

**COUNSEL | PORTFOLIO SERVICES**

# Counsel Short Term Bond

INTERIM UNAUDITED FINANCIAL STATEMENTS

For the period ended September 30, 2021

These Financial Statements do not contain the Management Report of Fund Performance ("MRFP") of the investment fund.

A copy of the Fund's current Simplified Prospectus, Annual Information Form, Management Report of Fund Performance, Fund Fact Sheets, 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).

Counsel Portfolio Services Inc., the Manager of the Fund, appoints independent auditors to audit the Fund's Annual Financial Statements. Under Canadian securities laws (National Instrument 81-106), if an auditor has not reviewed the Interim Financial Statements, this must be disclosed in an accompanying notice. The Fund's independent auditors have not performed a review of these Interim Financial Statements in accordance with standards established by the Chartered Professional Accountants of Canada.

**STATEMENTS OF FINANCIAL POSITION**

at September 30, 2021 (unaudited) with comparative figures at March 31, 2021 (audited)  
(in \$ 000 except per security amounts)

	Sep. 30 2021	Mar. 31 2021
<b>Assets</b>		
<b>Current assets:</b>		
Investments at fair value	18,714	20,018
Cash and cash equivalents	1,265	951
Accrued interest receivable	92	104
Dividends receivable	—	—
Accounts receivable for investments sold	—	6
Accounts receivable for securities issued	2	11
Accounts receivable from the Manager	1	—
Margin on derivative contracts	139	34
Derivative assets	78	173
Other assets	—	—
	20,291	21,297
<b>Non-current assets:</b>		
Taxes recoverable	—	—
Other assets	—	—
	—	—
<b>Total assets</b>	20,291	21,297
<b>Liabilities</b>		
<b>Current liabilities:</b>		
Bank indebtedness	—	—
Accounts payable for investments purchased	151	265
Accounts payable for securities redeemed	9	11
Distributions payable	—	—
Accrued expenses and miscellaneous payables	1	1
Dividends payable on investments sold short	—	—
Derivative liabilities	44	9
Taxes payable	—	—
Other liabilities	—	—
<b>Total liabilities</b>	205	286
<b>Net assets attributable to securityholders</b>	20,086	21,011

**STATEMENTS OF COMPREHENSIVE INCOME**

for the periods ended September 30 (unaudited)  
(in \$ 000 except per security amounts)

	2021	2020
<b>Income:</b>		
Dividends	3	—
Interest and other income	243	405
Net realized gain (loss)	111	283
Net unrealized gain (loss)	(170)	769
Income (loss) from derivatives	(135)	14
Income (loss) from short selling	—	—
Securities lending income	1	—
Trust income	—	—
<b>Total income</b>	53	1,471
<b>Expenses:</b>		
Management fees	76	77
Management fee rebates	(8)	(6)
Administration fees	17	17
Commissions and other portfolio transaction costs	—	—
Independent Review Committee costs	—	—
Interest and other charges	—	—
<b>Expenses before amounts absorbed by Manager</b>	85	88
Expenses absorbed by Manager	—	—
<b>Net expenses</b>	85	88
<b>Increase (decrease) in net assets attributable to securityholders</b>		
<b>from operations before tax</b>	(32)	1,383
Foreign withholding tax expense (recovery)	—	—
Foreign income tax expense (recovery)	—	—
Income tax expense (recovery)	—	—
<b>Increase (decrease) in net assets attributable to securityholders</b>	(32)	1,383
<b>from operations</b>	(32)	1,383

	Net assets attributable to securityholders			
	per security		per series	
	Sep. 30 2021	Mar. 31 2021	Sep. 30 2021	Mar. 31 2021
Series A	9.59	9.65	8,842	7,959
Series F	9.67	9.72	6,620	6,983
Series I	9.73	9.75	870	1,015
Series O	9.68	9.70	730	765
Series Private Wealth	9.95	9.98	3,024	4,289
			20,086	21,011

	Increase (decrease) in net assets attributable to securityholders from operations			
	per security		per series	
	2021	2020	2021	2020
Series A	(0.04)	0.39	(36)	329
Series F	(0.01)	0.42	(7)	287
Series I	0.02	0.46	1	47
Series O	0.03	0.46	3	570
Series Private Wealth	0.02	0.47	7	150
			(32)	1,383

**STATEMENTS OF CHANGES IN FINANCIAL POSITION**

for the periods ended September 30 (unaudited)  
(in \$ 000 except when stated)

	TOTAL		SERIES A		SERIES F		SERIES I	
	2021	2020	2021	2020	2021	2020	2021	2020
<b>Net assets attributable to securityholders, beginning of period</b>	21,011	30,462	7,959	7,856	6,983	6,256	1,015	836
Increase (decrease) in net assets attributable to securityholders resulting from:								
<b>Operations</b>	(32)	1,383	(36)	329	(7)	287	1	47
<b>Distributions:</b>								
Income	(70)	(277)	(21)	(36)	(22)	(46)	(4)	(13)
Capital gains	–	–	–	–	–	–	–	–
Return of capital	–	–	–	–	–	–	–	–
Management fee rebates	(8)	(6)	(1)	–	(7)	(6)	–	–
<b>Total distributions</b>	(78)	(283)	(22)	(36)	(29)	(52)	(4)	(13)
<b>Security transactions:</b>								
Proceeds from sale of securities	4,038	5,004	1,656	1,312	658	1,292	168	864
Proceeds from securities issued on merger	–	–	–	–	–	–	–	–
Reinvested from distributions	76	281	21	36	28	50	4	13
Payment on redemption of securities	(4,929)	(5,404)	(736)	(931)	(1,013)	(819)	(314)	(474)
<b>Total security transactions</b>	(815)	(119)	941	417	(327)	523	(142)	403
<b>Increase (decrease) in assets attributable to securityholders</b>	(925)	981	883	710	(363)	758	(145)	437
<b>Net assets attributable to securityholders, end of period</b>	20,086	31,443	8,842	8,566	6,620	7,014	870	1,273
<b>Increase (decrease) in securities (in thousands):</b>								
<b>Securities outstanding, beginning of period</b>			824	838	718	662	104	88
Add (deduct):								
Securities sold			172	135	68	133	17	89
Securities issued on merger			–	–	–	–	–	–
Reinvested from distributions			2	4	3	5	–	1
Securities redeemed			(76)	(97)	(104)	(85)	(31)	(49)
<b>Securities outstanding, end of period</b>			922	880	685	715	90	129

	SERIES O		SERIES PRIVATE WEALTH	
	2021	2020	2021	2020
<b>Net assets attributable to securityholders, beginning of period</b>	765	12,065	4,289	3,449
Increase (decrease) in net assets attributable to securityholders resulting from:				
<b>Operations</b>	3	570	7	150
<b>Distributions:</b>				
Income	(4)	(147)	(19)	(35)
Capital gains	–	–	–	–
Return of capital	–	–	–	–
Management fee rebates	–	–	–	–
<b>Total distributions</b>	(4)	(147)	(19)	(35)
<b>Security transactions:</b>				
Proceeds from sale of securities	58	448	1,498	1,088
Proceeds from securities issued on merger	–	–	–	–
Reinvested from distributions	4	147	19	35
Payment on redemption of securities	(96)	(1,590)	(2,770)	(1,590)
<b>Total security transactions</b>	(34)	(995)	(1,253)	(467)
<b>Increase (decrease) in assets attributable to securityholders</b>	(35)	(572)	(1,265)	(352)
<b>Net assets attributable to securityholders, end of period</b>	730	11,493	3,024	3,097
<b>Increase (decrease) in securities (in thousands):</b>				
<b>Securities outstanding, beginning of period</b>	79	1,279	430	355
Add (deduct):				
Securities sold	6	46	150	108
Securities issued on merger	–	–	–	–
Reinvested from distributions	–	15	2	3
Securities redeemed	(10)	(165)	(278)	(158)
<b>Securities outstanding, end of period</b>	75	1,175	304	308

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

**STATEMENTS OF CASH FLOWS**

for the periods ended September 30 (unaudited)  
(in \$ 000)

	2021	2020
<b>Cash flows from operating activities</b>		
Increase (decrease) in net assets attributable to securityholders from operations	(32)	1,383
<b>Less non-cash impact of:</b>		
Net realized loss (gain) on investments	(111)	(283)
Change in net unrealized loss (gain) on investments	170	(769)
Distributions received from Underlying Funds	–	–
<b>Adjustments for:</b>		
Proceeds from sale and maturity of investments	6,011	9,588
Purchases of investments	(4,745)	(8,376)
(Increase) decrease in accounts receivable and other assets	(94)	124
Increase (decrease) in accounts payable and other liabilities	–	–
<b>Net cash provided by (used in) operating activities</b>	<b>1,199</b>	<b>1,667</b>
<b>Cash flows from financing activities:</b>		
Proceeds from securities issued	4,047	4,958
Proceeds from securities issued on merger	–	–
Payments on redemption of securities	(4,931)	(5,395)
Distributions paid net of reinvestments	(2)	(2)
<b>Net cash provided by (used in) financing activities</b>	<b>(886)</b>	<b>(439)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>313</b>	<b>1,228</b>
Cash and cash equivalents at beginning of period	951	1,108
Effect of exchange rate fluctuations on cash and cash equivalents	1	3
<b>Cash and cash equivalents, end of period</b>	<b>1,265</b>	<b>2,339</b>
Cash	656	653
Cash equivalents	609	1,686
Bank indebtedness	–	–
	1,265	2,339
<b>Supplementary disclosures on cash flow from operating activities:</b>		
Dividends received net of withholding taxes	–	–
Interest received net of withholding taxes	258	427
Interest paid	–	–
Income taxes paid (recovered)	–	–

## SCHEDULE OF INVESTMENTS

as at September 30, 2021 (unaudited)

	Country	Sector	Currency*	Par Value No. of Units/ Shares	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>BONDS</b>						
407 International Inc. 1.80% 05-22-2025 Callable 2025	Canada	Corporate		30,000	30	30
407 International Inc. 2.59% 05-25-2032 Callable 2032	Canada	Corporate		5,000	5	5
A&V Holdings Midco LLC Term Loan B 1st Lien F/R 02-28-2027	United States	Bank Loans	USD	9,367	11	12
ABG Intermediate Holdings 2 LLC Term Loan 1st Lien F/R 09-29-2024	United States	Bank Loans	USD	19,098	24	24
ADS Tactical Inc. Term Loan B 1st Lien F/R 03-04-2028	United States	Bank Loans	USD	9,750	12	12
Adtalem Global Education Inc. Term Loan B 1st Lien F/R 02-12-2028	United States	Bank Loans	USD	30,000	38	38
Advantage Sales & Marketing Inc. Term Loan B 1st Lien F/R 10-31-2027	United States	Bank Loans	USD	9,925	13	13
Alcami Carolinas Corp. Term Loan 1st Lien F/R 07-06-2025	United States	Bank Loans	USD	29,100	38	33
Alchemy US Holdco LLC Term Loan B 1st Lien F/R 10-01-2025	United States	Bank Loans	USD	16,226	21	20
Alectra Inc. 3.24% 11-21-2024 Callable 2024	Canada	Corporate		20,000	21	21
Algonquin Power & Utilities Corp. 4.65% 02-15-2022	Canada	Corporate		30,000	31	30
Algonquin Power & Utilities Corp. 2.85% 07-15-2031	Canada	Corporate		3,000	3	3
Alimentation Couche-Tard Inc. 3.90% 11-01-2022 Callable	Canada	Corporate		40,000	41	41
Alimentation Couche-Tard Inc. 2.95% 01-25-2030 Callable 2029	Canada	Corporate	USD	10,000	13	13
Allied Properties Real Estate Investment Trust 1.73% 02-12-2026	Canada	Corporate		8,000	8	8
Alpine US Bidco LLC Term Loan 1st Lien F/R 04-13-2028	United States	Bank Loans	USD	6,983	8	9
AltaGas Ltd. 2.17% 03-16-2027	Canada	Corporate		5,000	5	5
AltaLink LP 2.98% 11-28-2022	Canada	Corporate		280,000	287	288
AltaLink LP 1.51% 09-11-2030	Canada	Corporate		5,000	5	5
Amazon.com Inc. 0.25% 05-12-2023	United States	Corporate	USD	50,000	60	63
Amentum Government Services Holdings LLC Term Loan B 1st Lien F/R 02-03-2027	United States	Bank Loans	USD	19,900	26	25
American Tower Corp. 1.88% 10-15-2030 Callable 2030	United States	Corporate	USD	10,000	13	12
AP Core Holdings II LLC Term Loan B2 1st Lien F/R 07-21-2027	United States	Bank Loans	USD	8,000	10	10
APFS Staffing Holdings Inc. Term Loan 1st Lien F/R 04-10-2026	United States	Bank Loans	USD	19,550	26	25
APM Global Holdings Pty Ltd. Term Loan 1st Lien F/R 06-30-2026	Australia	Bank Loans	USD	8,000	10	10
Apple Inc. 1.13% 05-11-2025 Callable 2025	United States	Corporate	USD	30,000	42	38
Aramark Services Inc. Term Loan B 1st Lien F/R 04-01-2028	United States	Bank Loans	USD	26,306	33	33
Arc Falcon I Inc. Delay Draw Term Loan 1st Lien F/R 09-22-2028	United States	Bank Loans	USD	1,401	2	2
Arc Falcon I Inc. Term Loan 1st Lien F/R 09-22-2028	United States	Bank Loans	USD	9,599	12	12
ARC Resources Ltd. 2.35% 03-10-2026	Canada	Corporate		24,000	24	24
ARC Resources Ltd. 3.47% 03-10-2031	Canada	Corporate		5,000	5	5
Aroundtown SA 4.63% 09-18-2025 Callable 2025	Germany	Corporate		40,000	40	43
Arterra Wines Canada Inc. Term Loan 1st Lien F/R 11-18-2027	Canada	Bank Loans	USD	9,950	13	13
Ascend Performance Materials Operations LLC Term Loan B 1st Lien F/R 08-27-2026	United States	Bank Loans	USD	29,403	38	38
Ascend Wellness Holdings Inc. Term Loan 1st Lien F/R 08-27-2025	United States	Bank Loans	USD	6,000	8	8
AT&T Inc. F/R 03-25-2024	United States	Corporate	USD	14,000	17	18
AT&T Inc. 2.25% 02-01-2032 Callable 2031	United States	Corporate	USD	10,000	13	12
Athenahealth Inc. Term Loan B 1st Lien F/R 02-11-2026	United States	Bank Loans	USD	19,330	25	25
Athene Global Funding F/R 04-09-2024	United States	Corporate		58,000	58	58
Athene Global Funding 2.10% 09-24-2025	United States	Corporate		40,000	40	40
Ball Metalpack Finco LLC Term Loan B 1st Lien F/R 07-26-2025	United States	Bank Loans	USD	19,350	25	24
Bank of America Corp. F/R 03-24-2026 Callable 2025	United States	Corporate		30,000	30	32
Bank of America Corp. F/R 09-15-2027 (Floating)	United States	Corporate		30,000	30	30
Bank of America Corp. F/R 09-15-2027 (Fix-To-Float)	United States	Corporate		3,000	3	3
Bank of America Corp. F/R 04-04-2029	United States	Corporate		17,000	17	17
Bank of Montreal 2.37% 02-03-2025 Callable 2025	Canada	Corporate		60,000	60	62
Bank of Montreal 1.76% 03-10-2026	Canada	Corporate		142,000	143	143
Bank of Montreal 1.55% 05-28-2026	Canada	Corporate		70,000	70	69
Bank of Montreal F/R 06-17-2030 Callable 2025	Canada	Corporate		44,000	45	44
Bank of Montreal F/R 07-22-2031	Canada	Corporate		26,000	26	26
Bank of Montreal F/R 11-26-2080	Canada	Corporate		6,000	6	6
The Bank of Nova Scotia 2.16% 02-03-2025	Canada	Corporate		130,000	129	133
The Bank of Nova Scotia F/R 08-04-2026	Canada	Corporate		48,000	48	48
The Bank of Nova Scotia 1.40% 11-01-2027	Canada	Corporate		86,000	84	83
The Bank of Nova Scotia F/R 07-27-2081	Canada	Corporate		8,000	8	8
BCE Inc. 2.20% 05-29-2028	Canada	Corporate		5,000	5	5
bclMC Realty Corp. 1.06% 03-12-2024	Canada	Corporate		15,000	15	15
bclMC Realty Corp. 1.68% 03-03-2025 Callable 2025	Canada	Corporate		20,000	20	20
bclMC Realty Corp. 1.07% 02-04-2026	Canada	Corporate		20,000	20	20
bclMC Realty Corp. 3.00% 03-31-2027 Callable 2026	Canada	Corporate		110,000	109	117
bclMC Realty Corp. 1.75% 07-24-2030 Callable 2030	Canada	Corporate		5,000	5	5
BCPE Cycle Merger Sub II Inc. 10.63% 07-15-2027 Callable 2022	United States	Corporate	USD	10,000	13	13
Bell Canada Inc. 3.35% 03-12-2025 Callable 2025	Canada	Corporate		70,000	75	74
Bell Canada Inc. 1.65% 08-16-2027 Callable 2027	Canada	Corporate		110,000	107	107
Bell Canada Inc. 2.50% 05-14-2030	Canada	Corporate		10,000	11	10
BMW Canada Auto Trust 0.33% 07-20-2023	Canada	Mortgage Backed		8,101	8	8
BP Capital Markets PLC 3.47% 05-15-2025	United Kingdom	Corporate		60,000	60	64
Broadcast Media Partners 4.50% 05-01-2029	United States	Corporate	USD	5,000	6	6
Brookfield Infrastructure Finance ULC 4.20% 09-11-2028 Callable 2028	Canada	Corporate		30,000	30	33
Brookfield Infrastructure Finance ULC 2.86% 09-01-2032 Callable 2032	Canada	Corporate		10,000	10	10
Brookfield Renewable Partners ULC 4.25% 01-15-2029 Callable 2028	Canada	Corporate		10,000	10	11
Brookfield Renewable Partners ULC 3.38% 01-15-2030 Callable 2029	Canada	Corporate		10,000	10	11
Brookfield Residential Properties Inc. 6.25% 09-15-2027 Callable 2022	Canada	Corporate	USD	10,000	13	13

## SCHEDULE OF INVESTMENTS (continued)

as at September 30, 2021 (unaudited)

	Country	Sector	Currency*	Par Value No. of Units/ Shares	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>BONDS (continued)</b>						
Brookfield Residential Properties Inc. 5.13% 06-15-2029	Canada	Corporate		3,000	3	3
Bruce Power LP 3.00% 06-21-2024 Callable 2024	Canada	Corporate		40,000	39	42
Canada Housing Trust No. 1 F/R 03-15-2024	Canada	Federal Government		350,000	352	352
Canada Housing Trust No. 1 1.95% 12-15-2025	Canada	Federal Government		2,000,000	2,123	2,064
Canada Housing Trust No. 1 F/R 03-15-2026	Canada	Federal Government		160,000	161	160
Canadian Imperial Bank of Commerce F/R 06-10-2024	Canada	Corporate		66,000	66	66
Canadian Imperial Bank of Commerce F/R 03-04-2025	Canada	Corporate		69,000	69	69
Canadian Imperial Bank of Commerce 1.10% 01-19-2026	Canada	Corporate		80,000	79	78
Canadian Imperial Bank of Commerce F/R 07-15-2026	Canada	Corporate		40,000	40	40
Canadian Imperial Bank of Commerce F/R 04-21-2031	Canada	Corporate		20,000	20	20
Canadian Imperial Bank of Commerce F/R 01-28-2082	Canada	Corporate		19,000	19	19
Canadian National Railway Co. 3.00% 02-08-2029 Callable 2028	Canada	Corporate		10,000	10	11
Canadian Natural Resources Ltd. 3.55% 06-03-2024	Canada	Corporate		30,000	30	32
Canadian Natural Resources Ltd. 2.50% 01-17-2028	Canada	Corporate		10,000	10	10
Canadian Pacific Railway Ltd. 3.15% 03-13-2029 Callable 2028	Canada	Corporate		10,000	10	11
Canadian Western Bank 1.57% 09-14-2023	Canada	Corporate		40,000	40	40
Canadian Western Bank F/R 01-22-2024	Canada	Corporate		43,000	43	43
Canadian Western Bank 1.93% 04-16-2026	Canada	Corporate		48,000	48	48
Canadian Western Bank 1.82% 12-16-2027	Canada	Corporate		10,000	10	10
Canadian Western Bank F/R 07-31-2081	Canada	Corporate		2,000	2	2
Capital Power Corp. 4.99% 01-23-2026 Callable 2025	Canada	Corporate		40,000	40	45
Capital Power Corp. 3.15% 10-01-2032	Canada	Corporate		5,000	5	5
Cascades Inc. 5.13% 01-15-2026 Callable 2023	Canada	Corporate	USD	10,000	13	13
Castle US Holding Corp. Term Loan B 1st Lien F/R 01-31-2027	United States	Bank Loans	USD	8,963	11	11
CCS-CMGC Holdings Inc. Term Loan 1st Lien F/R 09-25-2025	United States	Bank Loans	USD	19,450	25	24
Genovus Energy Inc. 3.50% 02-07-2028 Callable 2027	Canada	Corporate		10,000	10	10
Central 1 Credit Union F/R 06-30-2031	Canada	Corporate		64,000	64	64
CGI Inc. 2.10% 09-18-2028	Canada	Corporate		2,000	2	2
Charter Communications Operating LLC 5.05% 03-30-2029 Callable 2028	United States	Corporate	USD	10,000	14	15
Charter Communications Operating LLC 2.80% 04-01-2031 Callable 2031	United States	Corporate	USD	20,000	28	25
Charter Communications Operating LLC 2.30% 02-01-2032	United States	Corporate	USD	5,000	7	6
Chartwell Retirement Residences 4.21% 04-28-2025 Callable 2025	Canada	Corporate		20,000	20	21
CHIP Mortgage Trust 1.50% 11-15-2024	Canada	Corporate		11,000	11	11
Choice Properties LP 3.60% 09-20-2022 Callable	Canada	Corporate		140,000	146	143
Choice Properties Real Estate Investment Trust 3.55% 01-10-2025 Callable 2024	Canada	Corporate		60,000	64	64
Choice Properties Real Estate Investment Trust 4.18% 03-08-2028 Callable 2027	Canada	Corporate		100,000	111	110
Choice Properties Real Estate Investment Trust 3.53% 06-11-2029 Callable 2029	Canada	Corporate		10,000	10	11
Citadel Securities LP Term Loan B 1st Lien F/R 02-27-2028	United States	Bank Loans	USD	206,968	265	260
Cogeco Communications Inc. 2.99% 09-22-2031	Canada	Corporate		3,000	3	3
Colbun SA 4.50% 07-10-2024 Callable 2024	Chile	Corporate	USD	5,000	7	7
Columbia Care Inc. 6.00% 06-29-2025 Conv.	Canada	Corporate	USD	1,000	1	1
ConocoPhillips 2.40% 02-15-2031	United States	Corporate	USD	5,000	6	6
Corus Entertainment Inc. 5.00% 05-11-2028	Canada	Corporate		3,000	3	3
Costco Wholesale Corp. 1.38% 06-20-2027 Callable 2027	United States	Corporate	USD	20,000	28	25
Cowen Inc. Term Loan B 1st Lien F/R 03-12-2021	United States	Bank Loans	USD	9,925	12	13
CPPIB Capital Inc. 1.95% 09-30-2029	Canada	Federal Government		30,000	30	30
Creation Technologies Inc. Term Loan B 1st Lien F/R 09-24-2028	Canada	Bank Loans	USD	10,000	12	13
Crown Subsea Communications Holding Inc. Term Loan 1st Lien F/R 04-20-2027	United States	Bank Loans	USD	5,610	7	7
DEI Sales Inc. Term Loan B 1st Lien F/R 04-23-2028	United States	Bank Loans	USD	11,925	15	15
DIRECTV Financing LLC Term Loan 1st Lien F/R 07-22-2027	United States	Bank Loans	USD	14,000	17	18
Domtar Corp. Bridge Loan F/R 02-10-2022	United States	Bank Loans	USD	14,000	-	-
Dream Industrial REIT 1.66% 12-22-2025	Canada	Corporate		21,000	21	21
Dream Industrial REIT 2.06% 06-17-2027	Canada	Corporate		3,000	3	3
Eagle Credit Card Trust 1.55% 06-17-2026	Canada	Corporate		10,000	10	10
Emera Inc. 2.90% 06-16-2023	Canada	Corporate		20,000	19	21
Empire Communities Corp. 7.38% 12-15-2025	Canada	Corporate		10,000	10	10
The Empire Life Insurance Co. 3.63% 04-17-2081	Canada	Corporate		2,000	2	2
Enbridge Gas Inc. 2.50% 08-05-2026 Callable 2026	Canada	Corporate		10,000	10	10
Enbridge Gas Inc. 2.90% 04-01-2030 Callable 2030	Canada	Corporate		5,000	5	5
Enbridge Inc. 2.44% 06-02-2025	Canada	Corporate		140,000	145	144
Enbridge Inc. 3.10% 09-21-2033	Canada	Corporate		6,000	6	6
Energir Inc. 2.10% 04-16-2027 Callable 2027	Canada	Corporate		10,000	10	10
EPCOR Utilities Inc. 1.30% 05-19-2023	Canada	Corporate		30,000	30	30
Exxon Mobil Corp. 2.99% 03-19-2025 Callable 2025	United States	Corporate	USD	10,000	15	13
Fairfax Financial Holdings Ltd. 3.95% 03-03-2031	Canada	Corporate		10,000	10	10
Federation des Caisses Desjardins du Quebec 2.42% 10-04-2024	Canada	Corporate		30,000	30	31
Federation des Caisses Desjardins du Quebec 1.59% 09-10-2026	Canada	Corporate		17,000	17	17
Federation des Caisses Desjardins du Quebec F/R 05-26-2030 Callable 2025	Canada	Corporate		20,000	20	21
Flynn America LP Term Loan B 1st Lien F/R 07-23-2028	United States	Bank Loans	USD	8,000	10	10
Ford Credit Canada Co. 2.96% 09-16-2026	United States	Corporate		4,000	4	4
Fox trot Escrow Issuer LLC 12.25% 11-15-2026 Callable 2022	United States	Corporate	USD	24,000	31	34
Frontier Communications Corp. Term Loan DIP B 1st Lien SuperP F/R 10-08-2027	United States	Bank Loans	USD	9,975	12	13
Gannett Holdings LLC Term Loan B 1st Lien F/R 02-08-2026	United States	Bank Loans	USD	9,526	12	12

## SCHEDULE OF INVESTMENTS (continued)

as at September 30, 2021 (unaudited)

	Country	Sector	Currency*	Par Value No. of Units/ Shares	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>BONDS (continued)</b>						
Garrett LX I S.a.r.l. Term Loan B 1st Lien F/R 03-05-2028	Luxembourg	Bank Loans	EUR	10,000	15	15
Garrett LX I S.a.r.l. Term Loan B 1st Lien F/R 03-05-2028	Luxembourg	Bank Loans	USD	10,000	13	13
Gateway Merger Sub Inc. Term Loan 1st Lien F/R 06-25-2028	United States	Bank Loans	USD	9,000	11	11
Gibson Energy Inc. 2.85% 07-14-2027 Callable 2027	Canada	Corporate		50,000	51	51
Gibson Energy Inc. F/R 12-22-2080	Canada	Corporate		15,000	15	15
The Goldman Sachs Group Inc. F/R 04-29-2025	United States	Corporate		89,000	89	89
The Goldman Sachs Group Inc. F/R 02-28-2029	United States	Corporate		11,000	11	11
Government of Canada 0.25% 03-01-2026	Canada	Federal Government		750,000	726	724
Grab Holdings Inc. Term Loan B 1st Lien F/R 01-20-2026	Singapore	Bank Loans	USD	19,900	24	25
Granite Real Estate Investment Trust 2.19% 08-30-2028	Canada	Corporate		4,000	4	4
Gray Television Inc. Bridge Loan 2nd Lien F/R 05-03-2022	United States	Bank Loans	USD	30,000	-	-
H&R Real Estate Investment Trust 3.42% 01-23-2023 Callable 2022	Canada	Corporate		10,000	10	10
H&R Real Estate Investment Trust 4.07% 06-16-2025 Callable 2025	Canada	Corporate		75,000	78	80
H&R Real Estate Investment Trust 2.63% 02-19-2027	Canada	Corporate		5,000	5	5
HCA Healthcare Inc. 3.50% 09-01-2030 Callable 2030	United States	Corporate	USD	8,000	11	11
Heathrow Funding Ltd. 3.25% 05-21-2025	United Kingdom	Corporate		20,000	21	21
Heathrow Funding Ltd. 2.69% 10-13-2027	United Kingdom	Corporate		6,000	6	6
Heathrow Funding Ltd. 3.73% 04-13-2033	United Kingdom	Corporate		2,000	2	2
Heritage Power LLC Term Loan B 1st Lien F/R 07-08-2026	United States	Bank Loans	USD	38,662	49	44
Honda Canada Finance Inc. F/R 02-26-2024	Canada	Corporate		37,000	37	37
Honda Canada Finance Inc. 1.34% 03-17-2026	Canada	Corporate		10,000	10	10
Honda Canada Finance Inc. 1.65% 02-25-2028	Canada	Corporate		10,000	10	10
Horizon Therapeutics USA Inc. Term Loan B 1st Lien F/R 02-26-2028	United States	Bank Loans	USD	9,950	13	13
Hudson River Trading LLC Term Loan B 1st Lien F/R 03-19-2028	United States	Bank Loans	USD	9,950	12	13
Hydro One Inc. 2.54% 04-05-2024 Callable 2024	Canada	Corporate		240,000	245	248
Hydro One Inc. 2.97% 06-26-2025 Callable 2025	Canada	Corporate		40,000	42	42
Hydro One Inc. 2.23% 09-17-2031	Canada	Corporate		5,000	5	5
Hydro One Ltd. 1.41% 10-15-2027 Callable 2027	Canada	Corporate		5,000	5	5
Hyundai Capital Canada Inc. 2.01% 05-12-2026	South Korea	Corporate		14,000	14	14
The Independent Order Of Foresters F/R 10-15-2035 Callable 2030	Canada	Corporate		5,000	5	5
INEOS 226 Ltd. Term Loan B 1st Lien F/R 01-21-2026	United Kingdom	Bank Loans	EUR	10,000	15	15
INEOS Enterprises Holdings US Finco LLC Term Loan B 1st Lien F/R 09-03-2026	United States	Bank Loans	USD	24,161	31	31
INEOS US Petrochem LLC Term Loan B 1st Lien F/R 01-21-2026	United States	Bank Loans	USD	9,975	13	13
Ingram Micro Inc. Term Loan B 1st Lien F/R 04-01-2028	United States	Bank Loans	USD	9,975	12	13
Innovative Water Care Global Corp. Term Loan 1st Lien F/R 02-27-2026	United States	Bank Loans	USD	39,000	49	49
Intact Financial Corp. 2.18% 05-18-2028	Canada	Corporate		3,000	3	3
Intact Financial Corp. F/R 03-31-2081	Canada	Corporate		6,000	6	6
Inter Pipeline Ltd. 3.17% 03-24-2025 Callable 2024 MTN	Canada	Corporate		15,000	15	16
Inter Pipeline Ltd. 3.48% 12-16-2026 Callable 2026	Canada	Corporate		24,000	25	25
Inter Pipeline Ltd. F/R 03-26-2079 Callable 2029	Canada	Corporate		10,000	10	11
Inter Pipeline Ltd. F/R 11-19-2079 Callable 2029	Canada	Corporate		20,000	20	22
ION Trading Finance Ltd. Term Loan B 1st Lien F/R 03-26-2028	Ireland	Bank Loans	EUR	9,975	15	15
ION Trading Finance Ltd. Term Loan B 1st Lien F/R 03-26-2028	United States	Bank Loans	USD	9,975	13	13
Ivanhoe Cambridge II Inc. 2.91% 06-27-2023 Callable 2023	Canada	Corporate		90,000	93	93
Ivanhoe Cambridge II Inc. 2.30% 12-12-2024 Callable 2024	Canada	Corporate		30,000	30	31
Jadex Inc. Term Loan 1st Lien F/R 02-12-2028	United States	Bank Loans	USD	39,352	51	49
Jane Street Group LLC Term Loan B 1st Lien F/R 01-21-2027	United States	Bank Loans	USD	9,925	13	12
John Deere Financial Inc. 1.09% 07-17-2024	United States	Corporate		78,000	78	78
Journey Personal Care Corp. Term Loan 1st Lien F/R 02-19-2028	United States	Bank Loans	USD	9,975	13	13
JPMorgan Chase & Co. 1.90% 03-05-2028	United States	Corporate		10,000	10	10
Kestrel Bidco Inc. Term Loan 1st Lien F/R 08-07-2026	Canada	Bank Loans	USD	28,466	37	35
Keyera Corp. F/R 06-13-2079 Callable 2029	Canada	Corporate		10,000	10	11
Keyera Corp. F/R 03-10-2081	Canada	Corporate		8,000	8	8
Kronos Acquisition Holdings Inc. Term Loan B 1st Lien F/R 12-22-2026	United States	Bank Loans	USD	9,950	13	12
LABL Escrow Issuer LLC 6.75% 07-15-2026 Callable 2022	United States	Corporate	USD	9,000	12	12
LABL Escrow Issuer LLC 10.50% 07-15-2027 Callable 2022	United States	Corporate	USD	14,000	19	19
LABL Inc. Term Loan B 1st Lien F/R 07-02-2026	United States	Bank Loans	USD	29,400	39	37
Laurentian Bank of Canada 1.15% 06-03-2024	Canada	Corporate		28,000	28	28
Laurentian Bank of Canada 0.70% 06-01-2025	Canada	Mortgage Backed		122,926	122	122
Laurentian Bank of Canada 1.60% 05-06-2026	Canada	Corporate		6,000	6	6
Loblaws Companies Ltd. 2.28% 05-07-2030 Callable 2030	Canada	Corporate		10,000	10	10
LogMeIn Inc. Term Loan B 1st Lien F/R 08-14-2027	United States	Bank Loans	USD	9,925	13	13
Lower Mattagami Energy LP 3.42% 06-20-2024	Canada	Corporate		50,000	53	53
Lower Mattagami Energy LP 2.43% 05-14-2031	Canada	Corporate		4,000	4	4
LSF10 XL Bidco SCA Term Loan B 1st Lien F/R 03-30-2028	Luxembourg	Bank Loans	EUR	10,000	15	15
LTR Intermediate Holdings Inc. Term Loan B 1st Lien F/R 04-23-2028	United States	Bank Loans	USD	8,000	10	10
Magenta Buyer LLC Term Loan 1st Lien F/R 05-03-2028	United States	Bank Loans	USD	14,000	17	18
Manulife Bank of Canada 2.38% 11-19-2024	Canada	Corporate		5,000	5	5
Manulife Bank of Canada 1.50% 06-25-2025	Canada	Corporate		20,000	20	20
Manulife Bank of Canada 1.54% 09-14-2026	Canada	Corporate		27,000	27	27
Manulife Financial Corp. F/R 05-09-2028 Callable 2023	Canada	Corporate		190,000	193	197
Manulife Financial Corp. F/R 05-12-2030 Callable 2025	Canada	Corporate		30,000	30	31
Mastercard Inc. 1.90% 03-15-2031	United States	Corporate	USD	2,000	3	3

## SCHEDULE OF INVESTMENTS (continued)

as at September 30, 2021 (unaudited)

	Country	Sector	Currency*	Par Value No. of Units/ Shares	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>BONDS (continued)</b>						
Mav Acquisition Corp. Term Loan B 1st Lien F/R 07-21-2028	United States	Bank Loans	USD	11,000	14	14
McDonald's Corp. 3.13% 03-04-2025 Callable 2025	United States	Corporate		70,000	69	74
Mckissock Investment Holdings LLC Term Loan B 1st Lien F/R 06-17-2028	United States	Bank Loans	USD	6,000	7	7
Meredith Corp. Term Loan B 1st Lien F/R 01-31-2025	United States	Bank Loans	USD	9,875	13	13
Morgan Stanley 3.00% 02-07-2024 Series MPL	United States	Corporate		80,000	82	83
Morgan Stanley F/R 03-21-2025	United States	Corporate		70,000	70	70
Mozart Borrower LP Term Loan B 1st Lien F/R 09-30-2028	United States	Bank Loans	USD	11,000	14	14
Mozart Debt Merger Sub Inc. 3.88% 04-01-2029	United States	Corporate	USD	15,000	19	19
Mozart Debt Merger Sub Inc. 5.25% 10-01-2029	United States	Corporate	USD	6,000	8	8
Murphy USA Inc. Term Loan B 1st Lien F/R 01-29-2028	United States	Bank Loans	USD	9,975	13	13
National Bank of Canada 2.58% 02-03-2025	Canada	Corporate		100,000	101	104
National Bank of Canada 1.53% 06-15-2026	Canada	Corporate		16,000	16	16
National Bank of Canada F/R 08-18-2026 Callable 2025	Canada	Corporate		110,000	110	110
National Bank of Canada F/R 08-15-2081	Canada	Corporate		10,000	10	10
National Grid Electricity Transmission PLC 2.30% 06-22-2029	United Kingdom	Corporate		6,000	6	6
NAV Canada 2.06% 05-29-2030	Canada	Corporate		10,000	10	10
NextEra Energy Capital Holdings Inc. 1.90% 06-15-2028	United States	Corporate	USD	2,000	2	3
NextEra Energy Capital Holdings Inc. 2.25% 06-01-2030 Callable 2030	United States	Corporate	USD	10,000	14	13
NextEra Energy Inc. 2.75% 05-01-2025 Callable 2025	United States	Corporate	USD	10,000	14	13
Nielsen Holdings PLC Term Loan B 1st Lien F/R 02-05-2028	United States	Bank Loans	USD	9,950	13	13
North West Redwater Partnership 2.80% 06-01-2027 Callable 2027	Canada	Corporate		6,000	6	6
North West Redwater Partnership 2.80% 06-01-2031	Canada	Corporate		8,000	8	8
OMERS Finance Trust 1.55% 04-21-2027	Canada	Corporate		190,000	194	190
OMERS Finance Trust 2.60% 05-14-2029	Canada	Corporate		10,000	10	10
OMERS Realty Corp. 1.30% 09-22-2023	Canada	Corporate		80,000	80	80
OneDigital Borrower LLC Term Loan B 1st Lien F/R 10-30-2027	United States	Bank Loans	USD	19,278	25	25
OneDigital Borrower LLC Term Loan B Delayed Draw 1st Lien F/R 10-30-2027	United States	Bank Loans	USD	625	1	1
Ontario Power Generation Inc. 2.89% 04-08-2025 Callable 2025	Canada	Corporate		40,000	40	42
Ontario Power Generation Inc. 2.98% 09-13-2029	Canada	Corporate		12,000	13	13
Ontario Power Generation Inc. 3.22% 04-08-2030 Callable 2030	Canada	Corporate		70,000	78	75
Ontario Teachers' Finance Trust 1.10% 10-19-2027	Canada	Provincial Governments		10,000	10	10
OPB Finance Trust 2.98% 01-25-2027	Canada	Provincial Governments		70,000	75	75
Organon & Co. Term Loan B 1st Lien F/R 04-08-2028	United States	Bank Loans	USD	9,975	12	13
Osmosis Debt Merger Sub Inc. Term Loan 1st Lien Delayed Draw F/R 06-17-2028	United States	Bank Loans	USD	778	1	1
Osmosis Debt Merger Sub Inc. Term Loan B 1st Lien F/R 06-17-2028	United States	Bank Loans	USD	6,222	8	8
PACCAR Financial Corp. 0.99% 05-14-2024	United States	Corporate		66,000	66	66
Parkland Corp. of Canada 3.88% 06-16-2026	Canada	Corporate		20,000	20	20
Parkland Fuel Corp. 6.00% 06-23-2028 Callable 2023	Canada	Corporate		20,000	20	22
PayPal Holdings Inc. 2.20% 09-26-2022	United States	Corporate	USD	60,000	79	77
PayPal Holdings Inc. 1.35% 06-01-2023	United States	Corporate	USD	20,000	28	26
PayPal Holdings Inc. 2.40% 10-01-2024 Callable 2024	United States	Corporate	USD	30,000	40	40
PayPal Holdings Inc. 2.30% 06-01-2030 Callable 2030	United States	Corporate	USD	10,000	14	13
Pembina Pipeline Corp. 3.71% 08-11-2026 Callable 2026	Canada	Corporate		40,000	42	43
Pembina Pipeline Corp. 4.02% 03-27-2028 Callable 2027	Canada	Corporate		10,000	11	11
Pembina Pipeline Corp. 3.62% 04-03-2029 Callable 2029	Canada	Corporate		10,000	10	11
Pembina Pipeline Corp. F/R 01-25-2081	Canada	Corporate		30,000	30	30
Pluto Acquisition I Inc. Term Loan B 1st Lien F/R 06-20-2026	United States	Bank Loans	USD	7,980	10	10
Project Sky Merger Sub Inc. Term Loan B 1st Lien F/R 08-10-2028	United States	Bank Loans	USD	9,000	11	11
Province of British Columbia 2.85% 06-18-2025	Canada	Provincial Governments		320,000	345	341
Province of Ontario 2.60% 06-02-2025	Canada	Provincial Governments		560,000	594	590
Province of Ontario 1.55% 11-01-2029	Canada	Provincial Governments		120,000	120	117
Province of Ontario 2.15% 06-02-2031	Canada	Provincial Governments		493,000	490	495
Province of Quebec 2.25% 02-22-2024	Canada	Provincial Governments		110,000	110	114
Province of Quebec 2.75% 09-01-2025	Canada	Provincial Governments		342,000	368	363
Province of Quebec 1.50% 09-01-2031	Canada	Provincial Governments		300,000	282	285
PSP Capital Inc. 0.90% 06-15-2026	Canada	Federal Government		130,000	128	128
QVC Inc. 4.38% 09-01-2028 Callable 2028	United States	Corporate	USD	15,000	20	20
Rackspace Technology Global Inc. Term Loan B 1st Lien F/R 02-09-2028	United States	Bank Loans	USD	9,950	13	12
Reliance LP 2.68% 12-01-2027	Canada	Corporate		10,000	10	10
Reliance LP 2.67% 08-01-2028	Canada	Corporate		4,000	4	4
Rogers Communications Inc. 3.65% 03-31-2027	Canada	Corporate		32,000	35	34
Royal Bank of Canada 2.61% 11-01-2024	Canada	Corporate		15,000	15	16
Royal Bank of Canada 1.94% 05-01-2025	Canada	Corporate		40,000	40	41
Royal Bank of Canada 1.59% 05-04-2026	Canada	Corporate		44,000	44	44
Royal Bank of Canada 2.33% 01-28-2027	Canada	Corporate		7,000	7	7
Royal Bank of Canada 1.83% 07-31-2028	Canada	Corporate		8,000	8	8
Royal Bank of Canada F/R 06-30-2030 Callable 2025	Canada	Corporate		30,000	30	30
Royal Bank of Canada F/R 01-28-2033	Canada	Corporate		21,000	21	20
Royal Bank of Canada F/R 11-24-2081	Canada	Corporate		32,000	32	32
RR Donnelley & Sons Co. 6.13% 11-01-2026	United States	Corporate	USD	5,000	6	7
S&P Global Inc. 1.25% 08-15-2030 Callable 2030	United States	Corporate	USD	5,000	7	6
Sagen MI Canada Inc. 3.26% 03-05-2031	Canada	Corporate		4,000	4	4
Sagen MI Canada Inc. F/R 03-24-2081	Canada	Corporate		13,000	13	13



## SCHEDULE OF INVESTMENTS (continued)

as at September 30, 2021 (unaudited)

	Country	Sector	Currency*	Par Value No. of Units/ Shares	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>BONDS (continued)</b>						
Saputo Inc. 1.42% 06-19-2026	Canada	Corporate		10,000	10	10
Saputo Inc. 2.24% 06-16-2027 Callable 2027	Canada	Corporate		4,000	4	4
Saputo Inc. 2.30% 06-22-2028	Canada	Corporate		2,000	2	2
Scotia Capital Inc. 1.74% 01-01-2025	Canada	Mortgage Backed		29,606	29	30
Scotia Capital Inc. 1.25% 03-01-2025	Canada	Mortgage Backed		49,928	50	50
Scotia Capital Inc. 0.55% 01-01-2026	Canada	Mortgage Backed		47,344	47	46
Sea to Sky Highway Investment LP 2.63% 08-31-2030	Canada	Corporate		27,885	29	29
Shaw Communications Inc. 4.40% 11-02-2028 Callable 2028	Canada	Corporate		20,000	20	22
Shaw Communications Inc. 2.90% 12-09-2030 Callable 2030	Canada	Corporate		5,000	5	5
Sienna Senior Living Inc. 3.11% 11-04-2024	Canada	Corporate		20,000	20	21
Sienna Senior Living Inc. 3.45% 02-27-2026 Callable 2026	Canada	Corporate		20,000	20	21
Sienna Senior Living Inc. 2.82% 03-31-2027	Canada	Corporate		1,000	1	1
Signal Parent Inc. Term Loan B 1st Lien F/R 04-01-2028	United States	Bank Loans	USD	9,975	12	12
Sitel Worldwide Corp. Term Loan B 1st Lien F/R 07-28-2028	United States	Bank Loans	USD	6,000	7	8
SmartCentres Real Estate Investment Trust 1.74% 12-16-2025	Canada	Corporate		20,000	20	20
SmartCentres Real Estate Investment Trust 3.19% 06-11-2027 Callable 2027	Canada	Corporate		5,000	5	5
SmartCentres Real Estate Investment Trust 3.53% 12-20-2029 Callable 2029	Canada	Corporate		10,000	10	10
Sorenson Communications LLC Term Loan B 1st Lien F/R 03-12-2026	United States	Bank Loans	USD	9,500	12	12
South Coast British Columbia Transport Authority 1.60% 07-03-2030	Canada	Provincial Governments		10,000	10	10
Spa US HoldCo Inc. Term Loan B 1st Lien F/R 03-12-2028	United States	Bank Loans	USD	10,000	12	13
Specialty Pharma III Inc. Term Loan B 1st Lien F/R 02-24-2028	United States	Bank Loans	USD	10,000	12	13
SS&C Technologies Inc. Term Loan B5 1st Lien F/R 04-16-2025	United States	Bank Loans	USD	19,382	25	24
Stars Group Holdings BV Term Loan B 1st Lien F/R 07-10-2025	Canada	Bank Loans	USD	15,000	19	19
Stitch Acquisition Corp. Term Loan B 1st Lien F/R 07-27-2028	United States	Bank Loans	USD	7,000	8	8
Summit Industrial Income Real Estate Investment Trust 2.15% 09-17-2025 Callable 2025	Canada	Corporate		18,000	18	18
Summit Industrial Income Real Estate Investment Trust 1.82% 04-01-2026	Canada	Corporate		5,000	5	5
Summit Industrial Income Real Estate Investment Trust 2.25% 01-12-2027	Canada	Corporate		2,000	2	2
Summit Industrial Income Real Estate Investment Trust 2.44% 07-14-2028	Canada	Corporate		2,000	2	2
Sun Life Financial Inc. F/R 09-19-2028 Callable 2023	Canada	Corporate		140,000	148	145
Sun Life Financial Inc. F/R 08-13-2029 Callable 2024	Canada	Corporate		390,000	387	400
Sun Life Financial Inc. F/R 05-10-2032 Callable 2027	Canada	Corporate		10,000	10	10
Sun Life Financial Inc. F/R 10-01-2035	Canada	Corporate		10,000	10	10
Sun Life Financial Inc. F/R 06-30-2081	Canada	Corporate		22,000	22	22
Suncor Energy Inc. 3.10% 05-24-2029 Callable 2029	Canada	Corporate		10,000	10	10
Sunset Debt Merger Inc. Term Loan B 1st Lien F/R 12-18-2021	United States	Bank Loans	USD	24,000	-	-
Sunset Debt Merger Sub Inc. Term Loan B 1st Lien F/R 09-17-2028	United States	Bank Loans	USD	10,000	13	13
Suzano Austria GmbH 2.50% 09-15-2028	Brazil	Corporate	USD	3,000	4	4
Sydney Airport Finance Co. Pty. Ltd. 3.63% 04-28-2026 Callable 2026	Australia	Corporate	USD	104,000	130	142
Sylvamo Corp. Term Loan B 1st Lien F/R 08-20-2028	United States	Bank Loans	USD	7,000	9	9
Target Corp. 2.25% 04-15-2025 Callable 2025	United States	Corporate	USD	20,000	28	26
TELUS Corp. 2.35% 01-27-2028 Callable 2027	Canada	Corporate		5,000	5	5
TELUS Corp. 3.30% 05-02-2029 Callable 2029	Canada	Corporate		10,000	10	11
TELUS Corp. 3.15% 02-19-2030 Callable 2029	Canada	Corporate		20,000	20	21
TELUS Corp. 2.05% 10-07-2030	Canada	Corporate		10,000	10	9
TELUS Corp. 2.85% 11-13-2031	Canada	Corporate		31,000	31	31
Terrier Media Buyer Inc. Term Loan B 1st Lien F/R 12-17-2026	United States	Bank Loans	USD	29,477	39	37
Thomson Reuters Corp. 2.24% 05-14-2025 Callable 2025	Canada	Corporate		50,000	50	51
Thor Industries Inc. Term Loan B 1st Lien F/R 02-01-2026	United States	Bank Loans	USD	37,743	47	48
Titan Sub LLC Term Loan B 1st Lien F/R 09-19-2026	United States	Bank Loans	USD	19,700	26	25
T-Mobile US Inc. 3.50% 04-15-2025 Class B	United States	Corporate	USD	20,000	28	27
T-Mobile US Inc. 1.55% 02-15-2026 Class B	United States	Corporate	USD	10,000	14	13
T-Mobile US Inc. 3.75% 04-15-2027 Class B	United States	Corporate	USD	20,000	28	28
TMX Group Ltd. 2.02% 02-12-2031	Canada	Corporate		2,000	2	2
The Toronto-Dominion Bank F/R 01-06-2023	Canada	Corporate	USD	30,000	38	38
The Toronto-Dominion Bank 1.94% 03-13-2025	Canada	Corporate		20,000	20	20
The Toronto-Dominion Bank 1.13% 12-09-2025	Canada	Corporate		120,000	120	118
The Toronto-Dominion Bank 1.89% 03-08-2028	Canada	Corporate		21,000	21	21
The Toronto-Dominion Bank 1.90% 09-11-2028	Canada	Corporate		9,000	9	9
The Toronto-Dominion Bank F/R 04-22-2030 Callable 2025	Canada	Corporate		292,000	309	306
The Toronto-Dominion Bank F/R 01-26-2032 Callable 2027	Canada	Corporate		10,000	11	10
The Toronto-Dominion Bank F/R 10-31-2081	Canada	Corporate		24,000	24	24
Tory Burch LLC Term Loan B 1st Lien F/R 04-15-2028	United States	Bank Loans	USD	11,970	15	15
Tourmaline Oil Corp. 2.08% 01-25-2028	Canada	Corporate		2,000	2	2
Tourmaline Oil Corp. 2.53% 02-12-2029	Canada	Corporate		2,000	2	2
Toyota Credit Canada Inc. 2.11% 02-26-2025	Canada	Corporate		10,000	10	10
Toyota Credit Canada Inc. 1.18% 02-23-2026	Canada	Corporate		20,000	20	20
Toyota Motor Corp. 1.34% 03-25-2026	Japan	Corporate	USD	12,000	15	15
TransCanada PipeLines Ltd. F/R 06-09-2024	Canada	Corporate		45,000	45	45
TransCanada PipeLines Ltd. 3.80% 04-05-2027 Callable 2027	Canada	Corporate		10,000	11	11
TransCanada PipeLines Ltd. 3.00% 09-18-2029 Callable 2029	Canada	Corporate		10,000	10	10
TransCanada PipeLines Ltd. 4.20% 03-04-2081	Canada	Corporate		15,000	15	15
TransCanada Trust F/R 05-18-2077 Callable 2027	Canada	Corporate		80,000	80	83
Transcontinental Inc. 2.28% 07-13-2026	Canada	Corporate		7,000	7	7

**SCHEDULE OF INVESTMENTS (continued)**

as at September 30, 2021 (unaudited)

	Country	Sector	Currency*	Par Value No. of Units/ Shares	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>BONDS (continued)</b>						
Transurban Finance Co. Pty. Ltd. 4.56% 11-14-2028 Callable 2028	Australia	Corporate		30,000	30	33
Triton Water Holdings Inc. Term Loan B 1st Lien F/R 03-16-2028	United States	Bank Loans	USD	9,975	12	13
Trulieve Cannabis Corp. 9.75% 06-18-2024	United States	Corporate	USD	8,000	10	11
Ultra Clean Holdings Inc. Term Loan B 1st Lien F/R 08-27-2025	United States	Bank Loans	USD	49,989	64	63
United States Treasury 0.25% 06-15-2024	United States	Foreign Governments	USD	390,000	484	491
United States Treasury 0.25% 10-31-2025	United States	Foreign Governments	USD	360,000	468	446
Univision Communications Inc. Term Loan B 1st Lien F/R 05-07-2028	United States	Bank Loans	USD	15,000	18	19
Ventas Canada Finance Ltd. 2.55% 03-15-2023 Callable 2023	United States	Corporate		70,000	68	71
Ventas Inc. F/R 11-12-2021	United States	Corporate		130,000	129	130
Ventas Inc. 2.80% 04-12-2024 Callable 2024	United States	Corporate		50,000	50	52
Veregy Term Loan 1st Lien F/R 11-03-2027	United States	Bank Loans	USD	9,925	13	13
Verizon Communications Inc. F/R 03-20-2026	United States	Corporate	USD	16,000	20	21
Verizon Communications Inc. 2.38% 03-22-2028	United States	Corporate		8,000	8	8
Verizon Communications Inc. 2.50% 05-16-2030 Callable 2030	United States	Corporate		30,000	31	30
Verizon Communications Inc. 1.75% 01-20-2031	United States	Corporate	USD	10,000	13	12
Verizon Communications Inc. 2.55% 03-21-2031	United States	Corporate	USD	10,000	12	13
Vertex Aerospace Services Corp. Term Loan B 1st Lien F/R 06-29-2027	United States	Bank Loans	USD	9,603	12	12
Videotron Ltd. 5.13% 04-15-2027 Callable 2022	Canada	Corporate	USD	160,000	203	211
Videotron Ltd. 3.63% 06-15-2028	Canada	Corporate		26,000	26	26
Videotron Ltd. 4.50% 01-15-2030 Callable 2024	Canada	Corporate		30,000	30	31
Vungle Inc. Term Loan B 1st Lien F/R 09-30-2026	United States	Bank Loans	USD	9,726	13	12
Walgreens Boots Alliance Inc. 3.20% 04-15-2030 Callable 2030	United States	Corporate	USD	20,000	28	27
The Walt Disney Co. 3.06% 03-30-2027	United States	Corporate		13,000	14	14
Waste Management of Canada Corp. 2.60% 09-23-2026 Callable 2026	Canada	Corporate		20,000	20	21
Wells Fargo & Co. 2.57% 05-01-2026 Callable 2025	United States	Corporate		70,000	71	72
Wells Fargo & Co. 2.98% 05-19-2026 Series MPLE	United States	Corporate		51,000	54	53
Wells Fargo & Co. 2.49% 02-18-2027	United States	Corporate		30,000	30	31
Wells Fargo & Co. F/R 03-15-2169	United States	Corporate	USD	6,000	8	8
Welltower Inc. 3.63% 03-15-2024 Callable 2024	United States	Corporate	USD	30,000	40	40
Welltower Inc. 2.95% 01-15-2027 Callable 2026	United States	Corporate		5,000	5	5
WildBrain Ltd. Term Loan B 1st Lien F/R 03-18-2028	Canada	Bank Loans	USD	9,950	12	13
WSP Global Inc. 2.41% 04-19-2028	Canada	Corporate		5,000	5	5
Xperi Holding Corp. Term Loan B 1st Lien F/R 06-01-2025	United States	Bank Loans	USD	16,188	20	20
Xplornet Communications Inc. Term Loan 1st Lien F/R 05-29-2027	Canada	Bank Loans	USD	9,900	13	13
Yum! Brands Inc. 3.63% 03-15-2031	United States	Corporate	USD	10,000	13	13
					18,342	18,331
<b>EQUITIES</b>						
BCE Inc. 4.54% Cum. Red. First Pfd. Series R Callable	Canada	Communication Services		13	–	–
BCE Inc. Pfd. Series AA	Canada	Communication Services		412	6	8
BCE Inc. Pfd. Series AI	Canada	Communication Services		210	3	4
Brookfield Asset Management Inc. Pfd. Series 46	Canada	Financials		226	6	6
Brookfield Renewable Partners LP Pfd. Series 11	Canada	Utilities		512	13	14
Brookfield Renewable Partners LP Pfd. Series 13	Canada	Utilities		191	5	5
Emera Inc. Pfd. Series J	Canada	Utilities		45	1	1
Emera Inc. Pfd. Series L	Canada	Utilities		160	4	4
Loblaw Companies Ltd. 5.30% Cum. Red. 2nd Pfd. Series B	Canada	Consumer Staples		40	1	1
TC Energy Corp. Pfd. Series 15	Canada	Energy		1,192	30	31
TransAlta Corp. 4.60% Perpetual Pfd. Callable 2022 Series C	Canada	Utilities		50	1	1
TransAlta Corp. Pfd. Series A	Canada	Utilities		364	5	5
Westcoast Energy Inc. 5.20% Cum. Red. First Pfd. Series 12	Canada	Energy		53	1	1
					76	81
<b>EXCHANGE TRADED FUNDS</b>						
<sup>1</sup> Mackenzie Emerging Markets Bond Index ETF (CAD-Hedged)	Canada	Exchange Traded Funds		542	53	52
<sup>1</sup> Mackenzie Emerging Markets Local Currency Bond Index ETF	Canada	Exchange Traded Funds		1,131	106	99
<sup>1</sup> Mackenzie Floating Rate Income ETF	Canada	Exchange Traded Funds		7,830	150	151
					309	302
<b>COMMISSIONS AND OTHER PORTFOLIO TRANSACTION COSTS</b>						
<b>TOTAL INVESTMENTS</b>						
					18,727	18,714
<b>Net Assets</b>						
Total investments						18,714
Derivative assets (see schedule of derivative instruments)						78
Derivative liabilities (see schedule of derivative instruments)						(44)
Cash and cash equivalents						1,265
Other net assets (liabilities)						73
						20,086

<sup>1</sup> The issuer of this security is related to the Manager of the Fund.

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

**Schedule of Asset Composition**

at September 30, 2021 (unaudited)

at March 31, 2021

	% of net assets		% of net assets
<b>EFFECTIVE ASSET TYPE</b>		<b>EFFECTIVE ASSET TYPE</b>	
Corporate	48.5	Corporate	46.0
Federal Government	17.2	Federal Government	13.9
Provincial Governments	11.9	Provincial Governments	13.0
Term Loans	9.3	Term Loans	8.2
Mortgage Backed	1.3	Mortgage Backed	1.8
Foreign governments	(24.4)	Foreign governments	(21.1)
Cash and cash equivalents	6.3	Cash and cash equivalents	4.5
Other	29.9	Other	33.7
<b>Total</b>	<b>100.0</b>	<b>Total</b>	<b>100.0</b>

	%		%
<b>EFFECTIVE REGIONAL ALLOCATION</b>		<b>EFFECTIVE REGIONAL ALLOCATION</b>	
Canada	97.9	Canada	97.2
Pacific ex Japan	1.4	United Kingdom	1.6
United Kingdom	0.6	Pacific ex Japan	1.3
Latin America	0.2	Europe ex U.K.	0.6
Middle East and Africa	0.1	Latin America	0.2
United States	-	Middle East and Africa	0.2
Europe ex U.K.	(6.5)	United States	(5.6)
Cash and cash equivalents	6.3	Cash and cash equivalents	4.5
	<b>100.0</b>		<b>100.0</b>

**Schedule of Derivative Instruments**

as at September 30, 2021 (unaudited)

**Schedule of Forward Currency Contracts**

Counterparty credit rating	Settlement date	Currency to be received (000)	Contract cost (CAD\$ 000)	Currency to be delivered (000)	Current fair value (CAD\$ 000)	Unrealized gains (CAD\$ 000)	Unrealized losses (CAD\$ 000)
AA	10-22-2021	15 CAD	15	10 EUR	15	–	–
AA	11-19-2021	30 CAD	30	20 EUR	29	1	–
A	10-15-2021	1,476 CAD	1,476	1,180 USD	1,494	–	(18)
AA	10-15-2021	1,243 CAD	1,243	993 USD	1,258	–	(15)
AA	10-22-2021	444 CAD	444	352 USD	446	–	(1)
AA	10-22-2021	142 CAD	142	113 USD	143	–	(1)
AA	11-12-2021	470 CAD	470	373 USD	472	–	(2)
AA	11-19-2021	25 CAD	25	20 USD	25	–	–
AA	11-19-2021	214 CAD	214	170 USD	215	–	(2)
AA	11-19-2021	95 CAD	95	76 USD	96	–	(1)
AA	01-14-2022	763 CAD	763	606 USD	767	–	(4)
AA	11-05-2021	240 USD	301	301 CAD	304	3	–
AA	11-05-2021	629 USD	789	789 CAD	797	8	–
						12	(44)

**Schedule of Future Contracts**

Type of contract	No. of contracts	Expiration date	Average rate of contracts	Notional value (\$ 000)	Unrealized gains (\$ 000)	Unrealized losses (\$ 000)
CBOT U.S. 10 Year Treasury Note	(26)	12/31/21	133.301648 USD	(4,332)	53	–
CBOT U.S. 5 Year Treasury Note	(2)	12/31/21	123.477817 USD	(311)	2	–
EUX Euro-BOBL Future	(6)	12/31/21	135.775977 EUR	(1,187)	7	–
EUX Euro-OAT Future	(1)	12/31/21	168.693716 EUR	(243)	4	–
				(6,073)	66	–

**TOTAL DERIVATIVE ASSETS**

78

**TOTAL DERIVATIVE LIABILITIES**

(44)

\* Notional value represents the exposure to the underlying instruments

**Note:**

The following abbreviations have been used:

CAD – Canadian dollars

EUR – Euro

USD – United States dollars

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

The information provided in these financial statements and notes thereto is for the six-month period ended or as at September 30, 2021 and 2020, except for the comparative information presented in the Statements of Financial Position and notes thereto, which is as at March 31, 2021, as applicable. In the year a series is established, 'period' represents the period from inception to the period end of that fiscal period. In a year in which a series is terminated, 'period' represents the period from April 1 to the date of the series' termination. Refer to Note 9 (a) for series inception and termination dates.

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

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

**2. BASIS OF PREPARATION AND PRESENTATION**

These unaudited interim financial statements ("financial statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS"), including international Accounting Standard ("IAS") 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB"). These financial statements were prepared using the same accounting policies, critical accounting judgements and estimates as applied in the Fund's most recent audited annual financial statements for the year ended March 31, 2021. 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 November 11, 2021.

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

Financial instruments include financial assets and liabilities such as debt and equity securities, investment funds, 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.

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

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.

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

The Fund's redeemable securities entitle securityholders the right to redeem their interest in the Fund for cash equal to their proportionate share of the net asset value of the Fund, amongst other contractual rights. The Fund's redeemable securities meet the criteria for classification as financial liabilities under IAS 32, Financial Instruments: Presentation. The Fund's obligation for net assets attributable to securityholders is presented at the redemption amount.

IAS 7, *Statement of Cash Flows*, requires disclosures related to changes in liabilities and assets, such as the securities of the Fund, arising from financing activities. Changes in securities of the Fund, including both changes from cash flows and non-cash changes, are included in the Statement of Changes in Financial Position. Any changes in the securities not settled in cash as at the end of the period are presented as either Accounts receivable for securities issued or Accounts payable for securities redeemed in the Statement of Financial Position. These accounts receivable and accounts payable amounts typically settle shortly after period-end.

**(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 listed on a public securities exchange, including exchange traded funds, or traded on an over-the-counter market are valued on the basis of the last traded market price or close price recorded by the security exchange on which the security is principally traded, where this price falls within the quoted bid-ask spread for the investment. In circumstances where this price is not within the bid-ask spread, Counsel 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 Counsel 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.

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 amortized cost which closely approximates their fair value due to their nature of being highly liquid and having short terms to maturity. Bank overdraft positions are presented under current liabilities as bank indebtedness in the Statement of Financial Position.

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 Counsel or the Fund's sub-advisor(s), 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. Refer to "Exemptions from National Instrument 81-102" in the Annual Information Form of the Fund for further details, including the complete conditions of these exemptions, 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 -- Net unrealized gain (loss).

The value of futures contracts or swaps fluctuates daily, and cash settlements made daily, where applicable, by the Fund are equal to the change in unrealized gains or losses that are best determined at the settlement price. These unrealized gains or losses are recorded and reported as such until the Fund closes out the contract or the contract expires. Margin paid or deposited in respect of futures contracts or swaps is reflected as a receivable in the Statement of Financial Position – Margin on derivatives. Any change in the variation margin requirement is settled daily.

The Fund categorizes the fair value of its assets and liabilities into three categories, which are differentiated based on the observable nature of the inputs and extent of estimation required.

**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. Examples of Level 2 valuations include quoted prices for similar securities, quoted prices on inactive markets and from recognized investment dealers, and the application of factors derived from observable data to non-North American quoted prices in order to estimate the impact of differences in market closing times.

Financial instruments classified as Level 2 investments are valued based on the prices provided by an independent reputable pricing services company who prices the securities based on recent transactions and quotes received from market participants and through incorporating observable market data and using standard market convention practices. The estimated fair values for these securities may be different from the values that would have been used had a ready market for the investment existed; and

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

The inputs are considered observable if they are developed using market data, such as publicly available information about actual events or transactions, and that reflect the assumption that market participants would use when pricing the asset or liability.

See Note 9 (e) for the fair value classifications of the Fund.

**NOTES TO INTERIM UNAUDITED FINANCIAL STATEMENTS****3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(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, issue or dispose of financial assets or liabilities. They include fees and commissions paid to agents, exchanges, brokers, dealers and other intermediaries. The total brokerage commissions incurred by the Fund in connection with portfolio transactions for the periods, together with other transaction charges, is disclosed in the Statements of Comprehensive Income. Brokerage business is allocated to brokers based on the best net result for the Fund. Subject to this criteria, commissions may be paid to brokerage firms which provide (or pay for) certain services, other than order execution, which may include investment research, analysis and reports, and databases or software in support of these services. Where applicable and ascertainable, the value of third-party services that were paid for by brokers during the periods is disclosed in Note 9. The value of certain proprietary services provided by brokers cannot be reasonably estimated.

**(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.

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 and recognized when earned. 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.

Note 9 summarizes the details of securities loaned and collateral received, as well as a reconciliation of securities lending income, if applicable. Collateral received is comprised of debt obligations of the Government of Canada and other countries, Canadian provincial and municipal governments, and financial institutions.

**(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.

**(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. Note 9 summarizes the details of such offsetting, if applicable, subject to master netting arrangements or other similar agreements and the net impact to the Statements of Financial Position if all such rights were exercised.

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. As at September 30, 2021 and March 31, 2021, there were no such differences.

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

**(k) Future Accounting Changes**

Counsel has determined there are no material implications to the Fund's financial statements arising from IFRS issued but not yet effective.

**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.

Ongoing uncertainty regarding the duration and long-term impact of the COVID-19 pandemic and the implementation of vaccination programs, as well as the efficacy of government and central bank monetary and fiscal interventions, may continue to affect the Fund's performance 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.

**NOTES TO INTERIM UNAUDITED FINANCIAL STATEMENTS****5. INCOME TAXES**

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

Losses of the Fund cannot be allocated to securityholders and are retained in the Fund for use in future years. Non-capital losses incurred may be carried forward up to 20 years to reduce taxable income and realized capital gains of future years. Net capital losses may be carried forward indefinitely to reduce future realized capital gains. Refer to Note 9 (d) for a summary of the Fund's loss carryforwards.

**6. MANAGEMENT FEES AND OPERATING EXPENSES**

Counsel is paid a management fee for arranging for the management of the investment portfolio, providing investment analysis and recommendations, making investment decisions, making brokerage arrangements relating to the purchase and sale of the investment portfolio and making arrangements with registered dealers for the purchase and sale of securities of the Fund by securityholders.

Each series of the Fund, excluding Series O, is charged a fixed rate annual administration fee ("Administration Fee"), as applicable, and in return, Counsel bears all of the operating expenses of the Fund, other than certain specified fund costs.

Other fund costs include taxes (including, but not limited to GST/HST and income tax), interest and borrowing costs, all fees and expenses of the Counsel Funds' Independent Review Committee, costs of complying with the regulatory requirement to produce Fund Facts, fees paid to external service providers associated with tax reclaims, refunds or the preparation of foreign tax reports on behalf of the Funds, and any new fees related to external services that were not commonly charged in the Canadian mutual fund industry after the date of the Fund's most recently filed Simplified Prospectus.

Counsel may waive or absorb management fees and/or Administration Fees at its discretion and stop waiving or absorbing such fees at any time without notice. Refer to Note 9 (a) for the management fee and Administration Fee rates charged to each series of securities.

**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 September 30, 2021 and 2020 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 8 (a).

**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 9 (b), and where applicable, by using derivatives to hedge certain risk exposures. To assist in managing risks, Counsel 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 O securities offered by the Fund on a prospectus-exempt basis in accordance with the investment objectives of those funds. Series Private Wealth securities may also be issued on a prospectus-exempt basis to investors in the IPC Private Wealth program offered by IPC Securities Corporation, an affiliate of Counsel.

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

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

**(c) Credit Risk**

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment into which it has entered with the Fund. Note 9 (c) summarizes the Fund's exposure, if applicable and significant, to credit risk through fixed income instruments. Where presented, credit ratings and rating categories are based on ratings issued by a designated rating organization.

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.

**(d) Currency risk**

Currency risk is the risk that financial instruments which are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's functional currency, will fluctuate due to changes in exchange rates. Generally, foreign denominated investments increase in value when the value of the Canadian dollar (relative to foreign currencies) falls. Conversely, when the value of the Canadian dollar rises relative to foreign currencies, the values of foreign denominated investments fall.

Note 9 (c) indicates the foreign currencies, if applicable, to which the Fund had significant exposure, in Canadian dollar terms, to the Fund's net assets had the Canadian dollar strengthened or weakened by 5% relative to all foreign currencies, all other variables held constant. In practice, the actual trading results may differ and the difference could be material. Other financial assets and liabilities (including dividends and interest receivable, and receivables/payables for investments sold/purchased) that are denominated in foreign currencies do not generally expose the Fund to significant currency risk.

**(e) Interest rate risk**

Interest rate risk arises on interest-bearing financial instruments. The Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. Generally, these securities increase in value when interest rates fall and decrease in value when interest rates rise.

If significant, Note 9 (c) summarizes the Fund's bonds by remaining term to maturity and illustrates the potential impact to the Fund's net assets had prevailing interest rates increased or decreased by 1%, assuming a parallel shift in the yield curve, all other variables held constant. In practice, the actual trading results may differ and the difference could be material.

Cash and cash equivalents are short term in nature and are not generally subject to significant amounts of interest rate risk.

**(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.

Other price risk typically arises from exposure to equity securities. Note 9 (c) illustrates the potential increase or decrease in the Fund's net assets had the prices on the respective exchanges for these securities increased or decreased by 10%, all other variables held constant. In practice, the actual trading results may differ and the difference could be material.

**NOTES TO INTERIM UNAUDITED FINANCIAL STATEMENTS**

All figures stated in \$000s of Canadian dollars, except for Note 9(a), unless otherwise noted

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

Series	Date of Inception	Minimum Investment (\$)	Management Fee <sup>6</sup> (%)	Administration Fee <sup>6</sup> (%)
Series A <sup>1</sup>	January 14, 2010	1,000	1.10	0.18
Series F <sup>2</sup>	January 14, 2010	1,000	0.75	0.15
Series I <sup>2,3,6</sup>	January 14, 2010	1,000	–	0.15
Series O <sup>4</sup>	October 26, 2010	–	–	–
Series Private Wealth <sup>5</sup>	November 5, 2013	–	–	0.15

<sup>1</sup> Series A is the only series subject to sales or redemption charges; these charges are based on purchase options chosen. Securities purchased under the sales charge option may be subject to a negotiated fee of up to 5% at time of initial purchase. Securities previously purchased under the redemption charge or low-load options may be subject to a redemption fee of up to 5% or 2% respectively (based on date of initial purchase); new securities are not available under these options but may be acquired through switching from other Counsel funds.

<sup>2</sup> A negotiable advisory or asset-based fee (plus sales taxes) is payable by investors to their dealer(s) in connection with the securities held in this series. The fee may be collected by Counsel from the investor's account through redemption of securities and remitted to the dealer at the investor's request. Alternatively, the dealer may collect it directly from the investor.

<sup>3</sup> The management fee for this series is 0.75% and is payable directly to Counsel generally through the monthly redemption of securities.

<sup>4</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>5</sup> There are no management fees for Series Private Wealth. An investor must enter into an agreement to participate in a discretionary managed program offered by IPC Securities Corporation and agree to pay certain asset-based fees.

<sup>6</sup> Counsel may, at its discretion, waive or lower the management fee (either directly or indirectly) and/or administration fee payable by investors. Individual investors (excluding Series E investors) may be eligible for a management fee reduction subject to meeting certain requirements as discussed in the Fund's Simplified Prospectus.

**(b) Investment Objectives and Strategies**

The Fund seeks to achieve a moderate level of income while preserving investment capital and liquidity. The Fund invests in a diversified portfolio of primarily Canadian fixed-income securities. The Fund may invest up to 30% of its assets directly in foreign securities.

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

Currency	September 30, 2021				Impact on net assets			
	Investments	Cash and cash equivalents	Derivative instruments	Net exposure	Strengthened by 5%		Weakened by 5%	
					(\$)	(%)	(\$)	(%)
Euro	59	(3)	(36)	20				
United States dollars	4,017	103	(3,717)	403				
<b>Total</b>	<b>4,076</b>	<b>100</b>	<b>(3,753)</b>	<b>423</b>				
As percent of net assets (%)				2.1				
Total currency rate sensitivity on direct holdings					(21)	(0.1)	21	0.1
Currency rate sensitivity arising from ETFs					(11)	(0.1)	11	0.1
Total sensitivity to currency rate changes					(32)	(0.2)	32	0.2

  

Currency	March 31, 2021				Impact on net assets			
	Investments	Cash and cash equivalents	Derivative instruments	Net exposure	Strengthened by 5%		Weakened by 5%	
					(\$)	(%)	(\$)	(%)
Euro	4,933	156	(4,847)	242				
United States dollars	59	–	(15)	44				
<b>Total</b>	<b>4,992</b>	<b>156</b>	<b>(4,862)</b>	<b>286</b>				
As percent of net assets (%)				1.4				
Total currency rate sensitivity on direct holdings					(14)	(0.1)	14	(0.1)
Currency rate sensitivity arising from ETFs					(10)	(0.0)	10	0.0
Total sensitivity to currency rate changes					(24)	(0.1)	24	(0.1)

The Fund generally seeks to hedge its foreign currency exposure.



**NOTES TO INTERIM UNAUDITED FINANCIAL STATEMENTS**

All figures stated in \$000s of Canadian dollars, except for Note 9(a), unless otherwise noted

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

## ii. Interest Rate Risk

September 30, 2021	Bond holdings	Impact on net assets			
		Increase by 1%		Decrease by 1%	
		(\$)	(%)	(\$)	(%)
Less than 1 year	381				
1-5 years	11,817				
5-10 years	5,652				
Greater than 10 years	481				
<b>Total</b>	<b>18,331</b>	<b>(828)</b>	<b>(4.1)</b>	<b>828</b>	<b>4.1</b>
Interest sensitivity arising from other financial instruments		497	2.4	(497)	(2.4)
Total sensitivity to interest rate		(331)	(1.7)	331	1.7

March 31, 2021	Bond holdings	Impact on net assets			
		Increase by 1%		Decrease by 1%	
		(\$)	(%)	(\$)	(%)
Less than 1 year	161				
1-5 years	13,110				
5-10 years	5,793				
Greater than 10 years	419				
<b>Total</b>	<b>19,483</b>	<b>(873)</b>	<b>(4.2)</b>	<b>873</b>	<b>4.2</b>
Interest sensitivity arising from other financial instruments		640	3.0	(640)	(3.0)
Total sensitivity to interest rate		(258)	(1.2)	258	1.2

The Fund uses futures to hedge a portion of its interest rate risk.

## iii. Other Price Risk

As at September 30, 2021 and March 31, 2021, the Fund did not have a significant exposure to other price risk.

## iv. Credit Risk

Bond Rating	September 30, 2021	March 31, 2021
	% of Net Assets	% of Net Assets
AAA	18.5	17.4
AA	12.2	18.0
A	21.9	21.0
BBB	19.5	20.0
Less than BBB	10.4	8.9
Unrated	8.8	7.8
<b>Total</b>	<b>91.3</b>	<b>93.1</b>

As at September 30, 2021, the maximum exposure to any one debt issuer was 17.1% of the net assets of the Fund (March 31, 2021 – 13.9%).

**(d) Loss Carryforwards**

Non-Capital Losses carryforward	Net Capital Losses carryforward
\$Nil	\$4,757

**NOTES TO INTERIM UNAUDITED FINANCIAL STATEMENTS**

All figures stated in \$000s of Canadian dollars, except for Note 9(a), unless otherwise noted

**9. FUND SPECIFIC INFORMATION (continued)****(e) Fair Value Classification**

The tables below summarize the fair value of the Fund's investments using the fair value categories described in Note 3.

as at September 30, 2021	Level 1	Level 2	Level 3	Total
Fixed income	–	18,331	–	18,331
Exchange Traded Funds	302	–	–	302
Equities	81	–	–	81
Cash equivalents	–	609	–	609
Derivative assets	66	12	–	78
Derivative liabilities	–	(44)	–	(44)
Total	449	18,908	–	19,357

as at March 31, 2021	Level 1	Level 2	Level 3	Total
Fixed income	–	19,483	–	19,483
Exchange Traded Funds	461	–	–	461
Equities	74	–	–	74
Cash equivalents	–	–	–	–
Derivative assets	92	81	–	173
Derivative liabilities	–	(9)	–	(9)
Total	627	19,555	–	20,182

There were no 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.

**(f) Securities Lending**

as at	Value of securities loaned	Value of collateral received
September 30, 2021	1,185	1,246
March 31, 2021	2,744	2,885

A reconciliation of the gross amount generated from the securities lending transactions to the security lending income to the Fund for the periods ended September 30, 2021 and 2020 is presented below:

	Amount (\$)		Percentage of Total Amount (%)	
	2021	2020	2021	2020
Gross Securities Lending Income	1	–	100.0	–
Securities Lending Agent fees	–	–	–	–
Securities Lending Income to the Fund before Withholdings Taxes	1	–	100.0	–
Withholding Taxes	–	–	–	–
Securities Lending Income	1	–	100.0	–

**(g) Offsetting of financial assets and financial liabilities**

The tables below present the recognized financial assets and financial liabilities that are subject to master netting arrangements or other similar agreements and the net impact on the Fund's Statements of Financial Position if all set-off rights were exercised as part of future events such as bankruptcy or termination of contracts. No amounts were offset in the financial statements.

	September 30, 2021			
	Gross amount of assets/liabilities	Amount available for offset	Margin	Net amount
Unrealized gains on derivative contracts	78	(1)	139	77
Unrealized losses on derivative contracts	(44)	1	–	(43)
Total	34	–	139	34

  

	March 31, 2021			
	Gross amount of assets/liabilities	Amount available for offset	Margin	Net amount
Unrealized gains on derivative contracts	173	(4)	34	169
Unrealized losses on derivative contracts	(9)	4	–	(5)
Total	164	–	34	164

**(h) Investments in related parties**

The Fund invests in ETFs managed by Mackenzie Investments, an affiliate of Counsel, as shown in the Schedule of Investments. The Fund receives a rebate in respect of management fees paid indirectly to Mackenzie which offset the management fees indirectly borne in the return of these ETFs.

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