsel's opinion, inaccurate, unreliable, or not reflective of all available material information, are valued at their fair value as determined by the Manager using appropriate and accepted industry valuation techniques including valuation models. The fair value determined using valuation models requires the use of inputs and assumptions based on observable market data including volatility and other applicable rates or prices. In limited circumstances, the fair value may be determined using valuation techniques that are not supported by observable market data. The cost of investments is determined on a weighted average cost basis.

Cash and cash equivalents which includes cash on deposit with financial institutions and short term investments that are readily convertible to cash, are subject to an insignificant risk of changes in value, and are used by the Fund in the management of short-term commitments. Cash and cash equivalents are reported at fair value which closely approximates their amortized cost due to their nature of being highly liquid and having short terms to maturity.

The Fund may use derivatives (such as written options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest rates or exchange rates. The Fund may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets, to gain exposure to other currencies, to seek to generate additional income, and/or for any other purpose considered appropriate by the Manager, provided that the use of the derivative is consistent with the Fund's investment objectives. Any use of derivatives will comply with Canadian mutual fund laws, subject to the regulatory exemptions granted to the Fund, as applicable.

Valuations of derivative instruments are carried out daily, using normal exchange reporting sources for exchange-traded derivatives and specific broker enquiry for over-the-counter derivatives.

The value of forward contracts is the gain or loss that would be realized if, on the valuation date, the positions were to be closed out. The change in value of forward contracts is included in the Statements of Comprehensive Income – Other changes in fair value of investments – Net unrealized gain (loss).

Further information on the Fund's fair value measurements may be found in Note 10.

(d) Income recognition

Interest income from interest bearing investments is recognized using the effective interest method. Dividends are accrued as of the ex-dividend date. Distributions from underlying mutual funds are recorded on the declaration date. Distributions of Canadian dividends are included in dividend income. Capital gains distributions from underlying funds are included in Net realized gains (losses). Other distributions are included in interest and other income. Realized gains or losses on the sale of investments, including foreign exchange gains or losses on such investments, are calculated on an average cost basis.

Income, realized gains (losses) and unrealized gains (losses) are allocated daily among the series on a pro-rata basis.

(e) Commissions and other portfolio transaction costs

Commissions and other portfolio transaction costs are costs incurred to acquire financial assets or liabilities. They include fees and commissions paid to agents, advisers, brokers and dealers.

(f) Securities lending, repurchase and reverse repurchase transactions

The Fund is permitted to enter into securities lending, repurchase and reverse repurchase transactions as set out in the Fund's Simplified Prospectus. These transactions involve the temporary exchange of securities for collateral with a commitment to redeliver the same securities on a future date. Securities lending transactions are administered by the Canadian Imperial Bank of Commerce (the "Securities Lending Agent"). The value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned, sold or purchased. Collateral received is comprised of debt obligations of the Government of Canada and other countries, Canadian provincial and municipal governments, and financial institutions. Income is earned from these transactions in the form of fees paid by the counterparty and, in certain circumstances, interest paid on cash or securities held as collateral. Income earned from these transactions is included in the Statements of Comprehensive Income – Securities lending income and recognized when earned.

NOTES TO ANNUAL FINANCIAL STATEMENTS**3. SIGNIFICANT ACCOUNTING POLICIES (continued)****(g) Foreign currency**

The functional and presentation currency of the Fund is Canadian dollars. Foreign currency purchases and sales of investments and foreign currency dividend and interest income and expenses are translated to Canadian dollars at the rate of exchange prevailing at the time of the transactions.

Foreign exchange gains (losses) on purchases and sales of foreign currencies are included in the Statements of Comprehensive Income – Net realized gain (loss).

The fair value of investments and other assets and liabilities, denominated in foreign currencies, are translated to Canadian dollars at the rate of exchange prevailing on each business day.

(h) Offsetting

The Fund only offsets financial assets and liabilities in the Statement of Financial Position when there is a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. In the normal course of business, the Fund enters into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the Statements of Financial Position but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts.

Income and expenses are not offset in the statement of comprehensive income unless required or permitted to by an accounting standard, as specifically disclosed in the IFRS policies of the Fund.

(i) Net assets attributable to securityholders per security

Net assets attributable to securityholders per security is computed by dividing the net assets attributable to securityholders of a series of securities on a business day by the total number of securities of the series outstanding on that day.

(j) Net asset value per security

Net asset value per security is determined for the purchase and redemption of securities in accordance with the methods disclosed in the Fund's Simplified Prospectus and Annual Information Form. These methods may vary from valuation principles under IFRS. As at March 31, 2018 and March 31, 2017, there were no material differences.

(k) Increase (decrease) in net assets attributable to securityholders from operations per security

Increase (decrease) in net assets attributable to securityholders from operations per security in the Statements of Comprehensive Income represents the increase (decrease) in net assets attributable to securityholders from operations for the period, divided by the weighted average number of securities outstanding during the period.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these financial statements requires management to make estimates and assumptions that primarily affect the valuation of investments. Estimates and assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates.

Use of Estimates*Fair value of securities not quoted in an active market*

The Fund holds financial instruments that are not quoted in active markets and are valued using valuation techniques that make use of observable data, to the extent practicable. Various valuation techniques are utilized, depending on a number of factors, including comparison with similar instruments for which observable market prices exist and recent arm's length market transactions. Key inputs and assumptions used are company specific and may include estimated discount rates and expected price volatilities. Changes in key inputs, could affect the reported fair value of these financial instruments held by the Fund.

Use of Judgments*Classification and measurement of investments and application of the fair value option*

In classifying and measuring financial instruments held by the Fund, the Manager is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9. The Manager has considered the Fund's business model, commitments to securityholders, and the manner in which investments are managed and evaluated as a group and has determined that irrevocable designation of financial instruments as financial assets or financial liabilities at fair value through profit or loss provides the most appropriate measurement and presentation of the Fund's investments and financial instruments.

Functional currency

The Fund's functional and presentation currency is the Canadian dollar, which is the currency considered to best represent the economic effects of the Fund's underlying transactions, events and conditions taking into consideration the manner in which securities are issued and redeemed and how returns and performance by the Fund are measured.

Structured entities

Counsel is required to make significant judgments in determining whether certain investments meet the definition to be classified as a structured entity. In making this determination Counsel has assessed the characteristics of these underlying investments and has considered the contracts or financing arrangements with these investments, the ability to influence the activities of these underlying investments or the returns it receives from investing in these entities.

5. INCOME TAXES

The Fund qualifies as a mutual fund trust under the provisions of the Income Tax Act (Canada) and, accordingly, is subject to tax on its income including net realized capital gains in the taxation year, which is not paid or payable to its securityholders as at the end of the taxation year. It is the intention of the Fund to distribute all of its net income and sufficient net realized capital gains so that the Fund will not be subject to income taxes other than foreign withholding taxes, if applicable. The Fund's taxation year end is December 15.

Losses of the Fund cannot be allocated to securityholders and are retained in the Fund for use in future years. Non-capital losses incurred may be carried forward up to 20 years to reduce taxable income and realized capital gains of future years. Net capital losses may be carried forward indefinitely to reduce future realized capital gains.

Refer to Note 10 for a summary of the Fund's loss carryforwards.

6. MANAGEMENT FEES AND OPERATING EXPENSES

No management fee is charged to the Fund; Series Private Wealth of the Fund is charged a fixed rate annual administration fee ("Administration Fee"), as applicable, and in return, Counsel bears all of the operating expenses of the Fund, other than certain specified fund costs.

Other fund costs include taxes (including, but not limited to GST/HST and income tax), interest and borrowing costs, all fees and expenses of the Counsel Funds' Independent Review Committee, costs of complying with the regulatory requirement to produce Fund Facts, fees paid to external service providers associated with tax reclaims, refunds or the preparation of foreign tax reports on behalf of the Funds, any new fees related to external services that were not commonly charged in the Canadian mutual fund industry and introduced after October 27, 2017 and the costs of complying with any new regulatory requirements, including, without limitation, any new fees introduced after October 27, 2017.

The Administration Fee is calculated for Series Private Wealth of the Fund as a fixed annual percentage of the daily net asset value of the series. Refer to Note 10 for the management fee and Administration Fee rates charged to each series of securities.

At its sole discretion, the Manager may waive management fees or Administration fees otherwise payable by a series.

7. FUND'S CAPITAL

The capital of the Fund is divided into different series with each series having an unlimited number of securities. The securities outstanding for the Fund as at March 31, 2018 and 2017 and securities issued, reinvested and redeemed for the period are presented in the Statements of Changes in Financial Position. Counsel manages the capital of the Fund in accordance with the investment objectives and strategies as discussed in Note 10.

NOTES TO ANNUAL FINANCIAL STATEMENTS**8. FINANCIAL INSTRUMENTS RISK****(a) Risk exposure and management**

The Fund's investment activities expose it to a variety of financial risks, as defined in IFRS 7 Financial Instruments: Disclosures ("IFRS 7"). The Fund's exposure to financial risks is concentrated in its investments, which are presented in the Schedule of Investments, grouped by asset type, with geographic and sector information.

The Manager seeks to minimize potential adverse effects of financial risks on the Fund's performance by employing professional, experienced portfolio advisors, by monitoring the Fund's positions and market events daily, by diversifying the investment portfolio within the constraints of the Fund's investment objectives and strategies (as disclosed in Note 10), and where applicable, by using derivatives to hedge certain risk exposures. To assist in managing risks, the Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy, internal guidelines, and securities regulations.

(b) Liquidity risk

Liquidity risk arises when the Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable securities. In accordance with securities regulations, the Fund must maintain at least 85% of its assets in liquid investments (i.e., investments that can be readily sold). In addition, the Fund retains sufficient cash and short-term investment positions to maintain adequate liquidity. The Fund also has the ability to borrow up to 5% of its net assets for the purposes of funding redemptions.

Other investment funds managed by Counsel ("Top Funds") may invest in Series O securities offered by the Fund on a prospectus-exempt basis in accordance with the investment objectives of those funds. Series Private Wealth securities may also be issued on a prospectus-exempt basis to investors in the IPC Private Wealth program offered by IPC Securities Corporation, an affiliate of Counsel.

From time to time, these holdings may be rebalanced by either reducing an allocation to the Fund or eliminating such investments in the Fund entirely. In either case, depending on the size of the investment by a large investor, this could cause a significant redemption from the Fund. Meeting such a redemption may require the Fund to sell portfolio holdings. This could result in the Fund selling a particular holding before it has achieved the valuation sought by the Manager thus affecting Fund returns. This could also result in the Fund realizing capital gains on its holdings earlier than planned, which could result in capital gains distributed to investors in the Fund (which could result in income tax payable by the investor) that might not have occurred or might have occurred at a later date.

For the amounts held by and the changes thereto during the period pertaining to Series O and/or Series Private Wealth, please refer to the amounts disclosed in the Statement of Financial Position and Statement of Changes in Financial Position.

(c) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund.

All transactions in listed securities are executed with approved brokers. To minimize the possibility of settlement default, securities are exchanged for payment simultaneously, where market practices permit, through the facilities of a central depository and/or clearing agency where customary.

The carrying amount of investments and other assets represents the maximum credit risk exposure as at the dates of the Statements of Financial Position.

The Fund may enter into securities lending transactions with counterparties and it may also be exposed to credit risk from the counterparties to the derivative instruments it may use. Credit risk associated with these transactions is considered minimal as all counterparties have an approved credit rating equivalent to a Standard & Poor's credit rating of not less than A-1 (low) on their short-term debt and of A on their long-term debt, as applicable.

Note 10 summarizes the Fund's exposure to credit risk pertaining to fixed income investments and derivatives.

(d) Currency risk

Currency risk arises when the fair value of financial instruments that are denominated in a currency other than the Canadian dollar, which is the Fund's reporting currency, fluctuates due to changes in exchange rates. If applicable and significant, Note 10 summarizes the Fund's exposure to currency risk, including indirect exposure through underlying mutual funds.

(e) Interest rate risk

Interest rate risk arises when the fair value of interest-bearing financial instruments fluctuates due to changes in the prevailing levels of market interest rates. Cash and cash equivalents do not expose the Fund to significant amounts of interest rate risk. If applicable and significant, Note 10 summarizes the Fund's exposure to interest rate risk, including indirect exposure through underlying mutual funds.

9. FURTHER INFORMATION

A copy of the Fund's current Annual Information Form, Management Report of Fund Performance, quarterly portfolio disclosures and proxy voting disclosures will be provided, without charge, by: calling toll-free 1-877-625-9885, writing to Counsel Portfolio Services Inc., 5015 Spectrum Way, Suite 300, Mississauga, ON, L4W 0E4, by visiting our website at www.counsel-services.com or by visiting www.sedar.com.

NOTES TO ANNUAL FINANCIAL STATEMENTS

All figures stated in \$000s of Canadian dollars, except for Note 10(a), unless otherwise noted

10. FUND SPECIFIC INFORMATION**(a) Series information**

| Series | Date of Inception | Minimum Investment (\$) | Management Fee (%) | Administration Fee (%) |
|--------------------------------------|-------------------|-------------------------|--------------------|------------------------|
| Series O ^{1,4} | January 17, 2018 | - | - | - |
| Series Private Wealth ^{2,4} | May 23, 2014 | - | - | 0.15 |
| Series R ^{3,4} | May 23, 2014 | - | - | - |

¹ There are no management or administration fees for this series since these securities are designed to facilitate fund-of-fund investing where duplication of management fees is prohibited.

² There are no management fees for Series Private Wealth. An investor must enter into an agreement to participate in the IPC Private Wealth Program and agree to pay certain asset-based fees. Prior to November 21, 2016, this series was called Series P.

³ This series is not available for sale and is held solely by Counsel.

⁴ Securities of this series are not subject to sales charges or redemption charges.

(b) Investment Objectives and Strategies

The Fund seeks to achieve a high level of current income with the potential for capital appreciation. The Fund will invest, either directly or through securities of other mutual funds, primarily in fixed-income securities and preferred shares issued around the world. During the year, the Fund moved from investing in other investment funds to investing directly in securities. The Fund previously invested solely in Templeton Global Bond Fund (the "Underlying Fund").

(c) Risks Associated with Financial Instruments**i. Currency Risk**

The table below indicates the foreign currencies, to which the Fund had significant exposure as at period end in Canadian dollar terms, including the underlying principal amount of forward currency contracts as a percentage of net assets.

| March 31, 2018 | |
|-----------------------|-------|
| Argentina peso | 4.6 |
| Brazilian real | 8.9 |
| Canadian dollars | 13.5 |
| Colombian peso | 5.2 |
| Ghana cedi | 1.5 |
| Indian rupee | 8.8 |
| Indonesian rupiah | 8.0 |
| Mexican peso | 18.4 |
| South Korean won | 0.3 |
| Thailand baht | 8.1 |
| United States dollars | 22.6 |
| | 100.0 |
| March 31, 2017 | |
| Argentine Peso | 5.6 |
| Brazilian Real | 9.9 |
| Chilean Peso | 2.2 |
| Colombian Peso | 6.0 |
| Indian Rupee | 10.4 |
| Indonesian Rupiah | 9.7 |
| Malaysian Ringgit | 3.2 |
| Mexican Peso | 23.0 |
| Peruvian Nuevo Sol | 0.3 |
| Philippine Peso | 3.1 |
| South African Rand | 1.0 |
| South Korean Won | 0.7 |
| United States dollars | 23.9 |
| | 98.9 |

As at March 31, 2018, had the Canadian dollar strengthened or weakened by 5.0% relative to all foreign currencies, with all other variables held constant, net assets would have decreased or increased by approximately \$6,519 or 4.3% of total net assets (March 31, 2017—\$3,920 or 4.9% of total net assets). In practice, the actual trading results may differ and the difference could be material.

ii. Interest Rate Risk

The table below summarizes the Fund's exposure to interest rate risks by remaining term to maturity.

| Bonds | Less than 1 year | 1 - 5 years | 5 - 10 years | > 10 years | Total |
|----------------|------------------|-------------|--------------|------------|-------|
| March 31, 2018 | 8.3% | 37.3% | 6.4% | - | 52.0% |
| March 31, 2017 | 8.8% | 26.5% | 25.2% | 8.0% | 68.5% |

As at March 31, 2018, had the prevailing interest rates raised or lowered by 1.0%, assuming a parallel shift in the yield curve, with all other variables held constant, net assets would have decreased or increased by approximately \$413 or 0.3% of total net assets (March 31, 2017—\$130 or 0.2% of total net assets). The Fund's sensitivity to interest rate changes was estimated using the weighted average duration of the Fund's bond portfolio (including through the Underlying Fund). In practice, the actual trading results may differ and the difference could be material.

NOTES TO ANNUAL FINANCIAL STATEMENTS

All figures stated in \$000s of Canadian dollars, except for Note 10(a), unless otherwise noted

10. FUND SPECIFIC INFORMATION**(c) Risks Associated with Financial Instruments (continued)**

iii. Other Price Risk

As at March 31, 2018 and March 31, 2017, the Fund did not have a significant exposure to other price risk.

iv. Credit Risk

The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. As at March 31, 2018, the Fund's maximum exposure to any one debt issuer was 8.8% (March 31, 2017 – 7.2%).

The table below indicates the Fund's exposures to debt securities (including its holdings in the Underlying Fund) by credit rating as a percentage of net assets:

| March 31, 2018 | |
|-----------------------|-------------|
| AA | 8.5 |
| A | 9.9 |
| BBB | 17.3 |
| less than BBB | 13.5 |
| Unrated | 2.8 |
| Total | 52.0 |
| March 31, 2017 | |
| AAA | 1.2 |
| AA | 9.7 |
| A | 9.6 |
| BBB | 27.6 |
| less than BBB | 20.4 |
| Total | 68.5 |

Credit ratings are based on ratings provided by external ratings agencies.

(d) Loss Carryforwards

As at the last taxation year-end, \$594 of net capital losses and \$nil of non-capital losses were available to offset future taxable income.

(e) Fair Value Classification

The table below summarizes the Fund's financial instruments carried at fair value using the following fair value hierarchy:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

| as at March 31, 2018 | Level 1 | Level 2 | Level 3 | Total |
|-----------------------------|----------------|----------------|----------------|---------------|
| Fixed income | - | 78,498 | - | 78,498 |
| Mutual Funds | - | - | - | - |
| Equities | - | - | - | - |
| Cash equivalents | - | - | - | - |
| Derivative assets | - | 1,227 | - | 1,227 |
| Derivative liabilities | - | (1,521) | - | (1,521) |
| Total | - | 78,204 | - | 78,204 |
| as at March 31, 2017 | Level 1 | Level 2 | Level 3 | Total |
| Fixed income | - | - | - | - |
| Mutual Funds | - | 81,859 | - | 81,859 |
| Equities | - | - | - | - |
| Cash equivalents | - | - | - | - |
| Derivative assets | - | - | - | - |
| Derivative liabilities | - | (198) | - | (198) |
| Total | - | 81,661 | - | 81,661 |

There were no significant transfers between Level 1 and Level 2.

COUNSEL | PORTFOLIO SERVICES

Client Services 180 Queen St. W., Toronto, ON M5V 3K1 • Toll-Free: 1-877-216-4979 • Fax: (416) 922-5660
Sales & Marketing 5015 Spectrum Way, Suite 300, Mississauga ON L4W 0E4 • Toll-Free: 1-877-625-9885 • Fax: 1-844-378-6247