

**COUNSEL | PORTFOLIO SERVICES**

# *Counsel North American High Yield Bond*

ANNUAL FINANCIAL STATEMENTS

For the year ended March 31, 2020

## COUNSEL | PORTFOLIO SERVICES

# Management's *Responsibility for Financial Reporting*

To the securityholders of:

Counsel All Equity Portfolio

Counsel Balanced Portfolio

Counsel Canadian Core Fixed Income

Counsel Canadian Dividend

Counsel Canadian Growth

Counsel Canadian Value

Counsel Conservative Portfolio

Counsel Defensive Global Equity

Counsel Fixed Income

Counsel Global Dividend

Counsel Global Fixed Income

Counsel Global Low Volatility Equity

Counsel Global Real Estate

Counsel Global Small Cap

Counsel Global Trend Strategy

Counsel Growth Portfolio

Counsel High Income Portfolio

Counsel High Yield Fixed Income

Counsel International Growth

Counsel International Value

Counsel Money Market

Counsel Monthly Income Portfolio

Counsel North American High Yield Bond

Counsel Retirement Accumulation Portfolio

Counsel Retirement Foundation Portfolio

Counsel Retirement Income Portfolio

Counsel Retirement Preservation Portfolio

Counsel Short Term Bond

Counsel U.S. Growth

Counsel U.S. Value

IPC Multi-Factor Canadian Equity

IPC Multi-Factor International Equity

IPC Multi-Factor U.S. Equity

(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

July 13, 2020



**Paulette Jervis**  
Chief Financial Officer

July 13, 2020

## Independent Auditor's Report

To the Securityholders of:

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

(the "Funds" and each individually, the "Fund")

### Opinion

We have audited the financial statements of each of the Funds, which comprise the statements of financial position as at March 31, 2020 and 2019, and the statements of comprehensive income, changes in financial position and cash flows for the periods then ended, as indicated in note 1, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of each of the Funds as at March 31, 2020 and 2019, as applicable, and its financial performance and its cash flows for the periods then ended, as indicated in note 1, in accordance with International Financial Reporting Standards ("IFRS").

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Other Information**

Management is responsible for the other information. The other information comprises the Management Report of Fund Performance.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Management Report of Fund Performance prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, 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.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

/s/ Deloitte LLP

Chartered Professional Accountants  
Licensed Public Accountants  
July 13, 2020

**STATEMENTS OF FINANCIAL POSITION**

at March 31, 2020 with comparative figures at March 31, 2019  
(in \$ 000 except per security amounts)

	2020	2019
<b>Assets</b>		
<b>Current assets:</b>		
Investments at fair value	82,249	75,045
Cash and cash equivalents	6,886	5,320
Accrued interest receivable	1,409	1,299
Dividends receivable	2	1
Accounts receivable for investments sold	167	310
Accounts receivable for securities issued	79	101
Accounts receivable from the Manager	-	1
Margin with broker	-	-
Derivative assets	551	143
Other assets	-	-
	91,343	82,220
<b>Non-current assets:</b>		
Taxes recoverable	-	-
Other assets	-	-
	-	-
<b>Total assets</b>	91,343	82,220
<b>Liabilities</b>		
<b>Current liabilities:</b>		
Bank indebtedness	-	-
Accounts payable for investments purchased	820	771
Accounts payable for securities redeemed	10	46
Distributions payable	-	-
Accrued expenses and miscellaneous payables	-	-
Dividends payable on investments sold short	-	-
Derivative liabilities	3,111	88
Taxes payable	-	-
Other liabilities	-	-
<b>Total liabilities</b>	3,941	905
<b>Net assets attributable to securityholders</b>	87,402	81,315

	Net assets attributable to securityholders			
	per security		per series	
	2020	2019	2020	2019
Series O	9.05	9.87	87,402	81,315
			87,402	81,315

**STATEMENTS OF COMPREHENSIVE INCOME**

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

	2020	2019
<b>Income:</b>		
Dividends	24	26
Interest and other income	4,787	5,019
Net realized gain (loss)	222	(3,381)
Net unrealized gain (loss)	(8,365)	3,662
Income (loss) from derivatives	-	-
Income (loss) from short selling	-	-
Securities lending income	-	-
Trust income	-	-
<b>Total income</b>	(3,332)	5,326
<b>Expenses:</b>		
Management fees	-	-
Management fee rebates	-	-
Administration fees	-	-
Commissions and other portfolio transaction costs	5	7
Independent Review Committee costs	-	-
Interest and other charges	5	-
<b>Expenses before amounts absorbed by Manager</b>	10	7
Expenses absorbed by Manager	-	-
<b>Net expenses</b>	10	7
<b>Increase (decrease) in net assets attributable to securityholders from operations before tax</b>	(3,342)	5,319
Foreign withholding tax expense (recovery)	-	4
Foreign income tax expense (recovery)	-	-
Income tax expense (recovery)	-	-
<b>Increase (decrease) in net assets attributable to securityholders from operations</b>	(3,342)	5,315

	Increase (decrease) in net assets attributable to securityholders from operations			
	per security		per series	
	2020	2019	2020	2019
Series O	(0.26)	0.64	(3,342)	5,315
Series R	n/a	0.13	n/a	-
			(3,342)	5,315

**STATEMENTS OF CHANGES IN FINANCIAL POSITION**

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

	TOTAL		SERIES O		SERIES R	
	2020	2019	2020	2019	2020	2019
<b>Net assets attributable to securityholders, beginning of period</b>	81,315	82,670	81,315	82,669	-	1
Increase (decrease) in net assets attributable to securityholders resulting from:						
<b>Operations</b>	(3,342)	5,315	(3,342)	5,315	-	-
<b>Distributions:</b>						
Income	(4,789)	(4,808)	(4,789)	(4,808)	-	-
Capital gains	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-
Management fee rebates	-	-	-	-	-	-
<b>Total distributions</b>	(4,789)	(4,808)	(4,789)	(4,808)	-	-
<b>Security transactions:</b>						
Proceeds from sale of securities	27,283	7,501	27,283	7,501	-	-
Proceeds from securities issued on merger	-	-	-	-	-	-
Reinvested from distributions	4,789	4,808	4,789	4,808	-	-
Payment on redemption of securities	(17,854)	(14,171)	(17,854)	(14,170)	-	(1)
<b>Total security transactions</b>	14,218	(1,862)	14,218	(1,861)	-	(1)
<b>Increase (decrease) in assets attributable to securityholders</b>	6,087	(1,355)	6,087	(1,354)	-	(1)
<b>Net assets attributable to securityholders, end of period</b>	87,402	81,315	87,402	81,315	-	-
<b>Increase (decrease) in securities (in thousands):</b>						
<b>Securities outstanding, beginning of period</b>			8,242	8,431	-	-
Add (deduct):						
Securities sold			2,742	769	-	-
Securities issued on merger			-	-	-	-
Reinvested from distributions			489	495	-	-
Securities redeemed			(1,819)	(1,453)	-	-
<b>Securities outstanding, end of period</b>			9,654	8,242	-	-

**STATEMENTS OF CASH FLOWS**

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

	2020	2019
<b>Cash flows from operating activities</b>		
Increase (decrease) in net assets attributable to securityholders from operations	(3,342)	5,315
<b>Less non-cash impact of:</b>		
Net realized loss (gain) on investments	(222)	3,381
Change in net unrealized loss (gain) on investments	8,365	(3,662)
Distributions received from Underlying Funds	-	-
<b>Adjustments for:</b>		
Proceeds from sale and maturity of investments	33,566	24,452
Purchases of investments	(46,163)	(23,086)
(Increase) decrease in accounts receivable and other assets	(110)	(3)
Increase (decrease) in accounts payable and other liabilities	-	-
<b>Net cash provided by (used in) operating activities</b>	<b>(7,906)</b>	<b>6,397</b>
<b>Cash flows from financing activities:</b>		
Proceeds from securities issued	27,305	7,439
Proceeds from securities issued on merger	-	-
Payments on redemption of securities	(17,890)	(14,248)
Distributions paid net of reinvestments	-	-
<b>Net cash provided by (used in) financing activities</b>	<b>9,415</b>	<b>(6,809)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>1,509</b>	<b>(412)</b>
Cash and cash equivalents at beginning of period	5,320	5,687
Effect of exchange rate fluctuations on cash and cash equivalents	57	45
<b>Cash and cash equivalents, end of period</b>	<b>6,886</b>	<b>5,320</b>
Cash	6,717	5,168
Cash equivalents	169	152
Bank indebtedness	-	-
	6,886	5,320
<b>Supplementary disclosures on cash flow from operating activities:</b>		
Dividends received net of withholding taxes	23	23
Interest received net of withholding taxes	4,677	5,016
Interest paid	3	-
Income taxes paid (recovered)	-	-



## SCHEDULE OF INVESTMENTS

as at March 31, 2020

	Country	Sector	Currency*	No. of Units, Shares, or Par Value	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>BONDS</b>						
ABC Supply Co. Inc. 5.88% 05-15-2026 Callable 2021 144A	United States	Corporate	USD	95,000	129	129
The AES Corp. 4.50% 03-15-2023 Callable 2020	United States	Corporate	USD	45,000	58	62
The AES Corp. 4.88% 05-15-2023 Callable	United States	Corporate	USD	2,000	3	3
The AES Corp. 5.50% 04-15-2025 Callable 2020	United States	Corporate	USD	105,000	126	146
The AES Corp. 5.13% 09-01-2027 Callable 2022	United States	Corporate	USD	335,000	443	475
AG Issuer LLC 6.25% 03-01-2028 Callable 2023 144A	United States	Corporate	USD	125,000	167	146
Air Medical Merger 6.38% 05-15-2023 Callable 2020 144A	United States	Corporate	USD	35,000	42	43
Aker BP ASA 5.88% 03-31-2025 Callable 2021 144A	Norway	Corporate	USD	300,000	408	367
Aker BP ASA 3.75% 01-15-2030 Callable 2029 144A	Norway	Corporate	USD	150,000	195	158
Albertsons Cos. Inc. 6.63% 06-15-2024 Callable 2020	United States	Corporate	USD	20,000	27	29
Albertsons Cos. Inc. 7.50% 03-15-2026 Callable 2022 144A	United States	Corporate	USD	90,000	120	137
Albertsons Cos. Inc. 4.63% 01-15-2027 Callable 2023 144A	United States	Corporate	USD	305,000	398	425
Albertsons Cos. Inc. 4.88% 02-15-2030 Callable 2025 144A	United States	Corporate	USD	30,000	39	42
Allegheny Technologies Inc. F/R 08-15-2023 Callable 2023	United States	Corporate	USD	145,000	196	197
Allegheny Technologies Inc. 5.88% 12-01-2027 Callable 2022	United States	Corporate	USD	10,000	13	12
Alliant Holdings Intermediate 6.75% 10-15-2027	United States	Corporate	USD	65,000	87	92
Allison Transmission Inc. 4.75% 10-01-2027 Callable 2022 144A	United States	Corporate	USD	160,000	197	210
Ally Financial Inc. 5.75% 11-20-2025 Callable 2025	United States	Corporate	USD	100,000	140	138
Ally Financial Inc. 8.00% 11-01-2031	United States	Corporate	USD	550,000	919	899
Alpha 3 BV 6.25% 02-01-2025 Callable 2020 144A	United Kingdom	Corporate	USD	200,000	270	260
Alpha 3 BV Term Loan B1 1st Lien F/R 01-31-2024	United Kingdom	Bank Loans	USD	29,829	39	39
Altice France 5.50% 01-15-2028 Callable 2022 144A	France	Corporate	USD	400,000	550	542
Altice International SARL 5.00% 01-15-2028 Callable 2023 144A	Luxembourg	Corporate	USD	200,000	265	257
AMC Entertainment Holdings Inc. 5.75% 06-15-2025 Callable 2020	United States	Corporate	USD	95,000	120	57
American Builders & Contractors Supply Co. Inc. 4.00% 01-15-2028	United States	Corporate	USD	50,000	65	65
American International Group Inc. 8.18% 05-15-2058 (F/R @ 05-15-2038) Callable 2038	United States	Corporate	USD	75,000	135	122
Amsted Industries Inc. 5.63% 07-01-2027 Callable 2022 144A	United States	Corporate	USD	125,000	172	174
Amsted Industries Inc. 4.63% 05-15-2030 Callable 2025 144A	United States	Corporate	USD	105,000	139	135
Antero Resources Corp. 5.38% 11-01-2021 Callable	United States	Corporate	USD	88,000	103	90
Antero Resources Corp. 5.13% 12-01-2022 Callable	United States	Corporate	USD	68,000	75	52
Apergy Corp. 6.38% 05-01-2026 Callable 2021	United States	Corporate	USD	110,000	147	123
ArcelorMittal SA 7.00% 10-15-2039	Luxembourg	Corporate	USD	195,000	299	285
ARD Finance SA 6.50% 06-30-2027 Callable 2022 144A	Luxembourg	Corporate	USD	200,000	265	252
Ardagh Packaging Finance PLC 4.13% 08-15-2026 Callable 2022 144A	Ireland	Corporate	USD	200,000	269	283
Ardagh Packaging Finance PLC 5.25% 08-15-2027 Callable 2022 144A	Ireland	Corporate	USD	200,000	265	290
Ascend Learning LLC 6.88% 08-01-2025 144A	United States	Corporate	USD	140,000	182	184
Ascent Resources Utica Holdings LLC 10.00% 04-01-2022 Callable 2020 144A	United States	Corporate	USD	123,000	174	103
Ashtead US Holdings Inc. 4.25% 11-01-2029	United Kingdom	Corporate	USD	200,000	266	239
ASP AMC Merger Sub Inc. 8.00% 05-15-2025 Callable 2020 144A	United States	Corporate	USD	100,000	126	83
Asurion LLC Term Loan B2 2nd Lien F/R 08-04-2025	United States	Bank Loans	USD	120,000	155	157
ATS Automation Tooling Systems Inc. 6.50% 06-15-2023 Callable 2020 144A	Canada	Corporate	USD	50,000	68	70
Axalta Coating Systems LLC 4.88% 08-15-2024 Callable 144A	United States	Corporate	USD	150,000	205	199
Banff Merger Sub Inc. 9.75% 09-01-2026 Callable 2021 144A	United States	Corporate	USD	240,000	317	297
Bank of America Corp. 6.10% 03-17-2025 Callable Series AA	United States	Corporate	USD	95,000	141	137
Bank of America Corp. 6.50% 12-31-2049 Callable 2024	United States	Corporate	USD	40,000	58	59
Bausch Health Cos. Inc. 4.50% 05-05-2023 Callable 2020	United States	Corporate	EUR	100,000	149	150
Bausch Health Cos. Inc. 7.00% 03-15-2024 Callable 2020 144A	United States	Corporate	USD	280,000	379	406
Bausch Health Cos. Inc. 5.50% 11-01-2025 Callable 144A	United States	Corporate	USD	60,000	80	86
Bausch Health Cos. Inc. 8.50% 01-31-2027 Callable 2022 144A	United States	Corporate	USD	125,000	162	185
Bausch Health Cos. Inc. 7.00% 01-15-2028 Callable 2023 144A	United States	Corporate	USD	115,000	162	168
Bausch Health Cos. Inc. 5.00% 01-30-2028	United States	Corporate	USD	40,000	53	54
Bausch Health Cos. Inc. 7.25% 05-30-2029 Callable 2024 144A	United States	Corporate	USD	95,000	128	139
Bausch Health Cos. Inc. 5.25% 01-30-2030	United States	Corporate	USD	40,000	53	54
Baytex Energy Corp. 5.63% 06-01-2024 Callable 2020 144A	Canada	Corporate	USD	50,000	62	28
Beacon Escrow Corp. 4.88% 11-01-2025 Callable 2020 144A	United States	Corporate	USD	200,000	258	255
Beacon Roofing Supply Inc. 4.50% 11-15-2026	United States	Corporate	USD	40,000	53	52
Berry Global Escrow Corp. 5.63% 07-15-2027 Callable 2022 144A	United States	Corporate	USD	50,000	67	73
Berry Global Inc. 4.50% 02-15-2026 Callable 2021 144A	United States	Corporate	USD	100,000	124	137
Berry Plastics Corp. 5.50% 05-15-2022 Callable	United States	Corporate	USD	120,000	164	165
Big River Steel LLC 7.25% 09-01-2025 Callable 2020 144A	United States	Corporate	USD	215,000	281	282
BMC East LLC 5.50% 10-01-2024 Callable 2020 144A	United States	Corporate	USD	165,000	218	226
Boise Cascade Co. 5.63% 09-01-2024 Callable 2020 144A	United States	Corporate	USD	210,000	277	281
Bombardier Inc. 7.50% 12-01-2024 Callable 2020 144A	Canada	Corporate	USD	25,000	34	24
Bombardier Inc. 7.88% 04-15-2027 Callable 2022 144A	Canada	Corporate	USD	135,000	178	130
Boyd Gaming Corp. 6.38% 04-01-2026 Callable 2021	United States	Corporate	USD	70,000	95	85
Boyd Gaming Corp. 6.00% 08-15-2026 Callable 2021	United States	Corporate	USD	50,000	65	61
Boyd Gaming Corp. 4.75% 12-01-2027 Callable 2022 144A	United States	Corporate	USD	50,000	66	59
Brand Energy & Infrastructure Services Inc. Term Loan 1st Lien F/R 06-21-2024	United States	Bank Loans	USD	234,189	302	268
Brand Energy & Infrastructure Services Inc. 8.50% 07-15-2025 Callable 2020 144A	United States	Corporate	USD	150,000	199	166
Brookfield Residential Properties Inc. 6.25% 09-15-2027 Callable 2022 144A	Canada	Corporate	USD	145,000	199	178
Brookfield Residential Properties Inc. 4.88% 02-15-2030 Callable 2025 144A	Canada	Corporate	USD	35,000	47	38

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

**SCHEDULE OF INVESTMENTS (continued)**

as at March 31, 2020

	Country	Sector	Currency*	No. of Units, Shares, or Par Value	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>BONDS (continued)</b>						
Buckeye Partners LP 3.95% 12-01-2026 Callable 2026	United States	Corporate	USD	45,000	56	52
Buckeye Partners LP 4.50% 03-01-2028 Callable 2027 144A	United States	Corporate	USD	45,000	60	53
Buckeye Partners LP 5.85% 11-15-2043 Callable 2043	United States	Corporate	USD	45,000	55	42
Builders FirstSource Inc. 6.75% 06-01-2027 Callable 2022 144A	United States	Corporate	USD	72,000	98	100
Building Materials Corp. of America 5.38% 11-15-2024 Callable 144A	United States	Corporate	USD	140,000	194	191
BWAY Corp. Term Loan B 1st Lien F/R 04-03-2024	United States	Bank Loans	USD	128,673	166	150
BWAY Holding Co. 5.50% 04-15-2024 Callable 2020 144A	United States	Corporate	USD	75,000	99	97
BWAY Holding Co. 7.25% 04-15-2025 144A	United States	Corporate	USD	190,000	251	210
California Resources Corp. Term Loan 1st Lien F/R 11-17-2022	United States	Bank Loans	USD	65,000	83	24
California Resources Corp. 8.00% 12-15-2022 Callable 2020 144A	United States	Corporate	USD	55,000	46	2
Calpine Corp. 5.25% 06-01-2026 Callable 2021 144A	United States	Corporate	USD	220,000	276	297
Calpine Corp. 4.50% 02-15-2028 Callable 2023 144A	United States	Corporate	USD	185,000	245	250
Carriage Services Inc. 6.63% 06-01-2026 Callable 2021 144A	United States	Corporate	USD	150,000	197	208
CB Fleet Holding Co. Inc. 5.13% 01-15-2028 Callable 2023 144A	United States	Corporate	USD	20,000	26	28
CBS Radio Inc. 7.25% 11-01-2024 Callable 2020 144A	United States	Corporate	USD	120,000	157	142
CCO Holdings LLC 5.50% 05-01-2026 Callable 2021 144A	United States	Corporate	USD	205,000	272	294
CCO Holdings LLC 5.75% 02-15-2026	United States	Corporate	USD	200,000	264	288
CCO Holdings LLC 5.00% 02-01-2028 Callable 2022 144A	United States	Corporate	USD	85,000	118	121
CCO Holdings LLC 5.38% 06-01-2029 Callable 2024 144A	United States	Corporate	USD	970,000	1,353	1,410
CCO Holdings LLC 4.50% 08-15-2030 Callable 2025 144A	United States	Corporate	USD	60,000	82	83
CCO Holdings LLC 4.50% 05-01-2032	United States	Corporate	USD	85,000	114	118
CEC Entertainment Inc. Term Loan B 1st Lien F/R 08-15-2026	United States	Bank Loans	USD	169,150	216	136
Cemex SAB de CV 6.13% 05-05-2025 Callable 2020 144A	Mexico	Corporate	USD	275,000	336	335
Cenovus Energy Inc. 6.75% 11-15-2039 Callable	Canada	Corporate	USD	85,000	120	58
Centene Corp. 4.75% 05-22-2021 Callable	United States	Corporate	USD	65,000	86	92
Centene Corp. 5.25% 04-01-2025	United States	Corporate	USD	45,000	62	64
Centene Corp. 5.38% 08-15-2026	United States	Corporate	USD	110,000	153	159
Centene Corp. 4.63% 12-15-2029 Callable 2024 144A	United States	Corporate	USD	225,000	299	319
Centene Escrow I Corp. 5.38% 06-01-2026 Callable 2021 144A	United States	Corporate	USD	160,000	217	233
CF Industries Inc. 4.95% 06-01-2043	United States	Corporate	USD	230,000	283	307
The Chemours Co. 7.00% 05-15-2025 Callable 2020	United States	Corporate	USD	65,000	78	76
The Chemours Co. 5.38% 05-15-2027 Callable 2027	United States	Corporate	USD	40,000	54	44
Cheniere Corpus Christi Holdings LLC 5.88% 03-31-2025	United States	Corporate	USD	95,000	131	113
Cheniere Corpus Christi Holdings LLC 5.13% 06-30-2027	United States	Corporate	USD	255,000	353	322
CHS/Community Health Systems Inc. 6.25% 03-31-2023 Callable	United States	Corporate	USD	480,000	612	644
CHS/Community Health Systems Inc. 8.13% 06-30-2024 Callable 144A	United States	Corporate	USD	80,000	98	78
CHS/Community Health Systems Inc. 8.00% 03-15-2026 Callable 2022 144A	United States	Corporate	USD	50,000	63	67
Cinemark USA Inc. 5.13% 12-15-2022 Callable	United States	Corporate	USD	40,000	55	45
Cinemark USA Inc. 4.88% 06-01-2023 Callable	United States	Corporate	USD	110,000	145	116
CIT Group Inc. 5.00% 08-15-2022 Callable	United States	Corporate	USD	20,000	28	28
CIT Group Inc. 5.00% 08-01-2023	United States	Corporate	USD	130,000	178	178
CIT Group Inc. 5.25% 03-07-2025 Callable 2024	United States	Corporate	USD	185,000	259	254
Clean Harbors Inc. 4.88% 07-15-2027 Callable 2022 144A	United States	Corporate	USD	70,000	94	96
Clean Harbors Inc. 5.13% 07-15-2029 Callable 2024 144A	United States	Corporate	USD	40,000	54	53
Clear Channel Outdoor Holdings Inc. Term Loan B 1st Lien F/R 08-09-2026	United States	Bank Loans	USD	124,375	165	149
Clear Channel Worldwide Holdings Inc. 9.25% 02-15-2024 Callable 2021 144A	United States	Corporate	USD	63,000	84	78
Clear Channel Worldwide Holdings Inc. 5.13% 08-15-2027 Callable 2022 144A	United States	Corporate	USD	195,000	263	260
CNO Financial Group Inc. 5.25% 05-30-2025 Callable	United States	Corporate	USD	115,000	154	169
CNO Financial Group Inc. 5.25% 05-30-2029 Callable 2029	United States	Corporate	USD	95,000	129	131
CommScope Technologies Finance LLC 5.50% 03-01-2024 Callable 2021 144A	United States	Corporate	USD	30,000	40	43
CommScope Technologies LLC 6.00% 06-15-2025 Callable 2020 144A	United States	Corporate	USD	120,000	161	155
CommScope Technologies Finance LLC 6.00% 03-01-2026 Callable 2022 144A	United States	Corporate	USD	110,000	153	155
Community Health Systems Inc. 6.63% 02-15-2025 Callable 2022 144A	United States	Corporate	USD	135,000	177	180
Compass Minerals International Inc. 4.88% 07-15-2024 Callable 2024 144A	United States	Corporate	USD	50,000	64	69
Compass Minerals International 6.75% 12-01-2027 Callable 2022 144A	United States	Corporate	USD	185,000	249	236
Comstock Escrow Corp. 9.75% 08-15-2026 Callable 2021	United States	Corporate	USD	45,000	57	45
Constellation Merger Sub Inc. 8.50% 09-15-2025 Callable 2020 144A	United States	Corporate	USD	165,000	206	141
Constellium NV 6.63% 03-01-2025 Callable 2020 144A	Netherlands	Corporate	USD	250,000	309	318
Continental Resources Inc. 5.00% 09-15-2022 Callable	United States	Corporate	USD	5,000	6	4
Covey Park Energy LLC 7.50% 05-15-2025 Callable 2020 144A	United States	Corporate	USD	80,000	104	73
CPG International Inc. Term Loan 1st Lien F/R 05-05-2024	United States	Bank Loans	USD	173,657	227	207
CPG Merger Sub LLC 8.00% 10-01-2021 Callable 144A	United States	Corporate	USD	45,000	59	63
CRC Escrow Issuer LLC 5.25% 10-15-2025 Callable 2020 144A	United States	Corporate	USD	205,000	256	209
Credit Acceptance Corp. 5.13% 12-31-2024 Callable 2021 144A	United States	Corporate	USD	50,000	66	65
Credit Acceptance Corp. 6.63% 03-15-2026 Callable 2022	United States	Corporate	USD	160,000	226	214
Credit Suisse Group AG 6.25% 12-29-2049 Callable 2024 144A	Switzerland	Corporate	USD	200,000	260	261
Crown Americas LLC 4.75% 02-01-2026 Callable 2021	United States	Corporate	USD	250,000	325	362
Crown Cork & Seal Co. Inc. 7.38% 12-15-2026	United States	Corporate	USD	185,000	288	288
CSC Holdings LLC 6.75% 11-15-2021 Callable	United States	Corporate	USD	175,000	240	257
CSC Holdings LLC 5.25% 06-01-2024	United States	Corporate	USD	310,000	388	441
CSC Holdings LLC 7.75% 07-15-2025 Callable 2020 144A	United States	Corporate	USD	200,000	269	294
CSC Holdings LLC 5.75% 01-15-2030	United States	Corporate	USD	200,000	288	283

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

**SCHEDULE OF INVESTMENTS (continued)**

as at March 31, 2020

	Country	Sector	Currency*	No. of Units, Shares, or Par Value	Average Cost (\$ '000)	Fair Value (\$ '000)
<b>BONDS (continued)</b>						
DCP Midstream Operating LP 6.75% 09-15-2037	United States	Corporate	USD	190,000	266	138
Denbury Resources Inc. 9.00% 05-15-2021 Callable 144A	United States	Corporate	USD	183,000	232	76
Denbury Resources Inc. 9.25% 03-31-2022 Callable 2020	United States	Corporate	USD	10,000	13	3
Diamond (BC) BV Term Loan 1st Lien F/R 09-06-2024	United States	Bank Loans	USD	44,507	57	48
Diamond 1 Finance Corp. 7.13% 06-15-2024 Callable 2020 144A	United States	Corporate	USD	215,000	303	313
Diamond 1 Finance Corp. 6.02% 06-15-2026 Callable 2026 144A	United States	Corporate	USD	440,000	613	643
Diamond Sports Group LLC 5.38% 08-15-2026 Callable 2022 144A	United States	Corporate	USD	230,000	306	264
Diamond Sports Group LLC 6.63% 08-15-2027 Callable 2022 144A	United States	Corporate	USD	215,000	289	203
Diamondback Energy Inc. 5.38% 05-31-2025 Callable	United States	Corporate	USD	140,000	185	146
DISH DBS Corp. 5.88% 11-15-2024	United States	Corporate	USD	360,000	425	494
DISH Network Corp. 3.38% 08-15-2026 Conv.	United States	Corporate	USD	92,000	120	104
Dynegy Inc. 8.13% 01-30-2026 Callable 2020 144A	United States	Corporate	USD	90,000	122	132
eG Global Finance PLC 6.75% 02-07-2025 Callable 2021 144A	United Kingdom	Corporate	USD	200,000	273	235
Elanco Animal Health Inc. 4.90% 08-28-2028 Callable 2028	United States	Corporate	USD	190,000	289	284
Eldorado Resorts Inc. 7.00% 08-01-2023 Callable	United States	Corporate	USD	25,000	34	32
Eldorado Resorts Inc. 6.00% 09-15-2026	United States	Corporate	USD	75,000	106	96
Endeavor Energy Resources LP 5.75% 01-30-2028 Callable 2023 144A	United States	Corporate	USD	225,000	299	216
Endo Finance LLC 6.00% 02-01-2025 Callable 2020 144A	United States	Corporate	USD	200,000	271	193
Energizer Holdings Inc. 6.38% 07-15-2026 Callable 2021 144A	United States	Corporate	USD	35,000	47	50
Energizer Holdings Inc. 7.75% 01-15-2027 Callable 2022 144A	United States	Corporate	USD	130,000	181	190
Energy Transfer Partners LP F/R 02-15-2166 Perpetual Callable 2028	United States	Corporate	USD	380,000	480	278
Entercom Communications Corp. 6.50% 05-01-2027 Callable 2022 144A	United States	Corporate	USD	125,000	171	155
Enterprise Merger Sub Inc. 8.75% 10-15-2026 Callable 2021 144A	United States	Corporate	USD	70,000	58	25
Equinix Inc. 5.38% 05-15-2027 Callable 2022	United States	Corporate	USD	110,000	148	155
ESH Hospitality Inc. 5.25% 05-01-2025 Callable 2020 144A	United States	Corporate	USD	90,000	116	108
Fairfax Financial Holdings Ltd. 4.85% 04-17-2028 Callable 2028	Canada	Corporate	USD	65,000	82	101
Financial & Risk US Holdings Inc. Term Loan B 1st Lien F/R 10-01-2025	United States	Bank Loans	USD	326,024	421	444
Financial & Risk US Holdings Inc. 6.25% 05-15-2026 Callable 2021 144A	United States	Corporate	USD	110,000	155	162
First Quantum Minerals Ltd. 7.50% 04-01-2025 Callable 2020 144A	Zambia	Corporate	USD	200,000	271	238
Freedom Mortgage Corp. 8.13% 11-15-2024 Callable 2020 144A	United States	Corporate	USD	90,000	116	101
Freedom Mortgage Corp. 8.25% 04-15-2025 Callable 2021 144A	United States	Corporate	USD	90,000	115	100
Freeport-McMoRan Inc. 5.45% 03-15-2043 Callable 2042	United States	Corporate	USD	115,000	148	143
The Fresh Market Inc. 9.75% 05-01-2023 Callable 144A	United States	Corporate	USD	65,000	75	41
Front Range BidCo Inc. Term Loan 1st Lien F/R 02-21-2027	United States	Bank Loans	USD	65,000	86	87
Front Range BidCo Inc. 4.00% 03-01-2027 Callable 2021 144A	United States	Corporate	USD	95,000	126	129
Front Range BidCo Inc. 6.13% 03-01-2028 Callable 2023 144A	United States	Corporate	USD	55,000	73	73
Frontier Communications Corp. 10.50% 09-15-2022 Callable 2022	United States	Corporate	USD	185,000	111	68
Frontier Communications Corp. 8.50% 04-01-2026 Callable 2021 144A	United States	Corporate	USD	145,000	189	191
Garda World Security Corp. Term Loan B 1st Lien F/R 10-23-2026	Canada	Bank Loans	USD	96,189	124	130
Gartner Inc. 5.13% 04-01-2025 Callable 2020 144A	United States	Corporate	USD	140,000	189	193
GCP Applied Technologies Inc. 5.50% 04-15-2026 Callable 2021 144A	United States	Corporate	USD	240,000	308	317
GFL Environmental Inc. Term Loan B 1st Lien F/R 05-31-2025	Canada	Bank Loans	USD	138,676	182	191
GFL Environmental Inc. 7.00% 06-01-2026 Callable 2021 144A	Canada	Corporate	USD	183,000	243	254
GFL Environmental Inc. 5.13% 12-15-2026 Callable 2022 144A	Canada	Corporate	USD	105,000	139	144
GFL Environmental Inc. 8.50% 05-01-2027 Callable 2022 144A	Canada	Corporate	USD	75,000	101	106
GLP Capital LP/GLP Financing II Inc. 5.25% 06-01-2025	United States	Corporate	USD	40,000	52	52
GLP Capital LP/GLP Financing II Inc. 5.38% 04-15-2026	United States	Corporate	USD	175,000	234	221
Go Daddy Operating Co. LLC 5.25% 12-01-2027 Callable 2022 144A	United States	Corporate	USD	50,000	68	66
goeasy Ltd. 5.38% 12-01-2024 Callable 2021 144A	Canada	Corporate	USD	105,000	139	138
Golden Nugget Inc. 6.75% 10-15-2024 Callable 2020 144A	United States	Corporate	USD	180,000	231	160
Golden Nugget Inc. 8.75% 10-01-2025 Callable 2020 144A	United States	Corporate	USD	210,000	276	153
Gray Escrow Inc. 7.00% 05-15-2027 Callable 2022 144A	United States	Corporate	USD	210,000	284	295
Gray Television Inc. 5.13% 10-15-2024 Callable 144A	United States	Corporate	USD	65,000	90	89
Great Lakes Dredge & Dock Corp. 8.00% 05-15-2022	United States	Corporate	USD	195,000	264	270
Greif Inc. 6.50% 03-01-2027 Callable 2022 144A	United States	Corporate	USD	165,000	221	223
GW B-CR Security Corp. 9.50% 11-01-2027	Canada	Corporate	USD	184,000	251	236
Hanesbrands Inc. 4.63% 05-15-2024 Callable 2024 144A	United States	Corporate	USD	75,000	96	105
HCA Healthcare Inc. 5.38% 09-01-2026 Callable 2026	United States	Corporate	USD	215,000	315	314
HCA Healthcare Inc. 3.50% 09-01-2030 Callable 2030	United States	Corporate	USD	60,000	80	77
HCA Holdings Inc. 5.25% 06-15-2026 Callable 2025	United States	Corporate	USD	55,000	74	82
HCA Inc. 5.63% 09-01-2028 Callable 2028	United States	Corporate	USD	255,000	373	380
Hess Midstream Operation LP 5.63% 02-15-2026 Callable 2021 144A	United States	Corporate	USD	225,000	293	329
Hess Midstream Partners LP 5.13% 06-15-2028 Callable 2023 144A	United States	Corporate	USD	140,000	190	140
Hilton Worldwide Finance LLC 4.88% 04-01-2027 Callable 2022	United States	Corporate	USD	160,000	217	215
Holly Energy Partners LP 5.00% 02-01-2028 Callable 2023 144A	United States	Corporate	USD	50,000	65	59
Hologic Inc. 4.38% 10-15-2025 Callable 2020 144A	United States	Corporate	USD	55,000	72	78
Howard Hughes Corp. 5.38% 03-15-2025 Callable 2020 144A	United States	Corporate	USD	155,000	207	212
HUB International Ltd Term Loan B First Lien 04-25-2025	United States	Bank Loans	USD	60,000	79	81
HUB International Ltd. 7.00% 05-01-2026 Callable 2021 144A	United States	Corporate	USD	150,000	195	210
HudBay Minerals Inc. 7.63% 01-15-2025 Callable 2020 144A	Canada	Corporate	USD	100,000	137	124
Husky III Holding Ltd. 13.00% 02-15-2025 Callable 2021 144A	Canada	Corporate	USD	150,000	195	159
Icahn Enterprises LP 6.75% 02-01-2024 Callable 2020	United States	Corporate	USD	105,000	139	145

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

**SCHEDULE OF INVESTMENTS (continued)**

as at March 31, 2020

	Country	Sector	Currency*	No. of Units, Shares, or Par Value	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>BONDS (continued)</b>						
Icahn Enterprises LP 4.75% 09-15-2024	United States	Corporate	USD	60,000	80	78
Icahn Enterprises LP 6.25% 05-15-2026 Callable 2022	United States	Corporate	USD	175,000	241	234
Icahn Enterprises LP 5.25% 05-15-2027 Callable 2026 144A	United States	Corporate	USD	60,000	79	76
iHeartCommunications Inc. Term Loan B 1st Lien F/R 05-01-2026	United States	Bank Loans	USD	44,888	59	54
iHeartCommunications Inc. 6.38% 05-01-2026	United States	Corporate	USD	91,760	134	124
iHeartCommunications Inc. 8.38% 05-01-2027	United States	Corporate	USD	206,316	301	254
IHS Markit Ltd. 4.75% 02-15-2025 Callable 2024 144A	United States	Corporate	USD	65,000	87	98
IHS Markit Ltd. 4.00% 03-01-2026 Callable 2025 144A	United States	Corporate	USD	20,000	26	28
IHS Markit Ltd. 4.75% 08-01-2028 Callable 2028	United States	Corporate	USD	165,000	240	244
Indigo Natural Resources LLC 6.88% 02-15-2026 144A	United States	Corporate	USD	65,000	81	63
Infor (US) Inc. 6.50% 05-15-2022 Callable 2020	United States	Corporate	USD	115,000	146	159
Ingevity Corp. 4.50% 02-01-2026 Callable 2021 144A	United States	Corporate	USD	225,000	289	299
Installed Building Products Inc. 5.75% 02-01-2028	United States	Corporate	USD	20,000	26	27
Intelsat Jackson Holdings SA 9.75% 07-15-2025 Callable 2021 144A	Luxembourg	Corporate	USD	355,000	457	317
Iron Mountain Inc. 4.88% 09-15-2027 Callable 2022 144A	United States	Corporate	USD	130,000	161	179
Iron Mountain Inc. 5.25% 03-15-2028 Callable 2022 144A	United States	Corporate	USD	245,000	327	342
iStar Inc. 5.25% 09-15-2022 Callable	United States	Corporate	USD	35,000	43	46
iStar Inc. 4.75% 10-01-2024	United States	Corporate	USD	140,000	185	167
iStar Inc. 4.25% 08-01-2025 Callable 2025	United States	Corporate	USD	145,000	192	167
Itron Inc. 5.00% 01-15-2026 Callable 2021 144A	United States	Corporate	USD	225,000	293	294
James Hardie International Finance Ltd. 5.00% 01-15-2028 Callable 2023 144A	Ireland	Corporate	USD	200,000	256	255
Jeld-Wen Inc. 4.63% 12-15-2025 Callable 2020 144A	United States	Corporate	USD	50,000	64	64
Jeld-Wen Inc. 4.88% 12-15-2027 Callable 2022 144A	United States	Corporate	USD	90,000	114	112
Jo-Ann Stores LLC Term Loan B 1st Lien F/R 10-16-2023	United States	Bank Loans	USD	62,409	78	34
Jo-Ann Stores LLC Term Loan 2nd Lien F/R 05-02-2024	United States	Bank Loans	USD	124,360	158	44
Joseph T. Ryerson & Son Inc. 11.00% 05-15-2022 Callable 144A	United States	Corporate	USD	50,000	64	66
JPMorgan Chase & Co. 0.25% 05-01-2023	United States	Corporate	USD	85,000	119	113
KFC Holding Co. 5.00% 06-01-2024 Callable 2020 144A	United States	Corporate	USD	60,000	79	83
KFC Holding Co. 5.25% 06-01-2026 Callable 2021 144A	United States	Corporate	USD	165,000	218	235
KFC Holding Co. 4.75% 06-01-2027 Callable 2022 144A	United States	Corporate	USD	115,000	149	154
The Kraft Heinz Co. 5.00% 07-15-2035 Callable 2035	United States	Corporate	USD	160,000	232	226
Kraft Heinz Foods Co. 3.00% 06-01-2026 Callable 2026	United States	Corporate	USD	455,000	603	610
Kraft Heinz Foods Co. 3.75% 04-01-2030 Callable 2030 144A	United States	Corporate	USD	60,000	79	81
Kraton Polymers LLC 7.00% 04-15-2025 Callable 2020 144A	United States	Corporate	USD	115,000	154	144
L Brands Inc. 7.50% 06-15-2029 Callable 2024	United States	Corporate	USD	145,000	206	168
L Brands Inc. 6.75% 07-01-2036 Callable	United States	Corporate	USD	55,000	70	69
Ladder Capital Finance Holding 4.25% 02-01-2027 Callable 2023 144A	United States	Corporate	USD	100,000	131	113
Lamb Weston Holdings Inc. 4.88% 11-01-2026 Callable 2021 144A	United States	Corporate	USD	185,000	248	266
Lennar Corp. 5.88% 11-15-2024 Callable 2024	United States	Corporate	USD	30,000	40	43
Level 3 Financing Inc. 5.63% 02-01-2023 Callable	United States	Corporate	USD	150,000	203	211
Level 3 Financing Inc. 5.25% 03-15-2026 Callable 2021	United States	Corporate	USD	325,000	422	463
Level 3 Financing Inc. 4.63% 09-15-2027 Callable 2022 144A	United States	Corporate	USD	170,000	231	241
LG FinanceCo Corp. 5.88% 11-01-2024 Callable 2020 144A	United States	Corporate	USD	125,000	167	170
Lions Gate Capital Holdings LLC 6.38% 02-01-2024 Callable 2021 144A	United States	Corporate	USD	100,000	134	124
Live Nation Entertainment Inc. 4.88% 11-01-2024 Callable 144A	United States	Corporate	USD	35,000	46	46
Live Nation Entertainment Inc. 5.63% 03-15-2026 Callable 2021 144A	United States	Corporate	USD	90,000	118	118
Lloyds Banking Group PLC Perpetual 4.50% 06-27-2024	United Kingdom	Corporate	USD	200,000	261	243
Louisiana-Pacific Corp. 4.88% 09-15-2024 Callable 2020	United States	Corporate	USD	180,000	239	219
Lower Cadence Holdings LLC Term Loan B 1st Lien F/R 05-10-2026	United States	Bank Loans	USD	62,453	83	54
LPL Holdings Inc. 5.75% 09-15-2025 Callable 2020	United States	Corporate	USD	210,000	275	285
Mallinckrodt International Finance SA 10.00% 04-15-2025	United States	Corporate	USD	23,000	69	25
Masonite International Corp. 5.38% 02-01-2028 Callable 2023 144A	United States	Corporate	USD	40,000	52	56
Match Group Inc. 5.00% 12-15-2027 Callable 2022 144A	United States	Corporate	USD	300,000	386	405
Match Group Inc. 5.63% 02-15-2029	United States	Corporate	USD	90,000	129	118
Mattamy Group Corp. 5.25% 12-15-2027 Callable 2022 144A	Canada	Corporate	USD	190,000	255	250
Mattamy Group Corp. 4.63% 03-01-2030 Callable 2025 144A	Canada	Corporate	USD	140,000	186	173
Mattel Inc. 5.88% 12-15-2027 Callable 2022 144A	United States	Corporate	USD	175,000	239	253
MEG Energy Corp. 7.00% 03-31-2024 Callable 2020 144A	Canada	Corporate	USD	9,000	9	6
MEG Energy Corp. 6.50% 01-15-2025 Callable 2020 144A	Canada	Corporate	USD	145,000	188	130
MEG Energy Corp. 7.13% 02-01-2027 Callable 2023 144A	Canada	Corporate	USD	75,000	98	53
Mercer International Inc. 6.50% 02-01-2024 Callable 2020	Canada	Corporate	USD	60,000	80	72
Mercer International Inc. 7.38% 01-15-2025 Callable 2021	United States	Corporate	USD	40,000	53	60
Mercer International Inc. 5.50% 01-15-2026 Callable 2021	Canada	Corporate	USD	55,000	70	60
Meredith Corp. 6.88% 02-01-2026 Callable 2021	United States	Corporate	USD	170,000	219	211
MGM Growth Properties Operating Partnership LP 4.50% 01-15-2028 Callable 2027	United States	Corporate	USD	30,000	36	36
Microchip Technology Inc. 1.63% 02-15-2027 Conv.	United States	Corporate	USD	90,000	137	132
Molina Healthcare Inc. 5.38% 11-15-2022 Callable 2022	United States	Corporate	USD	150,000	211	211
Molina Healthcare Inc. 4.88% 06-15-2025 Callable 2020 144A	United States	Corporate	USD	15,000	20	20
Moog Inc. 4.25% 12-15-2027 Callable 2022 144A	United States	Corporate	USD	40,000	53	51
Mr. Cooper Group Inc. 6.00% 01-15-2027 Callable 2023	United States	Corporate	USD	120,000	162	141
Nabors Industries Inc. 5.75% 02-01-2025 Callable 2024	United States	Corporate	USD	165,000	202	52
Nabors Industries Ltd. 7.25% 01-15-2026 Callable 2022 144A	United States	Corporate	USD	50,000	65	24

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



## SCHEDULE OF INVESTMENTS (continued)

as at March 31, 2020

	Country	Sector	Currency*	No. of Units, Shares, or Par Value	Average Cost (\$ '000)	Fair Value (\$ '000)
<b>BONDS (continued)</b>						
Nabors Industries Ltd. 7.50% 01-15-2028 Callable 2023 144A	United States	Corporate	USD	85,000	112	36
Navistar Inc. Term Loan B 1st Lien F/R 11-06-2024	United States	Bank Loans	USD	415,847	542	515
Navistar International Corp. 6.63% 11-01-2025 Callable 2020 144A	United States	Corporate	USD	215,000	278	257
Nefflix Inc. 4.88% 04-15-2028	United States	Corporate	USD	105,000	132	151
Nefflix Inc. 5.88% 11-15-2028	United States	Corporate	USD	185,000	257	281
Nefflix Inc. 6.38% 05-15-2029 144A	United States	Corporate	USD	50,000	65	78
Nefflix Inc. 5.38% 11-15-2029 144A	United States	Corporate	USD	115,000	168	167
Nefflix Inc. 4.88% 06-15-2030	United States	Corporate	USD	70,000	96	101
New Gold Inc. 6.25% 11-15-2022 Callable 144A	Canada	Corporate	USD	35,000	40	48
New Red Finance Inc. 4.25% 05-15-2024 Callable 2020 144A	Canada	Corporate	USD	30,000	43	43
New Red Finance Inc. 5.00% 10-15-2025 Callable 2020 144A	Canada	Corporate	USD	210,000	264	286
New Red Finance Inc. 3.88% 01-15-2028 Callable 2022 144A	Canada	Corporate	USD	95,000	126	128
New Red Finance Inc. 4.38% 01-15-2028 Callable 2022 144A	Canada	Corporate	USD	105,000	140	139
Newell Brands Inc. 4.20% 04-01-2026 Callable 2026	United States	Corporate	USD	225,000	303	312
Nexstar Escrow Corp. 5.63% 08-01-2024 Callable 2020 144A	United States	Corporate	USD	200,000	263	269
Nexstar Escrow Inc. 5.63% 07-15-2027 Callable 2022 144A	United States	Corporate	USD	240,000	332	332
The Nielsen Co. (Luxembourg) S.a.r.l. 5.00% 02-01-2025 Callable 2020 144A	United States	Corporate	USD	160,000	209	213
Nielsen Finance LLC/Nielsen Finance Co. 5.00% 04-15-2022 Callable 144A	United States	Corporate	USD	285,000	381	376
Nine Energy Service Inc. 8.75% 11-01-2023 Callable 2020 144A	United States	Corporate	USD	50,000	65	18
Noble Holding International Ltd. 7.75% 01-15-2024 Callable 2023	United Kingdom	Corporate	USD	50,000	62	8
Noble Holding International Ltd. 7.88% 02-01-2026 Callable 2021 144A	United Kingdom	Corporate	USD	65,000	82	24
Novelis Corp. 5.88% 09-30-2026 Callable 2022 144A	United States	Corporate	USD	295,000	393	412
Novelis Inc. 4.75% 01-30-2030 Callable 2025 144A	United States	Corporate	USD	105,000	139	133
NRG Energy Inc. 3.75% 06-15-2024 Callable 2024 144A	United States	Corporate	USD	155,000	210	216
NRG Energy Inc. 7.25% 05-15-2026 Callable 2021	United States	Corporate	USD	50,000	65	75
NRG Energy Inc. 6.63% 01-15-2027 Callable 2021	United States	Corporate	USD	25,000	33	37
NRG Energy Inc. 5.75% 01-15-2028 Callable 2023	United States	Corporate	USD	75,000	97	108
NRG Energy Inc. 4.45% 06-15-2029 Callable 2029 144A	United States	Corporate	USD	70,000	94	98
NRG Energy Inc. 5.25% 06-15-2029 Callable 2024 144A	United States	Corporate	USD	230,000	323	334
Numericable-SFR 7.38% 05-01-2026 Callable 2021 144A	France	Corporate	USD	200,000	271	283
Oasis Petroleum Inc. 6.88% 03-15-2022	United States	Corporate	USD	49,000	51	14
Oasis Petroleum Inc. 2.625% 09-15-2023 Conv. Callable 2020	United States	Corporate	USD	31,000	31	7
Oasis Petroleum Inc. 6.25% 05-01-2026 Callable 2021 144A	United States	Corporate	USD	90,000	108	21
ON Semiconductor Corp. 1.63% 10-15-2023 Conv. 144A	United States	Corporate	USD	45,000	71	64
OneMain Holdings Inc. 7.13% 03-15-2026	United States	Corporate	USD	110,000	158	152
OneMain Holdings Inc. 5.38% 11-15-2029 Callable 2029	United States	Corporate	USD	105,000	139	136
Ortho-Clinical Diagnostics Inc. Term Loan B 1st Lien F/R 06-01-2025	United States	Bank Loans	USD	125,509	163	153
Ortho-Clinical Diagnostics Inc. 7.25% 02-01-2028 Callable 2023 144A	United States	Corporate	USD	45,000	59	54
Outfront Media Capital LLC 4.63% 03-15-2030 Callable 2025 144A	United States	Corporate	USD	70,000	95	88
Panther BF Aggregator 2 LP 6.25% 05-15-2026 144A	United States	Corporate	USD	50,000	69	66
Panther BF Aggregator 2 LP 8.50% 05-15-2027 Callable 2022 144A	United States	Corporate	USD	195,000	271	240
Park-Ohio Industries Inc. 6.63% 04-15-2027 Callable 2022	United States	Corporate	USD	260,000	347	296
PC Intermediate Holdings Inc. 6.13% 08-15-2023 Callable 144A	United States	Corporate	USD	55,000	55	18
Penn National Gaming Inc. 5.63% 01-15-2027 Callable 2022 144A	United States	Corporate	USD	135,000	183	142
Penske Automotive Group Inc. 5.75% 10-01-2022 Callable	United States	Corporate	USD	85,000	117	111
Penske Automotive Group Inc. 5.38% 12-01-2024 Callable	United States	Corporate	USD	155,000	207	184
Penske Automotive Group Inc. 5.50% 05-15-2026 Callable 2021	United States	Corporate	USD	115,000	148	148
PetSmart Inc. Term Loan B2 1st Lien F/R 03-10-2022	United States	Bank Loans	USD	245,743	320	333
Pisces Midco Inc. 8.00% 04-15-2026 Callable 2021 144A	United States	Corporate	USD	90,000	115	110
Pisces Midco Inc. Term Loan B 1st Lien F/R 03-29-2025	United States	Bank Loans	USD	54,659	70	66
Plantronics Inc. 5.50% 05-31-2023 Callable 2020 144A	United States	Corporate	USD	255,000	333	259
PQ Corp. 5.75% 12-15-2025 Callable 2020 144A	United States	Corporate	USD	185,000	243	237
Precision Drilling Corp. 7.13% 01-15-2026 Callable 2020 144A	Canada	Corporate	USD	145,000	195	77
Prime Security Services Borrower LLC 6.25% 01-15-2028 Callable 2023 144A	United States	Corporate	USD	130,000	171	159
Provident Funding Associates LP 6.38% 06-15-2025 Callable 2020 144A	United States	Corporate	USD	150,000	199	178
PulteGroup Inc. 5.50% 03-01-2026 Callable 2025	United States	Corporate	USD	135,000	194	190
PulteGroup Inc. 7.88% 06-15-2032	United States	Corporate	USD	140,000	220	224
Qorvo Inc. 5.50% 07-15-2026 Callable 2021	United States	Corporate	USD	80,000	106	118
Quebecor Media Inc. 5.75% 01-15-2023 Callable	Canada	Corporate	USD	65,000	88	94
Rackspace Hosting Inc. Term Loan B 1st Lien F/R 11-03-2023	United States	Bank Loans	USD	24,223	31	30
Rackspace Hosting Inc. 8.63% 11-15-2024 Callable 2020 144A	United States	Corporate	USD	58,000	78	74
RBS Global Inc. 4.88% 12-15-2025 Callable 2020 144A	United States	Corporate	USD	185,000	235	246
Realty Group LLC 9.38% 04-01-2027 Callable 2022 144A	United States	Corporate	USD	30,000	40	36
Resideo Funding Inc. 6.13% 11-01-2026 Callable 2021 144A	United States	Corporate	USD	70,000	90	86
Revlon Consumer Products Corp. Term Loan B 1st Lien F/R 09-07-2023	United States	Bank Loans	USD	80,294	91	45
Rite Aid Corp. 6.13% 04-01-2023 Callable 2020 144A	United States	Corporate	USD	102,000	131	125
Rite Aid Corp. 7.50% 07-01-2025 Callable 2022	United States	Corporate	USD	58,000	74	79
Robertshaw US Holding Corp. Term Loan 1st Lien F/R 02-15-2025	United States	Bank Loans	USD	68,563	85	62
Robertshaw US Holding Corp. Term Loan 2nd Lien F/R 02-15-2026	United States	Bank Loans	USD	75,000	93	62
The Royal Bank of Scotland Group PLC 7.65% Perpetual (F/R @ 09-30-2031) Callable 2031	United Kingdom	Corporate	USD	145,000	231	263
The Royal Bank of Scotland Group PLC F/R 12-29-2049 Callable 2020	United Kingdom	Corporate	USD	200,000	264	261

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

## SCHEDULE OF INVESTMENTS (continued)

as at March 31, 2020

	Country	Sector	Currency*	No. of Units, Shares, or Par Value	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>BONDS (continued)</b>						
Scientific Games Corp. 7.00% 05-15-2028 Callable 2023 144A	United States	Corporate	USD	50,000	66	45
Scientific Games Corp. 7.25% 11-15-2029 Callable 2024 144A	United States	Corporate	USD	195,000	262	177
Scientific Games International Inc. 8.25% 03-15-2026 Callable 2022 144A	United States	Corporate	USD	145,000	194	131
Scotts Miracle-Gro Co. 4.50% 10-15-2029	United States	Corporate	USD	220,000	299	294
The Scotts Miracle-Gro Co. 4.50% 10-15-2029 Callable 2024 144A	United States	Corporate	USD	70,000	95	95
Service Corp. International 5.38% 05-15-2024 Callable 2020	United States	Corporate	USD	145,000	208	208
Service Corp. International 4.63% 12-15-2027 Callable 2022	United States	Corporate	USD	150,000	190	213
Service Corp. International 5.13% 06-01-2029 Callable 2024	United States	Corporate	USD	175,000	238	252
Sinclair Television Group Inc. 5.50% 03-01-2030 Callable 2024 144A	United States	Corporate	USD	105,000	139	124
Sirius XM Radio Inc. 5.00% 08-01-2027 Callable 2022 144A	United States	Corporate	USD	235,000	305	337
Sirius XM Radio Inc. 5.50% 07-01-2029 Callable 2024 144A	United States	Corporate	USD	110,000	158	158
Six Flags Entertainment Corp. 5.50% 04-15-2027 Callable 2022 144A	United States	Corporate	USD	225,000	295	268
SM Energy Co. 6.13% 11-15-2022	United States	Corporate	USD	45,000	39	28
SM Energy Co. 5.00% 01-15-2024 Callable	United States	Corporate	USD	70,000	71	32
SM Energy Co. 6.75% 09-15-2026 Callable 2021	United States	Corporate	USD	85,000	112	36
SM Energy Co. 6.63% 01-15-2027 Callable 2022	United States	Corporate	USD	80,000	99	34
Smurfit Kappa Funding PLC 7.50% 11-20-2025	Ireland	Corporate	USD	245,000	382	414
Solenis International LP Term Loan 1st Lien F/R 12-18-2023	United States	Bank Loans	USD	129,848	169	148
Solenis International LLC Term Loan 1st Lien F/R 06-26-2025	United States	Bank Loans	USD	65,000	86	91
Solenis International LLC Term Loan B 2nd Lien F/R 06-26-2026	United States	Bank Loans	USD	65,000	83	64
Solera Finance Inc. 10.50% 03-01-2024 Callable 2021 144A	United States	Corporate	USD	125,000	182	173
Spectrum Brands Inc. 6.13% 12-15-2024 Callable	United States	Corporate	USD	95,000	134	129
Spectrum Brands Inc. 5.00% 10-01-2029 Callable 2024 144A	United States	Corporate	USD	85,000	115	106
Splunk Inc. 1.13% 09-15-2025	United States	Corporate	USD	75,000	121	116
Springleaf Finance Corp. 6.88% 03-15-2025	United States	Corporate	USD	160,000	208	228
Springleaf Finance Corp. 6.63% 01-15-2028 Callable 2027	United States	Corporate	USD	55,000	74	73
Sprint Capital Corp. 6.88% 11-15-2028	United States	Corporate	USD	230,000	272	371
Sprint Corp. 7.25% 09-15-2021	United States	Corporate	USD	165,000	173	240
Sprint Corp. 7.88% 09-15-2023	United States	Corporate	USD	470,000	617	730
Sprint Corp. 7.13% 06-15-2024	United States	Corporate	USD	70,000	107	108
Sprint Corp. 7.63% 03-01-2026 Callable 2025	United States	Corporate	USD	175,000	244	280
Sprint Corp. 7.25% 02-01-2028 Callable 2027 144A	United States	Corporate	USD	190,000	249	270
SS&C Technologies Inc. 5.50% 09-30-2027 Callable 2022 144A	United States	Corporate	USD	320,000	439	471
Standard Industries Inc. 5.50% 02-15-2023 Callable 144A	United States	Corporate	USD	12,000	17	16
Standard Industries Inc. 5.00% 02-15-2027 Callable 2022 144A	United States	Corporate	USD	55,000	72	71
Standard Industries Inc. 4.75% 01-15-2028 Callable 2023 144A	United States	Corporate	USD	195,000	253	253
Staples Inc. 7.50% 04-15-2026 Callable 2022 144A	United States	Corporate	USD	385,000	504	480
Staples Inc. 10.75% 04-15-2027 Callable 2022 144A	United States	Corporate	USD	145,000	192	157
Star Merger Sub Inc. Term Loan B 1st Lien F/R 02-01-2026	United States	Bank Loans	USD	50,000	64	64
Star Merger Sub Inc. 6.88% 08-14-2026 Callable 2022 144A	United States	Corporate	USD	50,000	65	74
Starfruit US Holdco LLC Term Loan B 1st Lien F/R 09-20-2025	United States	Bank Loans	USD	54,022	70	69
Starfruit US Holdco LLC 8.00% 10-01-2026 Callable 2021 144A	Netherlands	Corporate	USD	200,000	255	268
Starwood Property Trust Inc. 5.00% 12-15-2021 Callable 2021	United States	Corporate	USD	30,000	39	39
Starwood Property Trust Inc. 4.75% 03-15-2025 Callable 2024	United States	Corporate	USD	155,000	198	194
Station Holdco LLC 4.50% 02-15-2028 Callable 2023 144A	United States	Corporate	USD	100,000	131	115
Stearns Holdings LLC 5.00% 11-05-2024	United States	Corporate	USD	3,376	4	4
Steel Dynamics Inc. 5.50% 10-01-2024 Callable	United States	Corporate	USD	100,000	132	136
Stevens Holding Co. Inc. 6.13% 10-01-2026 Callable 2023 144A	United States	Corporate	USD	215,000	284	303
Sugarhouse HSP Gaming Prop Mezz LP 5.88% 05-15-2025 Callable 2020 144A	United States	Corporate	USD	70,000	95	81
Talbots Inc. Term Loan B 1st Lien F/R 11-16-2022	United States	Bank Loans	USD	82,471	106	90
Tallgrass Energy Partners LP 5.50% 01-15-2028 Callable 2023 144A	United States	Corporate	USD	165,000	215	121
Targa Resources Partners LP 6.50% 07-15-2027 Callable 2022 144A	United States	Corporate	USD	80,000	110	96
Targa Resources Partners LP 5.00% 01-15-2028	United States	Corporate	USD	10,000	13	12
Targa Resources Partners LP 6.88% 01-15-2029 144A	United States	Corporate	USD	35,000	46	40
Targa Resources Partners LP 5.50% 03-01-2030 144A	United States	Corporate	USD	65,000	88	71
Taylor Morrison Communities Inc. 5.75% 01-15-2028 Callable 2027 144A	United States	Corporate	USD	50,000	65	64
Tempo Acquisition LLC 6.75% 06-01-2025 Callable 2020 144A	United States	Corporate	USD	330,000	432	432
Tenet Healthcare Corp. 8.13% 04-01-2022	United States	Corporate	USD	235,000	323	316
Tenet Healthcare Corp. 4.63% 07-15-2024 Callable 2020	United States	Corporate	USD	65,000	84	88
Tenet Healthcare Corp. 4.88% 01-01-2026 Callable 2022 144A	United States	Corporate	USD	425,000	572	575
Tenet Healthcare Corp. 6.25% 02-01-2027 Callable 2022 144A	United States	Corporate	USD	80,000	109	110
Tenet Healthcare Corp. 5.13% 11-01-2027 Callable 2022 144A	United States	Corporate	USD	215,000	285	293
Tennant Co. 5.63% 05-01-2025 Callable 2020	United States	Corporate	USD	90,000	119	122
Terrier Media Buyer Inc. Term Loan B 1st Lien F/R 12-12-2026	United States	Bank Loans	USD	89,775	118	115
Terrier Media Buyer Inc. 8.88% 12-15-2027 Callable 2022 144A	United States	Corporate	USD	190,000	256	228
Teva Pharmaceutical Finance Netherlands IV BV 3.65% 11-10-2021	Israel	Corporate	USD	25,000	34	34
Teva Pharmaceutical Finance Netherlands III BV 6.00% 04-15-2024	Israel	Corporate	USD	200,000	258	280
Teva Pharmaceutical Finance Netherlands III BV 3.15% 10-01-2026	Israel	Corporate	USD	65,000	69	79
Teva Pharmaceutical Finance Netherlands III BV 6.75% 03-01-2028 Callable 2027	Israel	Corporate	USD	200,000	284	276
Titan Acquisition Ltd. Term Loan 1st Lien F/R 03-16-2025	United Kingdom	Bank Loans	USD	172,047	223	202
Titan Acquisition Ltd. 7.75% 04-15-2026 Callable 2021 144A	United Kingdom	Corporate	USD	52,000	68	61
T-Mobile USA Inc. 6.38% 03-01-2025 Callable 2020	United States	Corporate	USD	270,000	379	390

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

## SCHEDULE OF INVESTMENTS (continued)

as at March 31, 2020

	Country	Sector	Currency*	No. of Units, Shares, or Par Value	Average Cost (\$ '000)	Fair Value (\$ '000)
<b>BONDS (continued)</b>						
T-Mobile USA Inc. 5.38% 04-15-2027 Callable 2022	United States	Corporate	USD	190,000	250	276
T-Mobile USA Inc. 4.75% 02-01-2028 Callable 2023	United States	Corporate	USD	365,000	498	537
TMS International Corp. 7.25% 08-15-2025 Callable 2025 144A	United States	Corporate	USD	165,000	216	201
TMX Finance LLC 11.13% 04-01-2023 Callable 2020 144A	United States	Corporate	USD	105,000	135	112
TopBuild Corp. 5.63% 05-01-2026 Callable 2021 144A	United States	Corporate	USD	135,000	170	175
Townsquare Media Inc. 6.50% 04-01-2023 Callable 2020 144A	United States	Corporate	USD	65,000	86	89
TransDigm Group Inc. 6.25% 03-15-2026 Callable 2022 144A	United States	Corporate	USD	275,000	380	387
TransDigm Group Inc. 6.38% 06-15-2026 Callable	United States	Corporate	USD	155,000	203	210
TransDigm Group Inc. 5.50% 11-15-2027 Callable 2022	United States	Corporate	USD	225,000	299	286
TransDigm Inc. 6.50% 05-15-2025 Callable 2020	United States	Corporate	USD	20,000	27	27
Transocean Inc. 7.50% 04-15-2031	United States	Corporate	USD	45,000	50	17
Transocean Pontus Ltd. 6.13% 08-01-2025 Callable 2021 144A	United States	Corporate	USD	41,750	54	47
Transocean Poseidon Ltd. 6.88% 02-01-2027 Callable 2022 144A	United States	Corporate	USD	80,000	111	91
TRI Pointe Holdings Inc. 5.88% 06-15-2024	United States	Corporate	USD	165,000	231	217
Trivium Packaging Finance BV 5.50% 08-15-2026 Callable 2022 144A	Netherlands	Corporate	USD	200,000	273	282
Tronox Finance PLC 5.75% 10-01-2025 Callable 2020 144A	United States	Corporate	USD	95,000	122	120
Tronox Inc. 6.50% 04-15-2026 Callable 2021 144A	United States	Corporate	USD	35,000	47	44
TTM Technologies Inc. 5.63% 10-01-2025 Callable 2020 144A	United States	Corporate	USD	200,000	252	238
U.S. Concrete Inc. 6.38% 06-01-2024	United States	Corporate	USD	124,000	168	158
Univar Solutions Inc. 5.13% 12-01-2027 Callable 2022 144A	United States	Corporate	USD	225,000	301	289
Univision Communications Inc. 5.13% 05-15-2023 144A	United States	Corporate	USD	60,000	78	75
Univision Communications Inc. 5.13% 02-15-2025 Callable 2020 144A	United States	Corporate	USD	90,000	120	108
USIS Merger Sub Inc. 6.88% 05-01-2025 Callable 2020 144A	United States	Corporate	USD	155,000	207	209
Valaris PLC 8.00% 01-31-2024	United States	Corporate	USD	25,000	25	3
Valaris PLC 7.75% 02-01-2026	United States	Corporate	USD	45,000	57	6
Valvoline Inc. 4.25% 02-15-2030 Callable 2025 144A	United States	Corporate	USD	75,000	101	99
Vertiv Group Corp Term Loan B 1st Lien F/R 03-02-2027	United States	Bank Loans	USD	350,000	463	429
Videotron Ltd./Videotron Ltee. 5.13% 04-15-2027 Callable 2022 144A	Canada	Corporate	USD	170,000	225	244
Videotron Ltee. 5.00% 07-15-2022	Canada	Corporate	USD	55,000	75	78
Viper Energy Partners LP 5.38% 11-01-2027	United States	Corporate	USD	130,000	179	154
Virgin Media Finance PLC 5.75% 01-15-2025 Callable 2020 144A	United Kingdom	Corporate	USD	200,000	266	276
Vistra Operations Co. LLC 3.55% 07-15-2024 144A	United States	Corporate	USD	25,000	33	33
Vistra Operations Co. LLC 5.50% 09-01-2026 Callable 2021 144A	United States	Corporate	USD	135,000	176	196
Vistra Operations Co. LLC 5.63% 02-15-2027 Callable 2022 144A	United States	Corporate	USD	60,000	80	87
Vistra Operations Co. LLC 5.00% 07-31-2027 Callable 2022 144A	United States	Corporate	USD	65,000	87	93
Vistra Operations Co. LLC 4.30% 07-15-2029 144A	United States	Corporate	USD	110,000	148	138
VRX Escrow Corp. 6.13% 04-15-2025 Callable 2020 144A	United States	Corporate	USD	300,000	342	420
W.R. Grace & Co.-Conn. 5.63% 10-01-2024 144A	United States	Corporate	USD	205,000	288	281
Wand Merger Corp. 8.13% 07-15-2023 Callable 2020 144A	United States	Corporate	USD	90,000	121	124
Wand Merger Corp. 9.13% 07-15-2026 Callable 2021 144A	United States	Corporate	USD	30,000	40	38
Waste Pro USA Inc. 5.50% 02-15-2026 Callable 2021 144A	United States	Corporate	USD	235,000	316	308
Watco Companies LLC 6.38% 04-01-2023 Callable 2020 144A	United States	Corporate	USD	175,000	238	242
Weekley Homes LLC 6.00% 02-01-2023 Callable	United States	Corporate	USD	125,000	160	170
Weekley Homes LLC/Weekley Finance Corp. 6.63% 08-15-2025 Callable 144A	United States	Corporate	USD	80,000	104	102
Werner FinCo LP 8.75% 07-15-2025 Callable 2020 144A	United States	Corporate	USD	145,000	191	177
Western Digital Corp. 4.75% 02-15-2026 Callable 2025	United States	Corporate	USD	65,000	82	93
WideOpenWest Finance LLC Term Loan B 1st Lien F/R 08-19-2023	United States	Bank Loans	USD	143,290	187	188
WMG Acquisition Corp. 5.00% 08-01-2023 Callable 2020 144A	United States	Corporate	USD	55,000	73	78
WMG Acquisition Corp. 5.50% 04-15-2026 Callable 2021 144A	United States	Corporate	USD	95,000	124	132
Wolverine World Wide Inc. 5.00% 09-01-2026 Callable 2021 144A	United States	Corporate	USD	70,000	91	89
WPX Energy Inc. 8.25% 08-01-2023 Callable 2023	United States	Corporate	USD	75,000	109	78
WPX Energy Inc. 5.75% 06-01-2026 Callable 2021	United States	Corporate	USD	30,000	39	24
WPX Energy Inc. 5.25% 10-15-2027 Callable 2022	United States	Corporate	USD	95,000	125	74
WPX Energy Inc. 4.50% 01-15-2030 Callable 2025	United States	Corporate	USD	110,000	147	83
Wyndham Hotels and Resorts Inc. 5.38% 04-15-2021 Callable 2021 144A	United States	Corporate	USD	90,000	116	111
Wynn Las Vegas LLC 5.25% 05-15-2027 Callable 2027 144A	United States	Corporate	USD	125,000	161	160
Wynn Resorts Finance LLC 5.13% 10-01-2029	United States	Corporate	USD	175,000	237	229
Yum! Brands Inc 7.75% 04-01-2025 Callable 2022 144A	United States	Corporate	USD	25,000	35	37
Yum! Brands Inc. 4.75% 01-15-2030 144A	United States	Corporate	USD	80,000	109	106
Zekelman Industries Inc. 9.88% 06-15-2023 Callable 144A	United States	Corporate	USD	33,000	44	46
					85,215	81,461
<b>EQUITIES</b>						
Advanz Pharma Corp. Ltd.	Jersey	Health Care		340	6	2
Ally Financial Inc.	United States	Financials		4,028	103	82
Broadcom Inc. 3.03% Pfd. Conv.	United States	Information Technology		80	123	105
CIT Group Inc.	United States	Financials		1,257	71	31
Clear Channel Outdoor Holdings Inc. Class A	United States	Communication Services		4,890	42	4
Crown Castle International Corp. Conv. Pfd. Series A	United States	Real Estate		89	118	157
Danaher Corp. Pfd. Conv.	United States	Health Care		80	126	117
EPR Properties 5.75% Conv. Pfd. Series C	United States	Real Estate		1,954	68	44
iHeartMedia Inc.	United States	Communication Services		244	8	3
iHeartMedia Inc. Purchase Warrants Exp. 05-01-2039	United States	Communication Services		1,836	-	2
Live Nation Entertainment Inc.	United States	Communication Services		725	24	46
Nine Point Energy Holdings Inc.	United States	Energy		1,408	25	-

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

**SCHEDULE OF INVESTMENTS (continued)**

as at March 31, 2020

	Country	Sector	Currency*	No. of Units, Shares, or Par Value	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>EQUITIES (continued)</b>						
Nine Point Energy Holdings Inc. Pfd.	United States	Energy		29	38	-
Stanley Black & Decker Inc. 5.25% Conv. Pfd.	United States	Industrials		860	122	85
Stearns Holdings LLC Warrants	United States	Financials		130,000	21	22
Tervita Corp.	Canada	Energy		26	-	-
Tervita Corp. Class A Voting	Canada	Health Care		101	1	-
T-Mobile USA Inc.	United States	Communication Services		748	45	88
					941	788
<b>COMMISSIONS AND OTHER PORTFOLIO TRANSACTION COSTS</b>					(6)	-
<b>TOTAL INVESTMENTS</b>					86,150	82,249
<b>Net Assets:</b>						
Total investments						82,249
Cash and cash equivalents						6,886
Derivative assets (see schedule of forward currency contracts)						551
Derivative liabilities (see schedule of forward currency contracts)						(3,111)
Other net assets (liabilities)						827
						87,402

**Schedule of Asset Composition**

The effective allocation shows the regional or sector exposure of the Fund calculated by including the Fund's proportionate share of its holdings in index participation units and derivatives.

at March 31, 2020

	% of net assets
<b>BY ASSET TYPE</b>	
Corporate Bonds	87.5
Bank Loans	5.7
Equities	0.9
Cash and cash equivalents	7.9
Other	(2.0)
<b>Total</b>	<b>100.0</b>
<b>BY REGION</b>	
United States	80.2
Europe ex U.K.	5.5
Canada	2.5
United Kingdom	2.4
Middle East and Africa	1.1
Latin America	0.4
Cash and cash equivalents	7.9
<b>Total</b>	<b>100.0</b>
<b>BY SECTOR</b>	
Corporate Bonds	87.5
Bank Loans	5.7
Financials	0.2
Real Estate	0.2
Communication Services	0.2
Health Care	0.1
Information Technology	0.1
Industrials	0.1
Cash and cash equivalents	7.9
Other	(2.0)
<b>Total</b>	<b>100.0</b>

at March 31, 2019

	% of net assets
<b>BY ASSET TYPE</b>	
Corporate Bonds	85.1
Bank Loans	6.0
Equities	1.2
Cash and cash equivalents	6.5
Other	1.2
<b>Total</b>	<b>100.0</b>
<b>BY REGION</b>	
United States	78.9
Canada	6.8
Europe ex U.K.	5.2
United Kingdom	2.1
Latin America	0.5
Cash and cash equivalents	6.5
<b>Total</b>	<b>100.0</b>
<b>BY SECTOR</b>	
Corporate Bonds	85.1
Bank Loans	6.0
Financials	0.3
Communication Services	0.3
Real Estate	0.3
Information Technology	0.2
Energy	0.1
Cash and cash equivalents	6.5
Other	1.2
<b>Total</b>	<b>100.0</b>

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



**Schedule of Derivative Instruments**

as at March 31, 2020

**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	04-15-2020	790 CAD	790	597 USD	840	-	(50)	
AA	04-15-2020	1,155 CAD	1,155	820 USD	1,155	-	-	
AA	04-15-2020	1,925 CAD	1,925	1,481 USD	2,085	-	(160)	
A	04-15-2020	19 CAD	19	15 USD	21	-	(2)	
AA	04-15-2020	771 CAD	771	531 USD	748	23	-	
AA	04-15-2020	1,524 CAD	1,524	1,150 USD	1,620	-	(96)	
AA	05-06-2020	9,918 CAD	9,918	7,462 USD	10,496	-	(578)	
AA	05-06-2020	12,552 CAD	12,552	9,341 USD	13,139	-	(587)	
AA	05-06-2020	12,567 CAD	12,567	9,341 USD	13,139	-	(572)	
AA	05-06-2020	9,908 CAD	9,908	7,462 USD	10,496	-	(588)	
A	04-15-2020	1,404 USD	1,833	1,833 CAD	1,977	144	-	
AA	04-15-2020	4,201 USD	5,595	5,595 CAD	5,915	320	-	
AA	04-15-2020	769 USD	1,019	1,019 CAD	1,083	64	-	
AA	05-06-2020	7,462 USD	10,590	10,590 CAD	10,496	-	(94)	
AA	05-06-2020	9,341 USD	13,295	13,295 CAD	13,139	-	(156)	
AA	05-06-2020	9,341 USD	13,268	13,268 CAD	13,139	-	(129)	
AA	05-06-2020	7,462 USD	10,595	10,595 CAD	10,496	-	(99)	
						551	(3,111)	
<b>TOTAL DERIVATIVE ASSETS</b>								551
<b>TOTAL DERIVATIVE LIABILITIES</b>								(3,111)

**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, 2020 and 2019. In a year that a series is terminated, 'period' represents the period from April 1 to that series' date of termination. Refer to Note 10 (a) for series inception dates and termination dates.

The Fund is organized as an open-ended unit 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, 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 July 13, 2020.

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

Financial instruments include financial assets and liabilities such as debt and equity securities and derivatives. The Fund classifies and measures financial instruments in accordance with IFRS 9 Financial Instruments. 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) 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. 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.

**(c) Income recognition**

Interest income from interest bearing investments is recognized using the effective interest method. Dividends are accrued as of the ex-dividend date. 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.

**(d) 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.

**(e) 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.

**(f) 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.

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

**(h) 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.

**(i) 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. The fair value of net assets presented in the financial statements is consistent with the net asset values calculated for the purchase and redemption of the Fund's redeemable securities calculated in accordance with securities regulations.

**(j) 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 sums of the increase (decrease) in net assets attributable to securityholders from operations for each month, divided by the weighted average number of securities outstanding during each month.

**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.

The outbreak of the novel coronavirus (COVID-19) developed rapidly over the first three months of 2020, with the World Health Organization declaring it a pandemic on March 11, 2020, and governments around the world enacting emergency measures that resulted in business disruptions, volatility in markets and a global economic slowdown.

The Manager uses judgment in assessing the impact from such events on assumptions and estimates applied in reporting the assets and liabilities in the Fund's financial statements at March 31, 2020.

The duration and impact of the COVID-19 pandemic on businesses and markets, and the extent of economic relief measures provided by governments and central banks, are unknown at the reporting date and it is therefore not possible to reliably estimate the impact on the financial results and position of the Fund in future periods.

**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.

**5. INCOME TAXES**

The Fund is a unit 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.

Losses of the Fund cannot be allocated to investors and are retained in the Fund for use in future years. Non-capital losses may be carried forward up to 20 years to reduce taxable income and realized capital gains of future years. Capital losses may be carried forward indefinitely to reduce future realized capital gains. Refer to Note 10 (d) for the Fund's loss carryforwards.

**6. MANAGEMENT FEES AND OPERATING EXPENSES**

No management fee or operating expenses, other than certain specific fund costs, are charged to the Fund

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, and any new fees related to external services that were not commonly charged in the Canadian mutual fund industry and introduced after October 29, 2019 (the date of the Counsel Funds' last Simplified Prospectus).

**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, 2020 and 2019 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 (b).

**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 (b) 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 order to monitor the liquidity of its assets, the Fund utilizes a liquidity risk management program that calculates the number of days to convert the investments held by the Fund into cash using a multi-day liquidation approach. This liquidity risk analysis assesses the Fund's liquidity against pre-determined minimum liquidity percentages, established for different time periods. In addition, the Fund has the ability to borrow up to 5% of its net assets for the purposes of funding redemptions. In order to comply with securities regulations, the Fund must maintain at least 85% of its assets in liquid investments (i.e. investments that can be readily sold).

Other investment funds managed by Counsel ("Top Funds") may invest in Series 0 securities offered by the Fund on a prospectus-exempt basis in accordance with the investment objectives of those funds.

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, please refer to the amounts disclosed pertaining to Series 0 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 into which it has entered 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 (c) 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. Note 10 (c) summarizes the Fund's exposure to currency risk.

**(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. Note 10 (c) summarizes the Fund's exposure to interest rate risk related to fixed income investments.

**(f) Other price risk**

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All investments present a risk of loss of capital. This risk is managed through a careful selection of investments and other financial instruments within the parameters of the investment strategy. Note 10 (c) summarizes the Fund's exposure to other price risk, including indirect exposure through underlying mutual funds and ETFs.

**9. FURTHER INFORMATION**

A copy of the Fund's current Annual Information Form, Management Report of Fund Performance, quarterly portfolio disclosures and proxy voting policies and 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](http://www.counsel services.com) or by visiting [www.sedar.com](http://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 <sup>1,3</sup>	October 29, 2015	-	-	-
Series O <sup>1,3</sup>	October 29, 2015	-	-	-
Series R <sup>2,3</sup>	October 29, 2015	-	-	-

<sup>1</sup> 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.

<sup>2</sup> This series is not available for sale and is held solely by Counsel. On December 10, 2018, this series was terminated.

<sup>3</sup> 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 income with the potential for long-term capital growth. The Fund invests primarily in Canadian and U.S. fixed-income securities. The Fund's investments are generally expected to have a weighted average credit rating of "BB-" or higher, as rated by S&P or an equivalent rating from another recognized credit rating organization. The sub-advisor may vary the weighted average credit quality. The Fund seeks to diversify the investment portfolio by industry sector, size of issuer and credit rating.

The Fund is not available to retail investors and is only available to other Counsel Funds.

**(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.

March 31, 2020				
Currency	Investments	Cash and cash equivalents	Derivative instruments	Net exposure
Euro	150	-	-	150
United Kingdom pounds	2	-	-	2
United States dollars	82,096	4,103	2,506	88,705
Total	82,248	4,103	2,506	88,857
As percent of net assets (%)				101.7

March 31, 2019				
Currency	Investments	Cash and cash equivalents	Derivative instruments	Net exposure
Euro	321	-	-	321
United States dollars	74,691	3,999	(17,783)	60,907
Total	75,012	3,999	(17,783)	61,228
As percent of net assets (%)				75.3

As at March 31, 2020, 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 \$4,443 or 5.1% of total net assets (March 31, 2019 – \$3,061 or 3.8% 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, 2020	-	21,437	55,775	4,249	81,461
March 31, 2019	282	20,153	50,419	3,251	74,105

As at March 31, 2020, had 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 \$4,087 or 4.7% of total net assets (March 31, 2019 – \$3,258 or 4.0% of total net assets). The Fund's sensitivity to interest rate changes was estimated using the weighted average duration of the bond portfolio and interest rate swaps. In practice, the actual trading results may differ and the difference could be material.

**iii. Other Price Risk**

The Fund's most significant exposure to other price risk arises from its investment in equity securities. As at March 31, 2020, had the prices on the respective stock exchanges for these securities raised or lowered by 10.0%, with all other variables held constant, net assets would have increased or decreased by approximately \$79 or 0.1% of total net assets (March 31, 2019 – \$94 or 0.1% of total net assets). 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)**

## iv. Credit Risk

The Fund's greatest concentration of credit risk is in debt securities, such as bonds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. As at March 31, 2020, the maximum exposure to any one debt issuer was 2.7% of the net assets of the Fund (March 31, 2019 – 2.0%).

The table below indicates the Fund's exposure to debt securities by credit rating as a percentage of net assets:

<b>March 31, 2020</b>	
AA	0.5
A	0.2
BBB	8.0
BB	42.1
B	32.1
CCC	8.1
less than CCC	0.2
Unrated	2.7
<b>Total</b>	<b>93.9</b>

  

<b>March 31, 2019</b>	
BBB	4.2
BB	38.9
B	37.6
CCC	10.0
Unrated	0.4
<b>Total</b>	<b>91.1</b>

*Credit ratings are based on DBRS, Standard & Poor's or Moody's ratings.*

**(d) Loss Carryforwards**

As at the last taxation year-end, \$1,672 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.

<b>as at March 31, 2020</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Fixed income	-	81,461	-	81,461
Equities	764	22	2	788
Cash equivalents	-	169	-	169
Derivative assets	-	551	-	551
Derivative liabilities	-	(3,111)	-	(3,111)
<b>Total</b>	<b>764</b>	<b>79,092</b>	<b>2</b>	<b>79,858</b>

  

<b>as at March 31, 2019</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Fixed income	-	74,105	-	74,105
Equities	866	1	73	940
Cash equivalents	-	152	-	152
Derivative assets	-	143	-	143
Derivative liabilities	-	(88)	-	(88)
<b>Total</b>	<b>866</b>	<b>74,313</b>	<b>73</b>	<b>75,252</b>

There were no significant transfers between Level 1 and Level 2. Cash equivalents classified as level 2 investments are valued based on amortized cost plus accrued interest which closely approximates fair value.

**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****(e) Fair Value Classification (continued)**

The table below presents a reconciliation of financial instruments measured at fair value using Level 3 inputs:

<b>for the year ended March 31, 2020</b>	<b>Fixed Income</b>	<b>Equities</b>	<b>Total</b>
Balance – beginning of period	-	73	73
Purchases	-	-	-
Sales	-	-	-
Transfers in	-	2	2
Transfers out	-	-	-
Gains (losses) during the period:			
Realized	-	-	-
Unrealized	-	(73)	(73)
Balance – end of period	-	2	2
Unrealized gains (losses) during the period attributable to securities held at end of period	-	(73)	(73)

  

<b>for the year ended March 31, 2019</b>	<b>Fixed Income</b>	<b>Equities</b>	<b>Total</b>
Balance – beginning of period	-	66	66
Purchases	-	-	-
Sales	-	-	-
Transfers in	-	-	-
Transfers out	-	(1)	(1)
Gains (losses) during the period:			
Realized	-	-	-
Unrealized	-	8	8
Balance – end of period	-	73	73
Unrealized gains (losses) during the period attributable to securities held at end of period	-	8	8

**(f) Commissions**

The brokerage commissions paid to certain dealers included an investment of \$1 (2019 – \$1) that was available for payment to third party vendors for the provision of investment decision making services. This amount represented 15.3% (2019 – 14.7%) of the total commissions and other transaction costs paid during the period.



**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