

JOV Leon Frazer Preferred Equity Fund

Semi-Annual Financial Statements

September 30, 2020

The Fund's auditor has not performed a review of the interim financial statements that are included in this report.

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Management's Responsibility for Financial Reporting

Management's Responsibility for Financial Reporting

The accompanying financial statements are the responsibility of the manager to the Funds, "CWB Private Investment Counsel Ltd." (the "Manager"). They have been prepared in accordance with International Financial Reporting Standards using information available and include certain amounts that are based on the Manager's best estimates and judgments.

The Manager has maintained appropriate processes to ensure that relevant and reliable financial information is produced. The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and include certain amounts that are based on estimates and judgements. The significant accounting policies which management believes are appropriate for the Fund are described in Generic Note 3 to the Financial Statements.

The Manager is responsible for oversight of the financial reporting process and for reviewing and approving the financial statements of the Fund. The Manager also reviews the adequacy of internal controls over the financial reporting process, auditing matters and financial reporting issues with management and the external auditors.



Gerry DeBoer
Chief Financial Officer



Mark Arthur
President and Chief Executive Officer


October 30, 2020

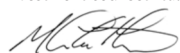
JOV Leon Frazer Preferred Equity Fund

Statements of Financial Position

As at In thousands (except per unit figures)	September 30 2020 (unaudited) \$	March 31 2020 (audited) \$
ASSETS		
CURRENT ASSETS		
Investments	9,423	9,160
Cash	130	344
Interest, dividends, distributions and other receivable	20	25
	9,573	9,529
LIABILITIES		
CURRENT LIABILITIES		
Expenses payable	1	1
	1	1
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	9,572	9,528
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS BY SERIES		
Series I	9,572	9,528
UNITS OUTSTANDING		
Series I	1,083	1,284
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Series I	8.84	7.42

Approved on behalf of the Manager of CWB Private Investment Counsel Ltd.


Gerry DeBoer, Chief Financial Officer


Mark Arthur, President and Chief Executive Officer

Statements of Comprehensive Income (unaudited)

For the periods ended September 30 In thousands (except per unit figures)	2020 \$	2019 \$
INCOME		
Interest for distribution purposes	-	6
Dividends	297	458
Other changes in fair value of investments and derivative financial instruments		
Investments:		
Net realized gain (loss)	(750)	(82)
Net change in unrealized appreciation (depreciation)	2,525	(754)
Net gain (loss) in fair value of investments	1,775	(836)
Derivative financial instruments:		
Net realized gain (loss)	-	-
Net change in unrealized appreciation (depreciation)	-	-
Net gain (loss) in fair value of derivative financial instruments	-	-
Total other changes in fair value of investments and derivative financial instruments	1,775	(836)
	2,072	(372)
EXPENSES		
Fixed administration fees	7	-
Unitholder/Shareholder administration expenses	-	13
Interest expense	6	-
Transaction costs	6	6
	19	19
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	2,053	(391)
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS BY SERIES		
Series I	2,053	(391)
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Series I	1.76	(0.22)

The accompanying Notes to the Financial Statements are an integral part of these statements.

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (unaudited)

For the periods ended September 30 In thousands	2020 \$	2019 \$
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS AT THE BEGINNING OF THE PERIOD		
Series I	9,528	17,947
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Series I	2,053	(391)
DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS		
From net investment income:		
Series I	(330)	(322)
	(330)	(322)
REDEEMABLE UNITS TRANSACTIONS		
Proceeds from redeemable units issued:		
Series I	43	1,003
Reinvestments of distribution to holders of redeemable units:		
Series I	330	322
Redemption of redeemable units:		
Series I	(2,052)	(2,113)
	(1,679)	(788)
NET INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Series I	44	(1,501)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS AT END OF THE PERIOD		
Series I	9,572	16,446

Statements of Cash Flows (unaudited)

For the periods ended September 30 In thousands	2020 \$	2019 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	2,053	(391)
Adjustments		
Interest for distribution purposes	-	(6)
Dividends	(297)	(457)
Net realized loss (gain) of investments and derivative financial instruments	750	82
Net change in unrealized depreciation (appreciation) of investments and derivative financial instruments	(2,525)	754
Proceeds from sale and maturity of investments	2,069	593
Purchases of investments	(557)	(1,186)
Interest received (paid)	-	6
Dividends received, net of withholding taxes	302	462
CASH FLOWS FROM OPERATING ACTIVITIES	1,795	(143)
CASH FLOWS FROM FINANCING ACTIVITIES		
Distribution paid to holders of redeemable units net of reinvested distributions	-	(169)
Proceeds from issuances of redeemable units	43	1,003
Proceeds from redemption of redeemable units	(2,052)	(2,113)
Change in redemptions payable	-	545
CASH FLOWS FROM FINANCING ACTIVITIES	(2,009)	(734)
NET INCREASE (DECREASE) IN CASH	(214)	(877)
Cash (Bank Overdraft) at Beginning of the Period	344	2,224
CASH (BANK OVERDRAFT) AT END OF THE PERIOD	130	1,347

The accompanying Notes to the Financial Statements are an integral part of these statements.

JOV Leon Frazer Preferred Equity Fund

Schedule of Investment Portfolio *(unaudited)*

As at September 30, 2020

In thousands (except number of securities)

	Number of Securities	Average Cost \$	Carrying Value \$
CANADIAN EQUITIES (98.44%)			
CONSUMER STAPLES (8.10%)			
George Weston Ltd., 4.75%, Preferred, Perpetual, Series 'I'	16,500	363	389
George Weston Ltd., 5.20%, Preferred, Perpetual, Series 'III'	15,300	326	386
		689	775
ENERGY (19.80%)			
Enbridge Inc., 4.00%, Preferred, Perpetual, Series 'H'	30,800	770	375
Enbridge Inc., 4.40%, Preferred, Perpetual, Series '9', Variable Rate	30,900	574	435
Pembina Pipeline Corp., Preferred, Perpetual, Class 'A', Series '3'	24,400	437	324
TC Energy Corp., 2.90%, Preferred, Perpetual, Series '4'	44,000	1,112	339
TC Energy Corp., Preferred, Perpetual, Series '1'	34,800	870	422
		3,763	1,895
FINANCIALS (42.97%)			
Bank of Montreal, Preferred, Perpetual, Series '40'	14,000	269	330
Brookfield Asset Management Inc., Preferred, Class 'A', Series '13'	43,000	490	356
Great-West Lifeco Inc., 5.90%, Preferred, Perpetual, Series 'F'	12,000	273	307
Intact Financial Corp., Preferred, Perpetual, Class 'A', Series '3'	28,000	537	469
Power Corp. of Canada, 5.80%, Preferred, Perpetual, Series 'C'	13,140	282	332
Power Financial Corp., 6.00%, Preferred, Perpetual, Series 'I'	11,500	280	294
Royal Bank of Canada, 4.90%, Preferred, Perpetual, Series 'BI'	12,000	288	310
Royal Bank of Canada, Preferred, Perpetual, Series 'BD'	20,000	395	389
Sun Life Financial Inc., Preferred, Perpetual, Class 'A', Series '10R'	28,800	516	433
Toronto-Dominion Bank (The), Preferred, Perpetual, Series '3'	26,200	505	466
Toronto-Dominion Bank (The), Preferred, Perpetual, Series '7'	22,000	527	427
		4,362	4,113
INFORMATION TECHNOLOGY (3.69%)			
Thomson Reuters Corp., Preferred, Series 'II'	33,600	784	353
TELECOMMUNICATION SERVICES (8.33%)			
BCE Inc., 4.65%, Preferred, Perpetual, Class 'A', Series '19'	30,000	448	369
BCE Inc., Preferred, Perpetual, Series 'AA'	31,820	647	428
		1,095	797
UTILITIES (15.57%)			
Canadian Utilities Ltd., Preferred, Perpetual, Series 'Y'	26,500	674	435
CU Inc., 4.60%, Preferred, Perpetual, Series '1'	17,100	376	395
Fortis Inc., Preferred, Perpetual, Series 'K'	27,500	490	413
Northland Power Inc., Preferred, Perpetual, Series '2'	18,300	458	247
		1,998	1,490
TOTAL CANADIAN EQUITIES	12,691		9,423
TOTAL INVESTMENT PORTFOLIO (98.44%)	12,691		9,423
OTHER ASSETS LESS LIABILITIES (1.56%)			149
TOTAL NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS (100.00%)			9,572

JOV Leon Frazer Preferred Equity Fund

Discussion of Financial Instrument Risk Management (unaudited)

September 30, 2020 (Generic Notes 3 and 5, in thousands of \$, except per unit figures)

In the sections Discussion of Financial Instrument Risk Management and Supplementary Notes to Financial Statements - Fund Specific Information, Net Assets is defined as "Net Assets Attributable to Holders of Redeemable Units", please refer to Generic Note 3.

Fair Value Measurements

For more information on fair value measurements and inputs, and the aggregation into the fair value hierarchy levels, please refer to Methods and Assumptions Used to Estimate Fair Values of Financial Instruments section in Generic Note 5 Management of Financial Risks.

The following tables present the hierarchy of financial instruments recorded at fair value, based on the hierarchy levels of input used at measurement date.

As at September 30, 2020

	Financial Instruments at Fair Value			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
ASSETS				
Investments				
Equities	9,423	-	-	9,423
Investment funds	-	-	-	-
Bonds	-	-	-	-
Short-term investments	-	-	-	-
	9,423	-	-	9,423
Derivatives				
Derivative financial instruments	-	-	-	-
LIABILITIES				
Derivatives				
Derivative financial instruments	-	-	-	-
Total	9,423	-	-	9,423

As at March 31, 2020

	Financial Instruments at Fair Value			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
ASSETS				
Investments				
Equities	9,160	-	-	9,160
Investment funds	-	-	-	-
Bonds	-	-	-	-
Short-term investments	-	-	-	-
	9,160	-	-	9,160
Derivatives				
Derivative financial instruments	-	-	-	-
LIABILITIES				
Derivatives				
Derivative financial instruments	-	-	-	-
Total	9,160	-	-	9,160

There were no significant transfers between the levels for the periods ending September 30, 2020 and March 31, 2020.

Credit Risk

As at September 30, 2020 and March 31, 2020, the Fund had invested in debt instruments with the following credit rating(s):

Debt Instruments* by Credit Rating	Percentage of Net Assets As at September 30, 2020 (%)	Percentage of Net Assets As at March 31, 2020 (%)
Pfd-2	59.60	53.80
Pfd-3	34.90	42.30

* Excludes other Net Assets attributable to holders of redeemable units

Credit ratings are obtained from DBRS, Standard & Poor's or Moody's. The DBRS rating is presented and, if not available, the DBRS equivalent rating is presented.

Concentration Risk

The following table summarizes the Fund's concentration risk:

Market Segments	Percentage of Net Assets As at September 30, 2020 (%)	Percentage of Net Assets As at March 31, 2020 (%)
Financials	42.97	34.50
Energy	19.80	22.65
Utilities	15.57	17.73
Telecommunication Services	8.33	8.85
Consumer Staples	8.10	9.32
Information Technology	3.69	3.09
Other Net Assets	1.54	3.86

Liquidity Risk

As at September 30, 2020 and March 31, 2020, the Fund's redeemable units are due on demand. All other financial liabilities of the Fund have maturities of less than 30 days. Refer to Generic Note 5 for further information.

JOV Leon Frazer Preferred Equity Fund

Discussion of Financial Instrument Risk Management (unaudited)

September 30, 2020 (Generic Notes 3 and 5, in thousands of \$, except per unit figures)

Interest Rate Risk

As at September 30, 2020 and March 31, 2020, the majority of the Fund's financial assets and liabilities were non-interest bearing and, accordingly, the Fund was not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

Currency Risk

As at September 30, 2020 and March 31, 2020, the Fund had no significant exposure to currency risk.

Price Risk

As at September 30, 2020 and March 31, 2020, the estimated impact on the Net Assets of the Fund due to a reasonably possible change in benchmark, with all other variables held constant, is presented in the tables below. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

As at September 30, 2020

Benchmark	Change in Benchmark (%)	Exposure to Benchmark (%)	Impact on Net Assets (%)	Impact on Net Assets (\$)
S&P/TSX Preferred Share Index	10.00	100.00	9.84	942

As at March 31, 2020

Benchmark	Change in Benchmark (%)	Exposure to Benchmark (%)	Impact on Net Assets (%)	Impact on Net Assets (\$)
S&P/TSX Preferred Share Index	10.00	100.00	9.61	916

JOV Leon Frazer Preferred Equity Fund

Supplemental Notes to Financial Statements - Fund Specific Information

September 30, 2020 (Generic Note 1b, in thousands of \$, except per unit figures)

Investment Objectives

The Fund's investment objective is to provide capital appreciation.

The Fund

The series of units of the Fund were established on the following dates:

	Dates of Inception MM/DD/YY
Series I	01/26/09

Management of Financial Risks

See Generic Note 5

Investments in Unconsolidated Structured Entities

The Fund has no significant interests in unconsolidated structured entities to disclose.

Related Party Transactions

See Generic Note 7

Management Fees

As at September 30, 2020 and March 31, 2020, the annualized management fee rate applicable for each series of the Fund, net of waivers, if any, is as follows:

Series	Management Fee as at September 30, 2020 (%)	Management Fee as at March 31, 2020 (%)
Series I	-	-

The amount of management fees incurred during the period end is included in "Management Fees" in the Statement of Comprehensive Income.

Redeemable Units

See Generic Note 8

For the periods ended September 30, 2020 and September 30, 2019, the following units were issued/reinvested and redeemed:

	Period ended	Beginning of Period	Issued/ Reinvested during Period	Redeemed during Period	End of Period	Weighted Average Units
Series I	2020	1,284	44	245	1,083	1,164
	2019	1,794	136	216	1,714	1,787

Soft Dollar Commissions

See Generic Note 9

In addition to paying for the cost of brokerage services in respect to security transactions, commissions paid to certain brokers may also cover research services provided to the investment manager. The value of the research services included in the commissions paid by the Fund to those brokers are as follows:

For the period ended September 30, 2020 (\$)	For the period ended September 30, 2019 (\$)
6	-

Income Taxes

See Generic Note 11

As at the 2019 tax year end, the Fund had the following capital loss carry forwards for income tax purposes. Capital losses may be carried forward indefinitely to be applied against future capital gains.

Net Capital Losses (\$)	Non-Capital Losses (\$)	Year of Expiry
44	-	-

Generic Notes to the Financial Statements

September 30, 2020

(also see Supplemental Notes to the Financial Statements - Fund Specific Information)

1. General Information

a) The Funds

Effective July 21, 2015, the Funds became Pooled Funds and are comprised of two unincorporated open-end mutual fund trusts established under the laws of the Province of Ontario by Declarations of Trust. Under National Instrument 81-106, Pooled funds are exempted from filing a Management Report of Fund Performance.

Effective November 1, 2020, the manager of the Funds is CWB Wealth Management Ltd. Between June 1, 2020 and October 31, 2020 the manager of the Funds was CWB Private Investment Counsel Ltd. Prior to June 1, 2020, the Manager of the funds was iA Investment Counsel Inc. The trustee of the funds is CIBC Mellon (the "Trustee").

On March 2, 2020, CWB Financial Group (CWB) and iA Financial Corporation Inc. ("iA"), announced that CWB will acquire iAIC, a wholly owned subsidiary of iA. The acquisition closed on June 1, 2020.

The Funds invest primarily in different types of securities depending on their investments policies. Refer to Schedule of Investment Portfolio specific to each fund for further details on their investments.

The Financial Statements are presented in Canadian dollars (CAD). The Canadian dollar is the Funds' functional and reporting currency.

These financial statements were authorized for issue by the Manager on October 30, 2020.

The address of the Funds' administrative office is 26 Wellington Street East, Suite 800, Toronto, Ontario, Canada, M5E 1S2.

b) Financial Reporting Dates

The Statements of Financial Position are as at September 30, 2020 and March 31, 2020. The Statements of Comprehensive Income, the Statements of Changes in Net Assets Attributable to Holders of Redeemable Units and the Statements of Cash Flows are for the 6-month periods ended September 30, 2020 and September 30, 2019.

2. Basis of Presentation

These unaudited interim financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS"), as published by the International Accounting Standards Board ("IASB") and in accordance with IAS34, Interim Financial Reporting. The Funds' auditor has not performed a review of the interim financial statements.

3. Significant Accounting Policies

The significant accounting policies are as follows:

a) Significant judgments and assumptions

The preparation of financial statements requires the Manager to use judgment in applying its accounting policies and make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses during the reporting periods and complementary information. The most significant estimates and judgments include the fair value of financial instruments, the classification and measurements of investments and application of the fair value option.

The Funds hold financial instruments that are not quoted in active markets, including derivative financial instruments. Fair values of such instruments are determined using established valuation techniques. Actual results may differ from the Manager's best estimates. Estimates and assumptions are periodically reviewed according to changing facts and circumstances. Changes in assumptions could affect the reported fair values of financial instruments.

i) *Classification and Measurement of Investments*

In classifying and measuring financial instruments held by the Funds, the Manager is required to make significant judgments in determining the most appropriate classification in accordance with IFRS 9. IFRS 9 contains three principal classification categories for financial assets: measured at amortized cost, fair value through other comprehensive income ("FVOCI"), and fair value through profit and loss ("FVTPL"). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Assessment and decision on the business model approach used is an accounting judgement.

b) Financial Instruments

i) *Classification of Financial Instruments*

The Funds initially recognize financial instruments at fair value, plus transaction costs in the case of financial instruments measured at amortized cost. Ongoing purchases and sales of financial assets are recognized at their trade date.

The Funds classify their investments (equity securities, investment funds and bonds), short-term investments, and derivative financial instruments at fair value through profit or loss.

The Funds' accounting policies for measuring the fair value of their investments and derivative financial instruments are identical to those used in measuring their net asset value (NAV) for transactions with unitholders.

The Funds' obligation for net assets attributable to holders of redeemable units which are classified as an "other financial liability", is presented at the redemption amount, which approximates fair value. All other financial assets and liabilities are measured at amortized cost. Under this method, the financial assets and liabilities reflect the amount required to be received or paid, discounted when appropriate, at the contract's effective rates.

As at September 30, 2020 and March 31, 2020, there were no differences between the Funds' net asset value per unit for transactions and their net assets attributable to holders of redeemable units per unit in accordance with IFRS.

ii) *Fair Value Measurements*

Fair value is the price that would be received for selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In circumstances where the last traded price for equities and the mid price for bonds 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, and in cases where the last traded price has a traded volume lower than 100, the mid price is used.

Generic Notes to the Financial Statements

September 30, 2020

(also see Supplemental Notes to the Financial Statements - Fund Specific Information)

iii) Impairment of Financial Assets

At each reporting period, the Funds assess whether the credit risk of a financial asset classified at amortized cost has increased significantly since the initial recognition and whether an expected credit loss needs to be recognized. To assess this, the funds compare the impairment risk of the financial instrument on the reporting date with the impairment risk on the initial recognition date. Considering the short-term nature of financial instruments at amortized cost, the Funds apply the simplified method to recognize expected credit losses. The amount recognized as expected credit loss corresponds to the expected shortfall in discounted cash flows over the lifetime of the financial instrument.

iv) Derecognition

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or the Funds have substantially transferred all risks and rewards of ownership. Financial liabilities at fair value through profit or loss are derecognized when the obligation specified in the contract is discharged, cancelled or expired.

c) Short Term Investments

Short term investments consist of banker's acceptances, Treasury bills and bank guaranteed asset-backed commercial paper with maturities of less than one year at the acquisition date.

d) Cash

Cash is comprised of deposits with financial institutions.

e) Income Recognition

Dividend income is recorded on the ex-dividend date. Distributions from investment funds and income from income trusts are recognized on the distribution date. The latter income may include dividends, interest, capital gains and return of capital. The proceeds of distributions may be used to purchase additional units of the reference funds.

Interest for distribution purposes shown on the Statements of Comprehensive Income represents the coupon interest received by the fund accounted for on an accrual basis.

Realized gains or losses and unrealized appreciation and depreciation on investments are calculated on an average cost basis, without giving effect to transaction costs.

Gains or losses from daily valuation of derivative financial instruments are included in Derivative financial instruments: Net change in unrealized appreciation (depreciation) until the contracts are settled or expired. Realized gains or losses from settlement or expiration are included in Derivative financial instruments: Net realized gain (loss).

f) Other Financial Assets and Liabilities

All financial assets and liabilities of each Fund, other than investments, derivative financial instruments and each Fund's obligation for net assets attributable to holders of redeemable units, are carried at amortized cost which approximates fair value due to their short term nature. Each Fund's obligation for net assets attributable to holders of redeemable units is presented at the redemption amount which approximates fair value.

g) Foreign Currency Translation

The fair value of portfolio investments denominated in foreign currency, foreign currency holdings and other assets and liabilities are translated into the functional currency at the exchange rate applicable on the measurement date. Investment transactions, income and expenses are translated at the exchange rates on the dates of such transactions.

Foreign exchange gains and losses relating to cash are presented as "Foreign exchange gain (loss) on cash", and those relating to other financial assets and liabilities as well as realized and unrealized foreign currency gains or losses on investments or derivative financial instruments are presented within "Total other changes in fair value of investments and derivative financial instruments", in the Statements of Comprehensive Income.

h) Foreign currency contracts

Foreign currency contracts, if purchased or sold, are valued at the current market value thereof on the valuation date. The value of these currency contracts is the gain or loss that would be realized if, on the valuation date, the positions were to be closed out. It is reported in the Statement of Comprehensive Income and in the Statements of Financial Position. For spot contracts and when currency contracts are closed out or expire, realized gains or losses are recognized and are included in the Statements of Comprehensive Income. The Canadian dollar value of currency contracts is determined using currency contracts exchange rates supplied by an independent service provider.

The Fund may enter into currency contracts primarily with the intention to offset or reduce exchange rate risks associated with the investments and also, periodically, to enhance returns to the portfolio. Losses may arise due to a change in the value of the currency contracts or if the counterparty fails to perform under the contract.

i) Expenses

All expenses are recognized in the Statements of Comprehensive Income on the accrual basis.

j) Net Assets Attributable to Holders of Redeemable Units

Units of the Funds are issued and redeemed at their NAV per Unit. The NAV per unit is determined at the end of each day the Toronto Stock Exchange is open for trading. The NAV of a particular series of Units of a Fund is computed by calculating the value of that series' proportionate share of the assets and liabilities of the Funds common to all series, less the liabilities of the Funds attributable only to that series. Income, non-series specific expenses, realized and unrealized gains (losses) of investments, and foreign currency and transaction costs are allocated proportionately to each series based upon the relative NAV of each series. Expenses directly attributable to a series are charged directly to that series.

Redeemable units can be redeemed at any time for cash equal to a proportionate share of the Fund's net asset value to the unit series. The redeemable units are classified as financial liabilities and are measured at the redemption amounts.

The increase (decrease) in net assets attributable to holders of redeemable units per unit reported in the Statement of Comprehensive Income represents the increase (decrease) in net assets attributable to holders of redeemable units by series for the period, divided by the weighted average number of units of the series outstanding during the period.

Generic Notes to the Financial Statements

September 30, 2020
(also see Supplemental Notes to the Financial Statements - Fund Specific Information)

Distributions to holders of redeemable units are recognized in the Statements of Changes in Net Assets Attributable to Holders of Redeemable Units.

k) Investments in Subsidiaries, Joint Ventures and Associates

In determining whether the Funds are an investment entity, the Manager may be required to make significant judgements about whether the Funds have the typical characteristics of an investment entity. An investment entity is an entity that may hold only one investment, an underlying fund, however, consistent with the investment entity definition, the Funds primarily obtains funds from one or more investors for the purpose of providing them with investment management services, commits to its investors that the business purpose is to invest the funds solely for returns from capital appreciation, investment income or both, and measures and evaluates the performance of its investments on a fair value basis.

The Funds have determined that they meet the definition of an investment entity and are required to account for investments in associates, joint ventures and subsidiaries at fair value through profit and loss.

Subsidiaries are all entities, including investments in other investment entities, over which a Fund has control. A Fund is deemed to control an entity when it has rights to or is entitled to variable returns from its involvement with the entity, and has the ability to affect those returns through its power over the entity. The Funds are investment entities and therefore account for investments in subsidiaries, if any, at fair value through profit and loss. The Funds also designate any investments in associates and joint ventures at fair value through profit and loss.

l) Transaction Costs

The transaction costs related to investments are expensed as incurred in the Statements of Comprehensive Income in the item line "Transaction costs". Transaction costs are incremental costs that are directly attributable to the acquisition, issuance or disposal of an investment, including fees and commissions paid to agents, advisors, brokers and dealers.

4. Future Changes in Accounting Policies

On October 31, 2018, the IASB published an amendment to IAS-1 "Presentation of Financial Statements" and IAS-8 "Accounting Policies, Changes in Accounting Estimates and Errors". The amendment "Definition of Material" clarifies the definition of material in IAS-1, the explanation accompanying that definition and aligns the definitions used across IFRS standards. The provisions of this amendment will apply prospectively to financial statements beginning on or after January 1, 2020. Early adoption is permitted. The Company is currently evaluating the impact of this amendment on the Funds' financial statements.

On January 23, 2020, the IASB published an amendment to IAS-1 "Presentation of Financial Statements". The amendment concerns the classification of liabilities as current or non-current and only affects the presentation of liabilities in the statement of financial position, and not the amount or timing of recognition of any asset, liability income or expense, or the information that entities disclose about those items. The provisions of this amendment will apply retrospectively to financial statements beginning on or after January 1, 2022. Early adoption is permitted. The Company is currently evaluating the impact of this amendment on the Funds' financial statements.

5. Management of Financial Risks

a) Methods and Assumptions Used to Estimate Fair Values of Financial Instruments

Disclosures regarding financial instruments must be presented as a hierarchy that categorizes the inputs to valuation techniques used to value assets and liabilities at measurement date. The hierarchy gives the highest priority to readily available unadjusted quoted prices in active markets for identical assets or liabilities and lowest priority to unobserved inputs when market prices are not readily available or reliable. The three levels of the hierarchy are described below:

Level 1 - Valuation based on quoted prices in active markets (unadjusted) for identical assets or liabilities.

Level 2 - Valuation model based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 - Valuation model based on significant unobservable inputs that are supported by little or no market activity.

All fair value measurements in the Funds are recurring. The financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

Invested assets are accounted for using the methods described below and the hierarchy of financial instruments at fair value is disclosed in the Discussion of Financial Instrument Risk Management section of each Fund.

i) Equities

Each equity listed is valued at the close price reported on the principal securities exchange on which the issue is traded or, if no active market exists, the fair value is estimated using equity valuation methods, which analyze the fair value of the net asset, and other techniques that rely on comparisons with reference data, such as market indices. 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.

ii) Investments in Reference funds

Investments in reference funds are valued at fair value which generally corresponds to the NAV of the reference fund at the valuation date.

iii) Bonds

Fixed-income investments, which include primarily government and corporate bonds, are valued on mid prices using independent pricing services, or by dealers who trade such securities. Pricing services consider yield or price of fixed-income securities of comparable quality, coupon, maturity and type as well as dealer supplied prices.

The par value and cost base of real return bonds are adjusted daily by the inflation adjustment. Interest is accrued on each valuation date based on the inflation adjusted to par at that time. The daily change in the inflation adjusted to par is recognized as income. At maturity, the bonds will pay their final coupon interest payment, plus the cumulative inflation compensation accrued from the original issue date.

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Zero coupon bonds, residue bonds and some municipal bonds are valued using a matrix of yield curves. The yield curves are constructed using a benchmark and a spread. The benchmark is set to be a regular Canadian Government bond (or Québec bond for the municipal bond curves) with the same maturity. If the maturity of the benchmark is not the same as the bond to be valued, a linear interpolation is used. A price is calculated using the bond's yield and characteristics.

No efficient market has been developed for certain bonds. The Manager estimates the fair value of these investments according to a valuation model that it believes is appropriate under the circumstances. The valuation is modelled on an individual basis according to the category of reference assets, including traditional or synthetic assets.

iv) *Valuation of Unlisted Securities and Other Investments*

When the valuation principles of the aforementioned investments are not appropriate, fair value is determined according to the Manager's best estimates, based on established valuation procedures. These procedures cover, among others, securities no longer traded, securities issued by private corporations and illiquid securities. The fair value of these securities established for the purpose of calculating the Funds' net assets attributable to holders of redeemable units may differ from the securities' most recent bid or ask price.

Equity investments consist of common shares, purchase warrants and preferred shares. The equity investments are valued based on the last round of financing, third party valuations, financial statements and liquidity discounts. Fixed income investments are valued at fair value based on operating results and financial condition of the company. The manager will assess the ability of the company to meet financial covenants, including the ability to make interest and principal payments, the need for further financing and the ability to cover the amount of the Fund's investment with the assets of the investee company. In addition to the range of valuation methods employed, a significant number of key assumptions used in the valuation of individual investments are specific to the investee company.

v) *Short-term Investments*

Short-term investments are accounted for at the mid rate using valuations based on a matrix system which considers such factors as security prices, yields and maturities of similar benchmarks.

For items 5i to 5v, the difference, if any, between the total fair value and the total cost of securities corresponds to Investments: Net change in unrealized appreciation (depreciation).

vi) *Cash*

Cash and Bank overdraft are accounted for at amortized cost.

vii) *Derivative Financial Instruments*

The fair value of currency contracts is based on a matrix of market forward quotes. The forward quotes are calculated with a linear interpolation. If the matrix is not available, current market quotes for the reference currencies are used.

Options, futures and swaps are marked-to-market on each valuation day according to the gain or loss that would be realized if the contracts were settled.

The difference between the fair value and cost of securities corresponds to Derivative financial instruments: Net change in unrealized appreciation (depreciation).

viii) *Other information*

If an investment security cannot be valued under the above criteria, or under any valuation criteria set out in securities legislation, or if any of the valuation criteria adopted by the Manager but not set out in securities legislation, are at any time considered by the Manager to be inappropriate in the circumstances, then the Manager shall use a valuation that it considers to be fair in the circumstances.

b) **Financial Risks**

A Fund's investment activities expose it to a variety of financial risks which may include: credit risk, concentration risk, liquidity risk and market risk (including interest rate risk, currency risk and price risk). The value of investments within a Fund's portfolio can fluctuate from day to day, reflecting changes in interest rates, economic conditions, market and company news related to specific securities within the Funds. The Schedule of Investment Portfolio presents securities by asset type, geographic region, and market segment. The level of risk depends on the Fund's investment objectives and strategy.

The Manager manages the potential adverse effects of financial risks on a Fund's performance by employing and overseeing professional and experienced portfolio advisors that regularly monitors the Fund's positions and market events and diversifies the investment portfolios, within the constraints of the investment guidelines.

A Fund's overall risk management practice involves oversight of investment activities and monitoring and testing of compliance with the Fund's investment strategy and securities regulations.

Reference Fund Units

Some Funds can invest in units of other investment funds ("reference funds") whose investment policies permit investments in vehicles such as bonds, stocks or other fund units. Certain risk disclosure in the Discussion of Financial Instrument Risk Management section look through to the reference funds' information, if applicable. The manager of each reference fund is responsible for ensuring investments comply with the fund's investment policy. These investments are presented in the Schedule of Investment Portfolio.

i) *Credit Risk*

Credit risk is the risk that a Fund will sustain a financial loss if a counterparty or a debtor does not meet its commitments to the Fund. The maximum credit risk associated with financial instruments corresponds to the carrying value of the financial instruments presented in the Statements of Financial Position.

Credit risk can also occur when there is a concentration of investments in entities with similar characteristics or that operate in the same sector of activity or the same geographic region, or when a substantial investment is made with a single entity. Credit Risk is disclosed in the Discussion of Financial Instrument Risk Management of each Fund.

The Fund's investment strategies aim to limit this risk by ensuring sound diversification, by limiting exposure to a same issuer and by seeking a relatively high quality of issuers. The Funds invest in financial assets, which generally have an investment grade as rated by a well known rating agency. The fair value of debt instruments includes consideration of the creditworthiness of the issuer, and represents the maximum credit risk exposure of the Fund.

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All transactions in listed securities are settled or paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

ii) *Concentration Risk*

Concentration risk arises as a result of the concentration of exposures within the same category, whether due to geographical location, product type, industry sector or counterparty type and are affected similarly by changes in economic or other conditions. The Fund's investment strategies aim to limit this risk by ensuring sound diversification.

iii) *Liquidity Risk*

Liquidity risk is the risk that a Fund will encounter difficulty to respect its financial obligations at the appropriate time and under reasonable conditions. The Funds' exposure to liquidity risk is concentrated in the daily cash redemption of units. Liquidity risk is managed by investing the majority of the Funds' assets in investments that are traded in an active market and can be readily disposed of. In addition, the Funds retain sufficient cash and short-term investments to maintain liquidity for the purpose of funding redemptions. Each Fund also has the ability to borrow up to 5% of its Net Asset Value for the purpose of funding redemptions.

Redeemable units are redeemable on demand at the holder's option. However, the Manager does not expect that the contractual maturity disclosed in the Discussion of Financial Instrument Risk Management's section of each Fund will be representative of the actual cash outflows, as holders of these instruments typically retain them for a longer period.

The recent international spread of COVID-19 has caused volatility and decline in global financial markets, as well as significant disruptions to global business activity, which have caused losses for investors. The impact of unanticipated market disruptions, including COVID-19, may cause exchanges to suspend trading and/or investment funds to suspend dealing (which could be for an extended period of time), may exacerbate pre-existing political, social or economic risk, and may disproportionately affect certain issuers, industries or types of securities. These impacts may have an effect on the performance of the Funds, the performance of the securities in which the Funds invest and may lead to an increase in the amount of redemptions experienced by the Funds, including redemptions by large investors. Each of these effects may lead to illiquidity and losses on your investment. Such unanticipated market disruptions, including COVID-19, may be short-term or may last for an extended period of time, and could have effects that cannot necessarily be presently foreseen. Even if general economic conditions do not change or improve, the value of an investment in a Fund could decline if the particular industries, sectors, companies or types of securities in which the Fund invests do not perform well or are adversely affected by such unanticipated events.

iv) *Market Risk*

a) *Interest Rate Risk*

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of interest-bearing financial instruments. The Funds are exposed to the risk that the value of such financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. There is minimal sensitivity to interest rate fluctuations on any cash or short-term investments since they are invested at short-term market interest rates and usually held to maturity. Interest Rate Risk is disclosed in the Discussion of Financial Instrument Risk Management of each Fund.

The Fund's investment strategies aim to limit this risk by ensuring sound diversification, by limiting exposure to a same issuer and by seeking a relatively high quality of issuers.

b) *Currency Risk*

Some Funds may invest in monetary and non-monetary assets denominated in currencies other than Canadian dollar. These investments result in currency risk, which is the risk that the fair value or future cash flows of the financial instrument will fluctuate because of changes in foreign exchange rates. The Funds may enter into foreign exchange forward contracts to reduce their foreign currency exposure. The sensitivity analysis is disclosed in the Discussion of Financial Instrument Risk Management of each Fund.

c) *Price Risk*

Price risk is the risk that the fair value or future cash flows 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 those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in a market. All investments present a risk of loss of capital. The Fund's portfolio advisor moderates this risk through a careful selection and diversification of securities and other financial instruments within the parameters of the Fund's investment objectives and strategies. Except for derivative financial instruments, the maximum risk resulting from financial instruments is equivalent to their fair value. The Fund's overall market positions are monitored on a daily basis by the Fund's portfolio advisor.

Details of the Fund's price sensitivity is disclosed in the Discussion of Financial Instrument Risk Management's section of each Fund.

Refer to the Discussion of Financial Instrument Risk Management for Funds specific risk disclosure.

c) *Investments in Unconsolidated Structured Entities*

Each Fund has determined that its investments in reference funds are investments in unconsolidated structured entities. Some Funds may invest in reference funds to achieve their investment objectives and apply various investment strategies to accomplish their objectives.

A Fund's investments in reference funds are susceptible to market price risk arising from uncertainty about future values of those reference funds.

A Fund's maximum exposure to loss from its interests in reference funds is equal to the total carrying value of its investments in reference funds.

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6. Open currency contracts

The following is a list of abbreviations used in the Currency Contracts table which can be found in the Supplemental Notes to Financial Statements - Fund Specific Information and is applicable for a Fund who engages in Currency Contracts:

AUD - Australian Dollar; ARS - Argentine Peso; BMD - Bermudian Dollar; BRL - Brazilian Real; CAD - Canadian Dollar; CHF - Swiss Franc; CLP - Chile Peso; COP - Columbian Peso; DKK - Danish Krone; EGP - Egyptian Pound; EUR - Euro; GBP - British Pound; HKD - Hong Kong Dollar; HUF - Hungarian Forint; IDR - Indonesian Rupiah; ILS - New Israeli Shekel; INR - Indian Rupee; JPY - Japanese Yen; KES - Kenya Shilling; KRW - South Korean Won; KZT - Kazakhstani Tenge; MXN - Mexico Peso; MYR - Malaysian Ringgit; NGN - Nigeria Naira; NOK - Norwegian Krone; NZD - New Zealand Dollar; PEN - Peruvian Sol; PHP - Philippine Peso; PLN - Polish Zloty; RUB - Russian Ruble; SEK - Swedish Krona; SGD - Singapore Dollar; THB - Thai Baht; TRY - Turkey Lira; TWD - New Taiwan Dollar; USD - United States Dollar; UYU - Uruguayan Peso; ZAR - South African Rand.

7. Related Party Transactions

a) Management Fees and Other Fees

Each series of the Funds, except Series I, pays an annual management fee to the Manager which is calculated daily based on the daily NAV of each series and payable monthly in arrears plus applicable taxes, as disclosed in the Management Fees section of the Supplemental Notes to Financial Statements - Fund Specific Information.

Management fees for Series I units are negotiated and paid directly by the investor or the portfolio manager, not by the Fund. These fees will not exceed the Series A management fees of the Funds.

The Manager may reduce the effective management fee payable by some unitholders, by causing the Funds to make management fee distributions to these unitholders so that the effective management fee will equal a target rate.

All expense payable amounts located in the Statements of Financial Position, if any, are composed of Management Fees and Fixed Administration Fees which are related party transactions.

Each Fund pays all of its operating expenses. Expenses include audit fees, trustee and custodial expenses, accounting and record keeping costs, legal expenses, permitted prospectus preparation and filing expenses, bank related fees and interest charges, unitholder reports and servicing costs, the Funds' proportionate share of expenses of the Funds' Internal Review Committee (IRC) and other day-to-day operating expenses. Each Fund also pays HST on most of its fees and expenses.

At its sole discretion, the Manager may waive management fees or absorb expenses of the Funds. Such waivers and absorptions can be terminated at any time, but can be expected to continue until such time as the Funds are of sufficient size to reasonably absorb all management fees and expenses incurred in their operation. Even where continued, the amount of waivers and absorptions can fluctuate from time to time.

8. Redeemable Units

Each Fund's redeemable units are managed in accordance with its investment objectives. Each Fund seeks to achieve its investment objectives, while managing liquidity in order to meet redemptions. The Statements of Changes in Net Assets Attributable to Holders of Redeemable Units identifies the changes in the Fund's redeemable unit during the periods.

The authorized redeemable units of each series of the Funds consists of an unlimited number of units without nominal or par value.

Units of a series of a Trust are redeemable at the option of the holder in accordance with the Declaration of Trust at the current NAV of that series.

Units of each Fund are deemed to be a financial liability because of each Fund's multiple series structure and each series has non-identical features. The Funds' outstanding units include a contractual obligation to distribute any net income and net realized capital gains annually (in cash at the request of the unitholder). Therefore the ongoing redemption feature is not the units' only contractual obligation. The Fund's outstanding redeemable units are classified as financial liabilities in accordance with the requirements of International Accounting Standard 32 Financial Instruments: Presentation.

Investors in Series I units of the Trust do not pay sales commission upon purchase, nor redemption fees upon redemption. Investors negotiate a separate fee that is paid directly to the Manager. No management fees are charged to the Funds with respect to Series I units.

A Fund may offer series which distribute monthly. Monthly distributions will generally consist of net income and/or return of capital. Distributions can either be reinvested in additional units or paid in cash.

9. Income Taxes

The Funds each qualify as a mutual fund trust, under the provisions of the Canadian Income Tax Act and, accordingly, are not subject to income tax on that portion of their net investment income, including net realized gains, that is distributed to Unitholders. Such distributed income is taxable in the hands of the Unitholders. Income tax on net realized capital gains is generally recoverable, as redemptions occur, by virtue of the refunding provisions contained in the Canadian Income Tax Act. No provision for income taxes has been recorded in the accompanying financial statements, as sufficient income and net realized capital gains have been distributed to the Unitholders.

As at the December 31, 2019 tax year end, the Funds, had capital and non-capital loss carry forwards for income tax purposes as disclosed in the Supplemental Notes to Financial Statements - Fund Specific Information. Non-capital losses expire as noted. Capital losses may be carried forward indefinitely to be applied against future capital gains.

Income from investments held by the Funds may be subject to withholding taxes in the jurisdictions other than those of the Funds as imposed by the country of origin. Withholding taxes, if any, are shown in a separate item in the Statements of Comprehensive Income.

10. Subsequent Events

Effective November 1, 2020, CWB Private Investment Counsel Ltd. amalgamated with CWB Wealth Management Ltd., which assumed the management responsibilities for the Funds.

CWB Private Investment Counsel Ltd.

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