

# JOV Prosperity Canadian Fixed Income 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 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 Prosperity Canadian Fixed Income Fund

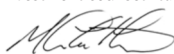
## Statements of Financial Position

As at	September 30	March 31
In thousands (except per unit figures)	2020 (unaudited) \$	2020 (audited) \$
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Investments	436,187	408,402
Derivative financial instruments		
Open currency contracts	-	21
Cash	4,261	7,056
Subscriptions receivable	145	120
Receivable for investments sold	-	2,402
Interest, dividends, distributions and other receivable	2,184	2,090
	<b>442,777</b>	<b>420,091</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Derivative financial instruments		
Open currency contracts	393	325
Payable for investments purchased	-	2,738
Redemptions payable	284	1,701
Distributions payable	159	122
Expenses payable	179	178
	<b>1,015</b>	<b>5,064</b>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>	<b>441,762</b>	<b>415,027</b>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS BY SERIES</b>		
Series B	-	-
Series O	441,762	415,027
<b>UNITS OUTSTANDING</b>		
Series B	-	-
Series O	37,728	37,589
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT</b>		
Series B	-	-
Series O	11.71	11.04

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



Gerry DeBoer, Chief Financial Officer



Mark Arthur, President and Chief Executive Officer

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

## Statements of Comprehensive Income (unaudited)

For the periods ended September 30	2020	2019
In thousands (except per unit figures)	\$	\$
<b>INCOME</b>		
Interest for distribution purposes	5,392	5,565
Dividends	907	874
Securities lending	9	14
Foreign exchange gain (loss) on cash	(39)	(234)
Other changes in fair value of investments and derivative financial instruments		
Investments:		
Net realized gain (loss)	5,522	2,238
Net change in unrealized appreciation (depreciation)	18,421	3,947
Net gain (loss) in fair value of investments	23,943	6,185
Derivative financial instruments:		
Net realized gain (loss)	1,461	225
Net change in unrealized appreciation (depreciation)	(109)	131
Net gain (loss) in fair value of derivative financial instruments	1,352	356
Total other changes in fair value of investments and derivative financial instruments	25,295	6,541
	<b>31,564</b>	<b>12,760</b>
<b>EXPENSES</b>		
Management fees	1,067	1,069
Transaction costs	24	23
Foreign withholding taxes	67	22
	<b>1,158</b>	<b>1,114</b>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>	<b>30,406</b>	<b>11,646</b>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS BY SERIES</b>		
Series B	-	3
Series O	30,406	11,643
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT</b>		
Series B	-	0.12
Series O	0.81	0.30

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

# JOV Prosperity Canadian Fixed Income Fund

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

For the periods ended September 30	2020	2019
In thousands	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS AT THE BEGINNING OF THE PERIOD</b>		
Series B	-	206
Series O	415,027	428,052
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		
Series B	-	3
Series O	30,406	11,643
<b>DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS</b>		
From net investment income:		
Series B	-	(1)
Series O	(5,428)	(5,256)
	(5,428)	(5,257)
<b>REDEEMABLE UNITS TRANSACTIONS</b>		
Proceeds from redeemable units issued:		
Series B	-	-
Series O	19,021	16,681
Reinvestments of distribution to holders of redeemable units:		
Series B	-	1
Series O	4,746	4,891
Redemption of redeemable units:		
Series B	-	(209)
Series O	(22,010)	(23,957)
	1,757	(2,593)
<b>NET INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		
Series B	-	(206)
Series O	26,735	4,002
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS AT END OF THE PERIOD</b>		
Series B	-	-
Series O	441,762	432,054

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

## Statements of Cash Flows *(unaudited)*

For the periods ended September 30	2020	2019
In thousands	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	30,406	11,646
Adjustments		
Interest for distribution purposes	(5,392)	(4,594)
Dividends	(907)	(874)
Distributions from mutual fund	-	(971)
Foreign withholding taxes	67	22
Foreign exchange loss (gain) on cash	39	234
Net realized loss (gain) of investments and derivative financial instruments	(6,983)	(2,463)
Net change in unrealized depreciation (appreciation) of investments and derivative financial instruments	(18,312)	(4,078)
Proceeds from sale and maturity of investments	153,947	123,478
Purchases of investments	(156,684)	(123,582)
Increase / (decrease) in expenses payable	1	-
Interest received (paid)	5,323	5,608
Dividends received, net of withholding taxes	815	729
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	2,320	5,155
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Distribution paid to holders of redeemable units net of reinvested distributions	(645)	(1,158)
Proceeds from issuances of redeemable units	19,021	16,681
Change in subscriptions receivable	(25)	(250)
Issuance of units from other series	(7)	-
Proceeds from redemption of redeemable units	(22,010)	(24,166)
Change in redemptions payable	(1,417)	(12)
Redemption of units from other series	7	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	(5,076)	(8,905)
Foreign exchange gain (loss) on cash	(39)	(234)
<b>NET INCREASE (DECREASE) IN CASH</b>	(2,795)	(3,984)
Cash (Bank Overdraft) at Beginning of the Period	7,056	11,904
<b>CASH (BANK OVERDRAFT) AT END OF THE PERIOD</b>	4,261	7,920

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

# JOV Prosperity Canadian Fixed Income Fund

## Schedule of Investment Portfolio (unaudited)

As at September 30, 2020  
In thousands (except number of securities)

	Number of Securities	Average Cost \$	Carrying Value \$
<b>CANADIAN EQUITIES (0.17%)</b>			
<b>CONSUMER DISCRETIONARY (0.03%)</b>			
Yellow Pages Ltd.	12,600	85	141
<b>ENERGY (0.09%)</b>			
ClearStream Energy Services Inc.	33,006	15	1
<sup>†</sup> ClearStream Energy Services Inc., Preferred	512	512	358
<sup>†</sup> ClearStream Energy Services Inc., Preferred	40	40	28
		567	387
<b>INDUSTRIALS (0.03%)</b>			
Bird Construction Inc.	21,557	431	139
<b>INFORMATION TECHNOLOGY (0.02%)</b>			
<sup>†</sup> Xplornet Mobile Inc.	11,395	16	16
<sup>†</sup> Xplornet Wireless Inc.	11,395	56	56
		72	72
<b>TOTAL CANADIAN EQUITIES</b>		<b>1,155</b>	<b>739</b>

	Face Value \$	Average Cost \$	Carrying Value \$
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## CANADIAN BONDS (38.32%)

### ASSET-BACKED SECURITIES (1.60%)

Merrill Lynch Financial Assets Inc., Class 'A', Series '2002-BC2P' 6.673%, 2021-05-07	8	8	9
NHA MBS Laurentian Bank of Canada 1.840%, 2022-10-01	475	470	486
NHA MBS Merrill Lynch Canada Inc. 1.840%, 2022-12-01	1,255	1,243	1,283
NHA MBS Scotia Capital Inc. 2.050%, 2024-02-01	790	787	818
1.890%, 2024-10-01	1,883	1,870	1,951
1.740%, 2025-01-01	1,481	1,466	1,529
NHA MBS TD Securities Inc. 1.450%, 2021-12-01	999	988	1,009
		6,832	7,085

### CORPORATES (13.33%)

407 International Inc. 5.960%, 2035-12-03	288	400	412
407 International Inc., Callable 2.590%, 2032-05-25	2,545	2,543	2,702
407 International Inc., Series '00-B1', Step Rate 7.125%, 2040-07-26	493	760	808
407 International Inc., Series '99-A2', Callable 6.470%, 2029-07-27	400	531	554
407 International Inc., Series '99A3', Sinkable, Callable 6.750%, 2039-07-27	254	335	373
Air Canada, Convertible 4.000%, 2025-07-01	267	367	405
Air Canada, Restricted, Callable 9.000%, 2024-06-22	1,944	1,906	1,954
Bank of Montreal 2.120%, 2022-03-16	1,000	977	1,022
Bank of Montreal, Series '14', Floating Rate 0.724%, 2023-02-01	4,464	4,462	4,475
Bank of Montreal, Variable Rate, Callable 4.300%, 2080-11-26	1,011	1,011	1,013
Bankers Hall L.P., Sinkable, Callable 4.377%, 2023-11-20	609	610	639
Bombardier Inc. 6.125%, 2023-01-15	685	654	782

As at September 30, 2020  
In thousands

	Face Value \$	Average Cost \$	Carrying Value \$
<b>CORPORATES (continued)</b>			
Bombardier Inc., Callable 5.750%, 2022-03-15	11	12	14
6.000%, 2022-10-15	9	10	11
7.500%, 2024-12-01	82	90	82
7.500%, 2025-03-15	70	68	70
7.875%, 2027-04-15	913	886	902
Capital City Link G.P., Series 'A', Sinkable, Callable 4.386%, 2046-03-31	311	342	379
Genovus Energy Inc. 6.750%, 2039-11-15	357	423	479
Genovus Energy Inc., Callable 5.375%, 2025-07-15	462	619	595
4.250%, 2027-04-15	144	125	175
5.250%, 2037-06-15	105	82	121
5.400%, 2047-06-15	69	52	78
<sup>†</sup> ClearStream Energy Services Inc. 8.000%, 2026-03-23	523	523	366
Enbridge Gas Inc., Callable 2.900%, 2030-04-01	600	599	666
3.590%, 2047-11-22	125	127	147
3.510%, 2047-11-29	140	140	163
3.650%, 2050-04-01	2,803	2,986	3,342
Enbridge Inc., Callable 4.240%, 2042-08-27	906	849	982
4.570%, 2044-03-11	1,062	1,039	1,215
Energir Inc., Series 'V', Callable 2.100%, 2027-04-16	2,803	2,803	2,958
EUROFIMA 4.550%, 2027-03-30	888	1,009	1,065
Ford Credit Canada Co. 3.742%, 2023-05-08	538	510	524
Ford Credit Canada Co., Floating Rate 3.655%, 2024-03-21	883	883	835
Green Timbers L.P., Sinkable, Callable 6.838%, 2037-06-30	216	277	304
Magna International Inc., Callable 3.100%, 2022-12-15	803	818	833
NAV Canada, Callable 3.293%, 2048-03-30	275	283	312
3.209%, 2050-09-29	147	149	165
NAV Canada, Restricted, Callable 2.924%, 2051-09-29	1,004	1,004	1,066
NAV Canada, Series '97-2', Callable 7.560%, 2027-03-01	506	634	615
North Battleford Power L.P., Series 'A', Sinkable 4.958%, 2032-12-31	692	794	819
OMERS Finance Trust 2.600%, 2029-05-14	925	924	1,008
Ornge Issuer Trust, Sinkable 5.727%, 2034-06-11	614	669	768
Pearson International Fuel Facilities Corp., Sinkable 5.090%, 2032-03-09	193	189	228
Pembina Pipeline Corp., Callable 4.540%, 2049-04-03	2,842	3,013	3,090
Plenary Properties NDC G.P. 5.090%, 2040-02-07	395	367	471
Postmedia Network Inc., Callable 8.250%, 2023-07-15	529	532	397
Royal Bank of Canada 2.000%, 2022-03-21	576	587	588
2.360%, 2022-12-05	1,000	978	1,037
Royal Bank of Canada, Floating Rate, Callable 0.483%, 2085-06-29	650	397	663
Royal Bank of Canada, Variable Rate 4.500%, 2080-11-24	972	973	992
SNC-Lavalin Group Inc., Series '3', Floating Rate 1.049%, 2021-03-02	187	187	186
SNC-Lavalin Group Inc., Series '4', Callable 3.235%, 2023-03-02	249	242	247

# JOV Prosperity Canadian Fixed Income Fund

## Schedule of Investment Portfolio (unaudited - continued)

As at September 30, 2020 In thousands	Face Value \$	Average Cost \$	Carrying Value \$	As at September 30, 2020 In thousands	Face Value \$	Average Cost \$	Carrying Value \$
<b>CORPORATES (continued)</b>				<b>PROVINCIALS (continued)</b>			
Sobeys Inc., Callable				Province of Ontario			
5.790%, 2036-10-06	447	453	554	1.950%, 2023-01-27	850	847	880
6.640%, 2040-06-07	927	948	1,280	2.850%, 2023-06-02	5,245	5,549	5,576
Sobeys Inc., Series 'D'				3.500%, 2024-06-02	3,300	3,645	3,646
6.060%, 2035-10-29	823	816	1,038	2.650%, 2025-02-05	2,855	2,862	3,095
Strait Crossing Development Inc.				1.750%, 2025-09-08	4,525	4,725	4,749
6.170%, 2031-09-15	447	477	514	1.850%, 2027-02-01	460	459	488
Teck Resources Ltd., Callable				2.600%, 2027-06-02	5,275	5,433	5,834
6.250%, 2041-07-15	17	22	26	2.050%, 2030-06-02	1,010	1,081	1,080
Toronto-Dominion Bank (The)				5.850%, 2033-03-08	620	813	928
1.680%, 2021-06-08	2,140	2,107	2,159	4.650%, 2041-06-02	2,740	3,970	4,013
Toronto-Dominion Bank (The), Floating Rate				2.900%, 2049-06-02	690	673	823
0.817%, 2023-06-28	2,532	2,532	2,548	2.650%, 2050-12-02	2,505	2,852	2,876
Toyota Credit Canada Inc.				1.900%, 2051-12-02	1,245	1,232	1,221
2.310%, 2024-10-23	1,974	1,973	2,068	Province of Quebec			
TransCanada Pipelines Ltd., Callable				2.450%, 2023-03-01	790	789	829
6.500%, 2030-12-09	783	962	1,015	2.250%, 2024-02-22	680	680	720
TransCanada PipeLines Ltd., Callable				2.600%, 2025-07-06	695	693	758
8.050%, 2039-02-17	47	72	74	2.300%, 2029-09-01	3,670	3,789	4,022
TransCanada PipeLines Ltd., Variable Rate, Callable				1.900%, 2030-09-01	1,755	1,862	1,859
2.532%, 2067-05-15	1,536	1,648	1,440	6.250%, 2032-06-01	1,610	2,213	2,433
Videotron Ltd., Callable				5.750%, 2036-12-01	1,000	1,215	1,562
5.625%, 2025-06-15	448	478	485	5.000%, 2041-12-01	1,100	1,391	1,688
4.500%, 2030-01-15	787	787	819	3.100%, 2051-12-01	1,720	1,998	2,170
WTH Car Rental ULC, Series '18-1', Sinkable				Province of Quebec, Series 'QY'			
3.279%, 2023-07-20	329	329	340	1.850%, 2027-02-13	545	545	579
Yellow Pages Ltd., Convertible				Province of Saskatchewan			
8.000%, 2022-11-30	437	388	447	3.300%, 2048-06-02	450	449	555
		55,742	58,904	3.100%, 2050-06-02	565	602	682
					77,682		81,671
<b>FEDERAL GUARANTEES (3.82%)</b>				<b>MUNICIPALS (1.08%)</b>			
Canada Housing Trust No. 1				City of Ottawa			
2.900%, 2024-06-15	2,585	2,704	2,815	3.250%, 2047-11-10	600	658	714
Canada Housing Trust No. 1, Series '71'				City of Toronto			
1.250%, 2021-06-15	5,395	5,350	5,434	3.200%, 2048-08-01	585	584	693
Export Development Canada				Municipal Finance Authority of British Columbia			
1.800%, 2022-09-01	600	599	616	2.550%, 2029-10-09	675	702	749
Government of Canada				South Coast British Columbia Transportation Authority			
1.750%, 2021-05-01	2,690	2,718	2,715	3.250%, 2028-11-23	1,175	1,173	1,350
1.250%, 2030-06-01	3,925	4,166	4,176	1.600%, 2030-07-03	1,225	1,225	1,247
2.000%, 2051-12-01	910	1,142	1,122		4,342	4,753	
		16,679	16,878				
<b>PROVINCIALS (18.49%)</b>				<b>TOTAL CANADIAN BONDS</b>			
Hydro-Québec, Series 'JN'					161,277		169,291
5.000%, 2050-02-15	465	625	768	<b>U.S. BONDS (9.04%)</b>			
New Brunswick F-M Project Co. Inc., Step Rate, Sinkable, Callable				<b>CORPORATES (9.04%)</b>			
6.470%, 2027-11-30	175	213	212	American Airlines Inc.			
OPB Finance Trust, Callable				11.750%, 2025-07-15	991	1,325	1,276
1.880%, 2022-02-24	655	647	668	Apple Inc., Callable			
Province of Alberta				2.513%, 2024-08-19	6,799	6,796	7,216
2.900%, 2028-12-01	2,245	2,244	2,533	AT&T Inc., Callable			
2.050%, 2030-06-01	1,300	1,299	1,299	4.850%, 2047-05-25	1,594	1,584	1,854
3.900%, 2033-12-01	535	576	669	5.100%, 2048-11-25	371	369	447
3.100%, 2050-06-01	1,795	1,761	2,119	Avis Budget Car Rental LLC / Avis Budget Finance Inc., Callable			
Province of British Columbia				10.500%, 2025-05-15	595	811	903
2.200%, 2030-06-18	2,455	2,674	2,674	Avis Budget Rental Car Funding (AESOP) LLC, ClassA', Series '2019-3A', Callable			
6.350%, 2031-06-18	1,380	1,970	2,076	2.360%, 2026-03-20	189	234	259
Province of Manitoba				Boeing Co. (The), Callable			
3.250%, 2029-09-05	750	778	875	3.900%, 2049-05-01	28	35	36
2.050%, 2030-06-02	1,695	1,742	1,800	5.805%, 2050-05-01	2,846	3,953	4,527
3.200%, 2050-03-05	600	597	737	†BZ Holdings Inc.			
Province of Newfoundland and Labrador				3.000%, 2022-05-22	369	450	240
2.850%, 2029-06-02	520	558	573	Continental Resources Inc., Callable			
1.750%, 2030-06-02	570	567	572	5.000%, 2022-09-15	245	235	323
Province of Nova Scotia, Series 'E2'				4.500%, 2023-04-15	32	29	41
2.000%, 2030-09-01	1,480	1,565	1,563	3.800%, 2024-06-01	143	125	178
Province of Ontario				4.375%, 2028-01-15	372	357	428
4.000%, 2021-06-02	3,420	3,528	3,505				
3.150%, 2022-06-02	5,700	5,971	5,962				

# JOV Prosperity Canadian Fixed Income Fund

## Schedule of Investment Portfolio (unaudited - continued)

As at September 30, 2020 In thousands	Face Value \$	Average Cost \$	Carrying Value \$	As at September 30, 2020 In thousands	Face Value \$	Average Cost \$	Carrying Value \$
<b>CORPORATES (continued)</b>				<b>SUPRANATIONAL GUARANTEES (0.57%)</b>			
Continental Resources Inc., Callable 4.900%, 2044-06-01	251	153	255	International Bank for Reconstruction and Development 0.750%, 2025-07-02	1,000	998	1,004
Ford Motor Credit Co. LLC 3.087%, 2023-01-09	353	371	463	0.875%, 2027-09-28	1,500	1,497	1,502
Ford Motor Credit Co. LLC, Floating Rate 1.540%, 2023-02-15	1,236	1,313	1,547			2,495	2,506
General Electric Co., Floating Rate 0.639%, 2026-05-05	302	316	372	<b>TOTAL FOREIGN BONDS</b>		<b>3,559</b>	<b>3,883</b>
Hertz Corp. (The), Callable 5.500%, 2024-10-15	125	46	77		<b>Number of Securities</b>	<b>Average Cost \$</b>	<b>Carrying Value \$</b>
Hertz Vehicle Financing LLC, Class 'A', Series '19-3A', Callable 2.670%, 2025-12-26	203	49	123	<i>In thousands (except number of securities)</i>			
Lehman Brothers Holdings Inc. 4.850%, 2049-12-31	131	-	1	<b>INVESTMENT FUNDS (50.33%)</b>			
Maxar Technologies Inc., Callable 7.540%, 2027-12-31	614	815	842	Addenda Commercial Mortgages Pooled Fund, Series 'A'	3,781,943	41,714	42,373
Metropolitan Life Global Funding I 3.107%, 2021-04-16	1,212	1,212	1,228	Addenda Corporate Bond Pooled Fund	573,699	5,463	5,832
Navient Corp., Series 'B-ED', Callable 6.000%, 2029-03-15	178	155	201	BMO High Yield US Corporate Bond Hedged to CAD Index ETF	258,736	3,291	3,330
Newfield Exploration Co., Callable 5.625%, 2024-07-01	126	137	164	CI First Asset High Interest Savings ETF	66,490	3,329	3,325
Newfield Exploration Co., Callable 5.375%, 2026-01-01	153	153	193	Financial Select Sector SPDR Fund	80,416	2,752	2,585
Occidental Petroleum Corp. 7.150%, 2028-05-15	21	26	26	Invesco Fundamental High Yield Corporate Bond ETF	185,942	4,602	4,605
Occidental Petroleum Corp. 7.200%, 2029-03-15	18	22	22	iShares Canadian Select Dividend Index ETF	38,874	879	839
Occidental Petroleum Corp. 6.450%, 2036-09-15	26	31	30	iShares Canadian Universe Bond Index ETF	20,316	674	680
Occidental Petroleum Corp. 6.200%, 2040-03-15	21	24	23	iShares J.P. Morgan EM Local Currency Bond ETF	211,112	12,204	11,796
Occidental Petroleum Corp., Callable 6.625%, 2030-09-01	1,065	1,409	1,307	iShares J.P. Morgan USD Emerging Markets Bond ETF	50,977	7,616	7,551
Occidental Petroleum Corp., Callable 4.500%, 2044-07-15	163	112	156	iShares Mortgage Real Estate ETF	52,918	2,111	1,821
Occidental Petroleum Corp., Callable 6.600%, 2046-03-15	92	65	106	iShares MSCI Europe Financials ETF	183,081	3,489	3,360
Occidental Petroleum Corp., Callable 4.100%, 2047-02-15	115	76	104	iShares MSCI Singapore ETF	71,573	1,751	1,790
Occidental Petroleum Corp., Callable 4.200%, 2048-03-15	41	28	37	iShares MSCI Spain ETF	60,919	2,111	1,771
Ovintiv Inc. 6.625%, 2037-08-15	196	135	241	iShares Short-Term Corporate Bond ETF	62,500	4,444	4,584
Ovintiv Inc. 6.500%, 2038-02-01	73	59	89	SPDR Bloomberg Barclays International Treasury Bond ETF	184,610	7,328	7,316
PepsiCo Inc., Callable 2.150%, 2024-05-06	1,224	1,222	1,279	SPDR Bloomberg Barclays Short Term International Treasury Bond ETF	169,067	6,820	7,090
SES GLOBAL Americas Holdings G.P. 5.300%, 2044-03-25	747	854	1,062	SPDR S&P Emerging Asia Pacific ETF	31,467	3,971	4,682
Spirit AeroSystems Inc., Callable 4.600%, 2028-06-15	65	74	71	TD Emerald Canadian Bond Index Fund	6,329,648	80,687	86,778
Spirit AeroSystems Inc., Callable 3.950%, 2023-06-15	71	92	82	Vanguard Canadian Short-Term Corporate Bond Index ETF	27,198	683	680
Spirit AeroSystems Inc., Callable 7.500%, 2025-04-15	814	1,144	1,100	Vanguard FTSE Developed Markets ETF	82,671	4,449	4,516
Spirit AeroSystems Inc., Callable 3.850%, 2026-06-15	643	850	802	Vanguard High Dividend Yield ETF	54,149	5,602	5,854
SSL Robotics LLC, Callable 9.750%, 2023-12-31	1,833	2,375	2,708	Vanguard U.S. Aggregate Bond Index ETF (CAD-Hedged)	343,467	8,298	9,171
Walt Disney Co. (The) 2.758%, 2024-10-07	4,304	4,299	4,555	<b>TOTAL INVESTMENT FUNDS</b>		<b>214,268</b>	<b>222,329</b>
Walt Disney Co. (The) 3.057%, 2027-03-30	2,000	2,170	2,174	<b>TOTAL INVESTMENT PORTFOLIO (98.74%)</b>		<b>416,987</b>	<b>436,187</b>
		36,728	39,945	<b>DERIVATIVE LIABILITIES (-0.09%)</b>			(393)
<b>TOTAL U.S. BONDS</b>		<b>36,728</b>	<b>39,945</b>	<b>OTHER ASSETS LESS LIABILITIES (1.35%)</b>			5,968
<b>FOREIGN BONDS (0.88%)</b>				<b>TOTAL NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS (100.00%)</b>			
<b>CORPORATES (0.31%)</b>							<b>441,762</b>
Dexia Municipal Agency, Series '323' 4.680%, 2029-03-09	592	522	727	† Denotes Level 3 financial assets			
Kaupthing Bank EHF, Zero Coupon 0.000%, 2031-01-18	1	-	1				
SES SA 5.300%, 2043-04-04	470	542	649				
		1,064	1,377				



# JOV Prosperity Canadian Fixed Income 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 (\$)
<b>ASSETS</b>				
<b>Investments</b>				
Equities	280	-	459	739
Investment funds	222,329	-	-	222,329
Bonds	-	212,513	606	213,119
Short-term investments	-	-	-	-
	222,609	212,513	1,065	436,187
<b>Derivatives</b>				
Derivative financial instruments	-	-	-	-
<b>LIABILITIES</b>				
<b>Derivatives</b>				
Derivative financial instruments	-	(393)	-	(393)
<b>Total</b>	222,609	212,120	1,065	435,794

#### As at March 31, 2020

	Financial Instruments at Fair Value			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
<b>ASSETS</b>				
<b>Investments</b>				
Equities	92	-	922	1,014
Investment funds	209,095	-	-	209,095
Bonds	-	197,768	525	198,293
Short-term investments	-	-	-	-
	209,187	197,768	1,447	408,402
<b>Derivatives</b>				
Derivative financial instruments	-	21	-	21
<b>LIABILITIES</b>				
<b>Derivatives</b>				
Derivative financial instruments	-	(325)	-	(325)
<b>Total</b>	209,187	197,464	1,447	408,098

During the period ending September 30, 2020, there was a transfer of \$523 from Level 2 to Level 3 related to a change in the fair value measurement of certain bond holdings. There were no significant transfers between the levels for the period ended March 31, 2020.

The following table provides financial instruments recognized at fair value and for which Level 3 inputs were used in determining fair value:

	Fair Value Measurements for Level 3 Securities			
	September 30, 2020		March 31, 2020	
	Bonds (\$)	Equities (\$)	Bonds (\$)	Equities (\$)
<b>Balance - beginning of the period</b>	525	922	493	1,002
Net realized gain (loss) on investments	-	375	-	-
Net realized gain (loss) on derivatives	-	-	-	-
Net change in unrealized appreciation (depreciation) on investments	(442)	(535)	32	(80)
Net change in unrealized appreciation (depreciation) on derivatives	-	-	-	-
Purchases	-	72	-	-
Sales	-	(375)	-	-
Transfers into Level 3	523	-	-	-
Transfers out of Level 3	-	-	-	-
<b>Balance - end of the period</b>	606	459	525	922
<b>Change in unrealized gain (loss) of investments and derivatives held at end of the period</b>	(442)	(535)	32	(80)

# JOV Prosperity Canadian Fixed Income Fund

## Discussion of Financial Instrument Risk Management (unaudited)

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

The tables below summarize the valuation techniques and the unobservable inputs used in the fair value measurement of Level 3 financial instruments as of September 30, 2020 and March 31, 2020. The unobservable inputs used in valuation of Level 3 financial instruments can vary considerably over time depending on company specific factors and economic or market conditions. The table also illustrates the potential impact on the Fund if the unobservable inputs used in the valuation techniques had increased or decreased with all other variables held constant. Certain unobservable inputs used in the valuation techniques are not reasonably expected to shift and are indicated in the tables below as "n/a". Securities where the reasonable shift in the unobservable input did not result in a material impact on the Fund are indicated in the table below as nil.

### As at September 30, 2020

Holdings	Valuation technique	Unobservable Input	Carrying Value	Reasonable shift (+/-)	Change in Valuation (+/-)
U.S. Dollar-Denominated Bonds*	Internal Fundamental Model	Discounted cash flow analysis, relative value and option pricing methodologies	240	n/a	n/a
Equities	Internal Fundamental Model	Liquidity Discount	386	+10%/-10%	+/-39
Equities	Fair Value at Cost	Purchase Price	72	n/a	n/a
Bonds	Internal Fundamental Model	Liquidity Discount	366	+10%/-10%	+/-52
			<b>1,064</b>		

### As at March 31, 2020

Holdings	Valuation technique	Unobservable Input	Carrying Value	Reasonable shift (+/-)	Change in Valuation (+/-)
U.S. Dollar-Denominated Bonds*	Fair Value at Cost	Purchase Price	525	n/a	n/a
Equities	Internal Fundamental Model	Conversion Value	524	n/a	n/a
Equities	Internal Fundamental Model	Liquidity Discount	358	+10%/-10%	+/-51
Equities	Fair Value at Cost	Purchase Price	40	n/a	n/a

\* Level 3 U.S. dollar-denominated holdings are translated into Canadian Dollars at the applicable daily closing foreign exchange rate.

The Fund's net assets are also invested in reference funds, the Fund may be indirectly exposed to financial instrument risks. Only direct exposure to risks arising from the Fund's financial instruments is presented.

### 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 (%)
AAA	9.39	12.50
AA	9.09	9.60
A	18.91	14.80
BBB	5.78	7.00
BB or lower	4.89	3.70
Not rated	0.27	0.30

\* 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.

# JOV Prosperity Canadian Fixed Income Fund

## Discussion of Financial Instrument Risk Management (unaudited)

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

### 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 (%)
Corporate Bonds	29.38	28.61
Provincial Bonds and Guarantees	25.62	22.03
Investment Funds - Bond	13.87	13.83
Asset-Backed Securities	10.83	10.94
Federal Bonds and Guarantees	10.17	13.85
Investment Funds - Equity	6.16	5.88
Municipal bonds	1.59	2.15
Other Net Assets	1.56	1.80
Supranational Guarantees	0.57	0.31
Energy	0.09	0.10
Short-Term Investments	0.05	0.35
Industrials	0.03	-
Consumer Discretionary	0.03	0.02
Global Bonds	0.03	-
Information Technology	0.02	0.13

### 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.

The Fund may hold derivatives assets or liabilities. These assets or liabilities may have a contractual maturity date of greater than 30 days.

### Interest Rate Risk

The tables below summarize the Fund's exposure to interest rate risk by remaining terms to maturity as at September 30, 2020 and March 31, 2020. If the prevailing interest rates had been raised or lowered by 1%, assuming a parallel shift in the yield curve, with all other factors remaining constant, the Net Assets would have respectively decreased or increased by the amount presented under "Impact on Net Assets". The Fund's sensitivity to interest rate changes was estimated using the weighted average duration of the portfolio. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### As at September 30, 2020

	< 1 year (\$)	1-5 years (\$)	6-10 years (\$)	> 10 years (\$)	Non-interest Bearing (\$)	Total (\$)	Impact on Net Assets (\$)
Investments	15,236	81,306	52,077	64,500	223,068	436,187	15,894
Cash/Margin/ (Bank overdraft)	4,261	-	-	-	-	4,261	-
Other assets	-	-	-	-	2,339	2,339	-
Liabilities	-	-	-	-	1,025	1,025	-

#### As at March 31, 2020

	< 1 year (\$)	1-5 years (\$)	6-10 years (\$)	> 10 years (\$)	Non-interest Bearing (\$)	Total (\$)	Impact on Net Assets (\$)
Investments	13,775	93,618	28,750	62,149	210,109	408,401	12,606
Cash/Margin/ (Bank overdraft)	7,057	-	-	-	-	7,057	-
Other assets	-	-	-	-	4,633	4,633	-
Liabilities	-	-	-	-	5,064	5,064	-

### Currency Risk

The tables below summarize the Fund's exposure to currency risk, if any, based on monetary and non-monetary assets of the Fund. The tables also illustrate the impact on Net Assets if the Canadian dollar had strengthened or weakened by 5% in relation to all foreign currencies, with all other factors remaining constant. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### As at September 30, 2020

Currency*	Financial Instruments (\$)	Currency Contracts (\$)	Total Exposure (\$)	Percentage of Net Assets (%)	Impact on Net Assets (\$)
EUR	1	-	1	-	-
GBP	1	-	1	-	-
USD	97,588	(28,291)	69,297	15.69	3,465

# JOV Prosperity Canadian Fixed Income Fund

## Discussion of Financial Instrument Risk Management (unaudited)

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

### As at March 31, 2020

Currency*	Financial Instruments (\$)	Currency Contracts (\$)	Total Exposure (\$)	Percentage of Net Assets (%)	Impact on Net Assets (\$)
EUR	1	-	1	-	-
GBP	2	-	2	-	-
USD	89,648	(23,672)	65,976	15.90	3,299

\* See generic note 6 for currency symbols.

## 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 (\$)
FTSE Canada Universe Bond Index	3.00	100.00	2.96	13,074

### As at March 31, 2020

Benchmark	Change in Benchmark (%)	Exposure to Benchmark (%)	Impact on Net Assets (%)	Impact on Net Assets (\$)
FTSE Canada Universe Bond Index	3.00	100.00	2.95	12,261

# JOV Prosperity Canadian Fixed Income 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 seek to provide a consistent and superior income stream, while preserving capital by investing in Canadian fixed income securities of governments and companies, preferred shares of Canadian companies, and units of Canadian real estate investment trusts. The Fund may also invest in mutual funds managed by us, our affiliates or other fund managers that are consistent with this investment objective.

### The Fund

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

	Dates of Inception MM/DD/YY
Series O	02/24/04

### Terminated Series

The following series of the Fund was terminated on the date indicated below:

Series	Date
Series B	6/13/2019

### Series Mergers

The exchange ratio (represented by the number of units issued by the Continuing Series in exchange for each outstanding unit of the Terminating Series), for the total number of units issued by the Continuing Series and the Net Asset Value acquired are summarized as follows:

Merger Date	Terminating Series	Continuing Series	Exchange Ratio	Number of Units Issued	Net Asset Value Transferred
June 12, 2019	Series B	Series O	1.0012	19	208

### Open Currency Contracts\*

The Fund entered into currency contracts to reduce its foreign currency exposure. No cash collateral was pledged for the below currency contracts, therefore no cash collateral information will be shown. The details of these currency contracts are as follows:

As at September 30, 2020

Settlement Date	Number of Contracts	To Purchase (\$)	To Sell (\$)	Unrealized Gain (Loss) - CAD (\$)	Counterparty	Credit Rating
December 11, 2020	1	CAD 27,898	USD 21,186	(393)	RBC Dominion Securities Inc., Toronto	A-1+
	1			(393)		

## Management of Financial Risks

See Generic Note 5

### Investments in Unconsolidated Structured Entities

As at September 30, 2020 and March 31, 2020, the Fund had the following interests in unconsolidated structured entities to disclose:

Type	Carrying Value September 30, 2020	Carrying Value March 31, 2020
Mortgage/Asset-Backed Securities	7,085	7,538
Investment Funds	222,329	209,095

### Offsetting Financial Assets and Liabilities

The following tables present offsetting of financial assets and liabilities and collateral amounts that would occur if future events, such as bankruptcy or termination of contracts were to arise. No amounts were offset in the financial statements, therefore the Gross Amount represents the amounts shown in the Statements of Financial Position.

As at September 30, 2020

	Gross Amount (\$)	Amounts Eligible for Offset		Net amount (\$)
		Financial Instruments (\$)	Collateral Received/Pledged (\$)	
<b>Financial assets - by type</b>				
Open currency contracts	-	-	-	-
<b>Total</b>	-	-	-	-
<b>Financial liabilities - by type</b>				
Open currency contracts	393	-	-	393
<b>Total</b>	393	-	-	393

As at March 31, 2020

	Gross Amount (\$)	Amounts Eligible for Offset		Net amount (\$)
		Financial Instruments (\$)	Collateral Received/Pledged (\$)	
<b>Financial assets - by type</b>				
Open currency contracts	21	21	-	-
<b>Total</b>	21	21	-	-
<b>Financial liabilities - by type</b>				
Open currency contracts	325	21	-	304
<b>Total</b>	325	21	-	304

# JOV Prosperity Canadian Fixed Income Fund

## Supplemental Notes to Financial Statements - Fund Specific Information

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

As at March 31, 2020

Settlement Date	Number of Contracts		To Purchase (\$)		To Sell (\$)	Unrealized Gain (Loss) - CAD (\$)	Counterparty	Credit Rating
June 18, 2020	1	USD	1,216	CAD	1,751	21	RBC Dominion Securities	AA
	1					21		
June 18, 2020	4	USD	15,426	CAD	21,617	(325)	RBC Dominion Securities	AA
	4					(325)		

\* See Generic Note 6 for counterparty information

## 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 O	0.45	0.45

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 B	2020	-	-	-	-	-
	2019	18	-	18	-	7
Series O	2020	37,589	2,045	1,906	37,728	37,593
	2019	38,418	1,916	2,127	38,207	38,451

## Securities Lending

See Generic Note 10

For the periods ended September 30, 2020 and September 30, 2019, the Fund's securities lending income, net of withholding tax, was as follows:

	2020 (\$)	2019 (\$)
Gross securities lending income	13	20
Securities lending charges	(4)	(6)
Net securities lending income received by the Fund	9	14

During the periods ended September 30, 2020 and September 30, 2019, securities lending charges paid to the Fund's custodian, RBC Investor & Treasury Services, represented approximately 30% of the gross securities lending income.

As at September 30, 2020 and March 31, 2020, the fair value of the loaned securities of the Fund included in the investments is as follows:

As at September 30, 2020	Aggregate Value of Securities on Loan (\$)	Aggregate Value of Collateral for Loan (\$)
	32,522	33,172
As at March 31, 2020	Aggregate Value of Securities on Loan (\$)	Aggregate Value of Collateral for Loan (\$)
	31,489	32,119

The collateral held for the loaned securities may consist of bonds, treasury bills, banker's acceptances and letters of credit.

# 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 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 JOV Prosperity Funds is RBC Investor Services Trust (the "Trustee"). The trustee of the Leon Frazer 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.

Effective May 1, 2017, JOV Leon Frazer Dividend Fund was renamed to Leon Frazer Canadian Dividend Fund.

Effective July 21, 2015, Leon Frazer Canadian Dividend Fund, Jov Prosperity Canadian Equity Fund, Jov Prosperity Canadian Fixed Income Fund, Jov Prosperity International Equity Fund and Jov Prosperity U.S. Equity Fund became Pooled Funds. These Funds, including Leon Frazer U.S. Dividend Companion Fund and Leon Frazer Income Stability Fund, are trust funds 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.

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 Funds' functional and presentation currency is Canadian dollars, except for Leon Frazer U.S. Dividend Companion Fund, whose functional and presentation currency is U.S. dollars.

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 and 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.

# Generic Notes to the Financial Statements

September 30, 2020

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

## 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.

## 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.

## 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 unrealized 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.



# Generic Notes to the Financial Statements

September 30, 2020

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

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.

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.

# Generic Notes to the Financial Statements

September 30, 2020

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

## 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.

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.

# Generic Notes to the Financial Statements

September 30, 2020

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

## 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.

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.

# Generic Notes to the Financial Statements

September 30, 2020

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

## 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.

## d) Offsetting Financial Assets and Liabilities

Some Funds may invest in derivative financial instruments through an International Swaps and Derivatives Association's (ISDA) Master Agreement. This agreement requires guarantees by the counterparty or by the Funds. The amount of assets to pledge is based on changes in fair value of financial instruments. The fair value is monitored daily. The assets pledged by the Funds as collateral can consist of, but are not limited to cash, Treasury bills and Government of Canada bonds. The Funds may receive assets as collateral from the counterparty. According to the conditions set forth in the Credit Support Annex to the ISDA, the Funds may be authorized to sell or re-pledge the assets they receive. In addition, under the ISDA, the Funds have the right to offset in the event of default, insolvency, bankruptcy or other early termination.

## 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 - Colombian 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

Each series of the Funds, 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.

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.

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.

### b) Operating Expenses

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.

## 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.

# Generic Notes to the Financial Statements

September 30, 2020

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

The authorized redeemable units of each series of the Trusts 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 O units of the Trust do not pay sales commission upon purchase, nor redemption fees upon redemption.

## 9. Soft Dollar Commissions

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 Funds to those brokers can be found in the Supplemental Notes to Financial Statements - Fund Specific Information.

## 10. Securities Lending

Certain Funds may enter into securities lending transactions. These transactions will be used in conjunction with other investment strategies in order to seek enhanced returns. The credit risk related to securities lending transactions is limited by the fact that the value of cash or securities held as collateral by the Funds in connection with these transactions is at least 105% of the fair value of loaned securities, except on loans for U.S. securities or global fixed-income securities, for which the applicable percentage will be 102%. This amount is deposited by the borrower with a lending agent until the underlying security has been returned to the Funds in order to provide for the risk of counterparty default or collateral deficiency. The fair value of the loaned securities is monitored on a daily basis with additional collateral obtained or refunded as the market values fluctuate. It is the Funds' practice to obtain a guarantee from the lending agent against counterparty default, including collateral deficiency. Income from securities lending is disclosed separately in the Statements of Comprehensive Income.

## 11. 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.

## 12. 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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email: [operations@teic.com](mailto:operations@teic.com)

# JOV Prosperity Canadian 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 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 Prosperity Canadian Equity Fund

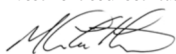
## Statements of Financial Position

As at In thousands (except per unit figures)	September 30 2020 (unaudited) \$	March 31 2020 (audited) \$
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Investments	79,655	69,022
Cash	1,474	1,523
Subscriptions receivable	12	311
Receivable for investments sold	70	28
Interest, dividends, distributions and other receivable	205	204
	<b>81,416</b>	<b>71,088</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Payable for investments purchased	104	35
Redemptions payable	14	260
Distributions payable	27	39
Expenses payable	56	52
	<b>201</b>	<b>386</b>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>	<b>81,215</b>	<b>70,702</b>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS BY SERIES</b>		
Series B	-	-
Series O	81,215	70,702
<b>UNITS OUTSTANDING</b>		
Series B	-	-
Series O	5,871	5,964
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT</b>		
Series B	-	-
Series O	<b>13.83</b>	<b>11.86</b>

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



Gerry DeBoer, Chief Financial Officer



Mark Arthur, President and Chief Executive Officer

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

## Statements of Comprehensive Income (unaudited)

For the periods ended September 30 In thousands (except per unit figures)	2020 \$	2019 \$
<b>INCOME</b>		
Interest for distribution purposes	5	39
Dividends	1,333	1,391
Securities lending	3	5
Foreign exchange gain (loss) on cash	-	1
Other changes in fair value of investments and derivative financial instruments		
Investments:		
Net realized gain (loss)	1,059	1,340
Net change in unrealized appreciation (depreciation)	10,704	241
Net gain (loss) in fair value of investments	11,763	1,581
Derivative financial instruments:		
Net realized gain (loss)	-	2
Net change in unrealized appreciation (depreciation)	-	-
Net gain (loss) in fair value of derivative financial instruments	-	2
Total other changes in fair value of investments and derivative financial instruments	11,763	1,583
	<b>13,104</b>	<b>3,019</b>
<b>EXPENSES</b>		
Management fees	330	422
Transaction costs	15	40
	<b>345</b>	<b>462</b>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>	<b>12,759</b>	<b>2,557</b>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS BY SERIES</b>		
Series B	-	1
Series O	12,759	2,556
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT</b>		
Series B	-	0.04
Series O	<b>2.15</b>	<b>0.38</b>

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

# JOV Prosperity Canadian Equity Fund

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

For the periods ended September 30	2020	2019
In thousands	\$	\$
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS AT THE BEGINNING OF THE PERIOD</b>		
Series B	-	390
Series O	70,702	102,782
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		
Series B	-	1
Series O	12,759	2,556
<b>DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS</b>		
From net investment income:		
Series B	-	-
Series O	(905)	(871)
	(905)	(871)
<b>REDEEMABLE UNITS TRANSACTIONS</b>		
Proceeds from redeemable units issued:		
Series B	-	-
Series O	3,233	2,444
Reinvestments of distribution to holders of redeemable units:		
Series B	-	-
Series O	850	823
Redemption of redeemable units:		
Series B	-	(391)
Series O	(5,424)	(9,920)
	(1,341)	(7,044)
<b>NET INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		
Series B	-	(390)
Series O	10,513	(4,968)
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS AT END OF THE PERIOD</b>		
Series B	-	-
Series O	81,215	97,814

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

## Statements of Cash Flows *(unaudited)*

For the periods ended September 30	2020	2019
In thousands	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	12,759	2,557
Adjustments		
Interest for distribution purposes	(5)	(39)
Dividends	(1,333)	(1,391)
Foreign exchange loss (gain) on cash	-	1
Net realized loss (gain) of investments and derivative financial instruments	(1,059)	(1,342)
Net change in unrealized depreciation (appreciation) of investments and derivative financial instruments	(10,704)	(241)
Proceeds from sale and maturity of investments	11,692	26,171
Purchases of investments	(10,535)	(18,919)
Increase / (decrease) in expenses payable	4	(7)
Interest received (paid)	5	39
Dividends received, net of withholding taxes	1,332	1,371
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	2,156	8,200
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Distribution paid to holders of redeemable units net of reinvested distributions	(67)	(555)
Proceeds from issuances of redeemable units	3,233	2,444
Change in subscriptions receivable	299	(104)
Proceeds from redemption of redeemable units	(5,424)	(10,311)
Change in redemptions payable	(246)	63
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	(2,205)	(8,463)
Foreign exchange gain (loss) on cash	-	1
<b>NET INCREASE (DECREASE) IN CASH</b>	(49)	(262)
Cash (Bank Overdraft) at Beginning of the Period	1,523	1,837
<b>CASH (BANK OVERDRAFT) AT END OF THE PERIOD</b>	1,474	1,575

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

# JOV Prosperity Canadian 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 \$	As at September 30, 2020 In thousands (except number of securities)	Number of Securities	Average Cost \$	Carrying Value \$
<b>CANADIAN EQUITIES (96.29%)</b>				<b>MATERIALS (10.13%)</b>			
<b>CONSUMER DISCRETIONARY (6.17%)</b>				Agnico Eagle Mines Ltd.			
Boyd Group Services Inc.	2,775	549	571	22,400	1,488	2,207	838
Canadian Tire Corp. Ltd., Class 'A'	8,100	787	1,085	26,000	322	350	424
Dollarama Inc.	13,700	564	699	8,250	370	424	391
Magna International Inc., Class 'A'	17,340	902	1,057	2,100	336	391	418
Park Lawn Corp.	11,800	335	325	56,200	434	418	974
Restaurant Brands International Inc.	12,000	1,006	918	30,000	1,445	974	1,557
Sleep Country Canada Holdings Inc.	17,700	381	353	29,845	1,574	1,557	370
		4,524	5,008	5,975	298	370	701
				10,725	427	701	8,230
					7,422	8,230	
<b>CONSUMER STAPLES (4.90%)</b>				<b>REAL ESTATE (0.94%)</b>			
Alimentation Couche-Tard Inc., Class 'B'	14,950	240	693	Allied Properties REIT	21,300	970	764
Loblaws Cos. Ltd.	14,090	793	982				
Maple Leaf Foods Inc.	15,600	439	424	<b>TELECOMMUNICATION SERVICES (8.31%)</b>			
Metro Inc., Class 'A'	14,800	772	946	BCE Inc.	35,400	2,200	1,955
Saputo Inc.	28,000	1,125	935	Rogers Communications Inc., Class 'B'	23,598	1,169	1,246
		3,369	3,980	Shaw Communications Inc., Class 'B'	23,580	545	573
<b>ENERGY (9.88%)</b>				Shopify Inc., Class 'A'			
Canadian Natural Resources Ltd.	46,000	1,471	982	670	366	912	
Enbridge Inc.	46,000	2,322	1,789	88,000	2,245	2,062	
Pason Systems Inc.	44,270	648	234		6,525	6,748	
Pembina Pipeline Corp.	26,700	1,308	755	<b>UTILITIES (7.22%)</b>			
Suncor Energy Inc.	68,144	2,390	1,108	Boralex Inc., Class 'A'	9,300	318	358
TC Energy Corp.	49,350	3,310	2,759	Brookfield Infrastructure Partners L.P.	8,450	486	536
Tourmaline Oil Corp.	24,600	329	400	Brookfield Renewable Partners L.P.	20,950	1,088	1,467
		11,778	8,027	Canadian Utilities Ltd., Class 'A'	25,000	998	794
<b>FINANCIALS (28.02%)</b>				Emera Inc.			
Bank of Montreal	37,000	3,480	2,880	21,000	1,163	1,149	
Bank of Nova Scotia	37,921	2,374	2,098	Fortis Inc.	20,700	1,055	1,127
Brookfield Asset Management Inc., Class 'A'	50,294	1,890	2,216	Northland Power Inc.	10,750	351	433
Canadian Imperial Bank of Commerce	12,243	1,081	1,219		5,459	5,864	
Element Fleet Management Corp.	39,700	439	440	<b>TOTAL CANADIAN EQUITIES</b>			
Intact Financial Corp.	7,675	722	1,094		<b>73,436</b>	<b>78,204</b>	
Manulife Financial Corp.	90,966	1,865	1,685	<b>U.S. EQUITIES (1.57%)</b>			
Royal Bank of Canada	46,761	3,710	4,371	<b>CONSUMER STAPLES (1.21%)</b>			
Sun Life Financial Inc.	42,256	2,409	2,293	Primo Water Corp.	52,000	960	983
Toronto-Dominion Bank (The)	72,413	3,589	4,463	<b>FINANCIALS (0.36%)</b>			
		21,559	22,759	Brookfield Renewable Corp.	3,750	182	293
<b>HEALTH CARE (0.72%)</b>				<b>TOTAL U.S. EQUITIES</b>			
Jamieson Wellness Inc.	13,900	319	586		<b>1,142</b>	<b>1,276</b>	
<b>INDUSTRIALS (12.31%)</b>				<b>OTHER ASSETS LESS LIABILITIES (1.92%)</b>			
ATS Automation Tooling Systems Inc.	22,350	395	387				1,560
Canadian National Railway Co.	11,500	1,343	1,631	<b>TOTAL NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS (100.00%)</b>			
Canadian Pacific Railway Ltd.	7,400	2,064	2,996				<b>81,215</b>
Cargojet Inc.	3,800	322	725	<b>SHORT-TERM INVESTMENTS (0.22%)</b>			
Richelieu Hardware Ltd.	27,855	707	979	Government of Canada Treasury Bill	175	175	175
Ritchie Bros. Auctioneers Inc.	11,000	620	869	<b>TOTAL INVESTMENT PORTFOLIO (98.08%)</b>			
Russel Metals Inc.	46,000	1,011	836		<b>74,753</b>	<b>79,655</b>	
Waste Connections Inc.	11,350	1,039	1,571	<b>OTHER ASSETS LESS LIABILITIES (1.92%)</b>			
		7,501	9,994				1,560
<b>INFORMATION TECHNOLOGY (7.69%)</b>				<b>TOTAL NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS (100.00%)</b>			
CGI Inc.	9,425	426	852				<b>81,215</b>
Constellation Software Inc.	475	433	703				
Descartes Systems Group Inc. (The)	7,900	615	599				
Enghouse Systems Ltd.	12,190	377	887				
Kinaxis Inc.	3,350	275	657				
Open Text Corp.	21,073	886	1,186				
Thomson Reuters Corp.	12,800	998	1,360				
		4,010	6,244				

# JOV Prosperity Canadian 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 (\$)
<b>ASSETS</b>				
<b>Investments</b>				
Equities	79,480	-	-	79,480
Investment funds	-	-	-	-
Bonds	-	-	-	-
Short-term investments	-	175	-	175
	79,480	175	-	79,655
<b>Derivatives</b>				
Derivative financial instruments	-	-	-	-
<b>LIABILITIES</b>				
<b>Derivatives</b>				
Derivative financial instruments	-	-	-	-
<b>Total</b>	79,480	175	-	79,655

#### As at March 31, 2020

	Financial Instruments at Fair Value			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
<b>ASSETS</b>				
<b>Investments</b>				
Equities	68,403	-	-	68,403
Investment funds	-	-	-	-
Bonds	-	-	-	-
Short-term investments	-	619	-	619
	68,403	619	-	69,022
<b>Derivatives</b>				
Derivative financial instruments	-	-	-	-
<b>LIABILITIES</b>				
<b>Derivatives</b>				
Derivative financial instruments	-	-	-	-
<b>Total</b>	68,403	619	-	69,022

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 did not invest a significant portion of its holdings in debt instruments, therefore the Fund had no significant exposure to credit risk.

### 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	28.38	29.95
Industrials	12.31	11.70
Materials	10.13	7.75
Energy	9.88	11.71
Telecommunication Services	8.31	8.19
Information Technology	7.69	7.63
Utilities	7.22	5.99
Consumer Discretionary	6.17	5.27
Consumer Staples	6.11	6.70
Other Net Assets	1.92	2.38
Real Estate	0.94	1.16
Health Care	0.72	0.69
Short-Term Investments	0.22	0.88

### 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 Prosperity Canadian 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 Composite Index	10.00	100.00	9.79	7,948

### As at March 31, 2020

Benchmark	Change in Benchmark (%)	Exposure to Benchmark (%)	Impact on Net Assets (%)	Impact on Net Assets (\$)
S&P/TSX Composite Index	10.00	100.00	9.67	6,840

# JOV Prosperity Canadian 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 seek to provide long-term capital appreciation through investment in the Canadian equity market by investing in equity securities of Canadian issuers. The Fund may also invest in mutual funds managed by us, our affiliates or other fund managers that are consistent with this investment objective.

### The Fund

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

	Dates of Inception MM/DD/YY
Series O	02/24/04

### Terminated Series

The following series of the Fund was terminated on the date indicated below:

Series	Date
Series B	6/13/2019

### Series Mergers

The exchange ratio (represented by the number of units issued by the Continuing Series in exchange for each outstanding unit of the Terminating Series), for the total number of units issued by the Continuing Series and the Net Asset Value acquired are summarized as follows:

Merger Date	Terminating Series	Continuing Series	Exchange Ratio	Number of Units Issued	Net Asset Value Transferred
<b>June 12, 2019</b>	Series B	Series O	0.7313	26	389

## 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 O	0.75	0.75

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 B	2020	-	-	-	-	-
	2019	36	-	36	-	14
Series O	2020	5,964	316	409	5,871	5,941
	2019	6,978	219	666	6,531	6,755

### 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 (\$)
3	1

### Securities Lending

See Generic Note 10

For the periods ended September 30, 2020 and September 30, 2019, the Fund's securities lending income, net of withholding tax, was as follows:

	2020 (\$)	2019 (\$)
<b>Gross securities lending income</b>	4	7
Securities lending charges	(1)	(2)
<b>Net securities lending income received by the Fund</b>	3	5

During the periods ended September 30, 2020 and September 30, 2019, securities lending charges paid to the Fund's custodian, RBC Investor & Treasury Services, represented approximately 30% of the gross securities lending income.

As at September 30, 2020 and March 31, 2020, the fair value of the loaned securities of the Fund included in the investments is as follows:

As at September 30, 2020	Aggregate Value of Securities on Loan (\$)	Aggregate Value of Collateral for Loan (\$)
	7,292	7,438

# JOV Prosperity Canadian Equity Fund

## Supplemental Notes to Financial Statements - Fund Specific Information

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

As at March 31, 2020

Aggregate Value of Securities on Loan (\$)	Aggregate Value of Collateral for Loan (\$)
2,869	2,926

The collateral held for the loaned securities may consist of bonds, treasury bills, banker's acceptances and letters of credit.



# 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 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 JOV Prosperity Funds is RBC Investor Services Trust (the "Trustee"). The trustee of the Leon Frazer 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.

Effective May 1, 2017, JOV Leon Frazer Dividend Fund was renamed to Leon Frazer Canadian Dividend Fund.

Effective July 21, 2015, Leon Frazer Canadian Dividend Fund, Jov Prosperity Canadian Equity Fund, Jov Prosperity Canadian Fixed Income Fund, Jov Prosperity International Equity Fund and Jov Prosperity U.S. Equity Fund became Pooled Funds. These Funds, including Leon Frazer U.S. Dividend Companion Fund and Leon Frazer Income Stability Fund, are trust funds 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.

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 Funds' functional and presentation currency is Canadian dollars, except for Leon Frazer U.S. Dividend Companion Fund, whose functional and presentation currency is U.S. dollars.

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 and 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.

# Generic Notes to the Financial Statements

September 30, 2020

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

## 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.

## 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.

## 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 unrealized 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.

# Generic Notes to the Financial Statements

September 30, 2020

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

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.

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.

# Generic Notes to the Financial Statements

September 30, 2020

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

## 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.

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.

# Generic Notes to the Financial Statements

September 30, 2020

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

## 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.

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.

# Generic Notes to the Financial Statements

September 30, 2020

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

## 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.

## d) Offsetting Financial Assets and Liabilities

Some Funds may invest in derivative financial instruments through an International Swaps and Derivatives Association's (ISDA) Master Agreement. This agreement requires guarantees by the counterparty or by the Funds. The amount of assets to pledge is based on changes in fair value of financial instruments. The fair value is monitored daily. The assets pledged by the Funds as collateral can consist of, but are not limited to cash, Treasury bills and Government of Canada bonds. The Funds may receive assets as collateral from the counterparty. According to the conditions set forth in the Credit Support Annex to the ISDA, the Funds may be authorized to sell or re-pledge the assets they receive. In addition, under the ISDA, the Funds have the right to offset in the event of default, insolvency, bankruptcy or other early termination.

## 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 - Colombian 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

Each series of the Funds, 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.

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.

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.

### b) Operating Expenses

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.

## 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.

# Generic Notes to the Financial Statements

September 30, 2020

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

The authorized redeemable units of each series of the Trusts 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 O units of the Trust do not pay sales commission upon purchase, nor redemption fees upon redemption.

## 9. Soft Dollar Commissions

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 Funds to those brokers can be found in the Supplemental Notes to Financial Statements - Fund Specific Information.

## 10. Securities Lending

Certain Funds may enter into securities lending transactions. These transactions will be used in conjunction with other investment strategies in order to seek enhanced returns. The credit risk related to securities lending transactions is limited by the fact that the value of cash or securities held as collateral by the Funds in connection with these transactions is at least 105% of the fair value of loaned securities, except on loans for U.S. securities or global fixed-income securities, for which the applicable percentage will be 102%. This amount is deposited by the borrower with a lending agent until the underlying security has been returned to the Funds in order to provide for the risk of counterparty default or collateral deficiency. The fair value of the loaned securities is monitored on a daily basis with additional collateral obtained or refunded as the market values fluctuate. It is the Funds' practice to obtain a guarantee from the lending agent against counterparty default, including collateral deficiency. Income from securities lending is disclosed separately in the Statements of Comprehensive Income.

## 11. 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.

## 12. 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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# JOV Prosperity U.S. 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 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 Prosperity U.S. Equity Fund

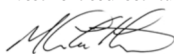
## Statements of Financial Position

As at	September 30	March 31
In thousands (except per unit figures)	2020 (unaudited) \$	2020 (audited) \$
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Investments	98,451	86,655
Cash	936	3,353
Subscriptions receivable	-	85
Receivable for investments sold	255	-
Interest, dividends, distributions and other receivable	74	79
	<b>99,716</b>	<b>90,172</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Payable for investments purchased	433	-
Redemptions payable	119	181
Distributions payable	-	14
Expenses payable	77	74
	<b>629</b>	<b>269</b>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>	<b>99,087</b>	<b>89,903</b>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS BY SERIES</b>		
Series B	-	-
Series O	99,087	89,903
<b>UNITS OUTSTANDING</b>		
Series B	-	-
Series O	5,492	6,031
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT</b>		
Series B	-	-
Series O	18.04	14.91

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



Gerry DeBoer, Chief Financial Officer



Mark Arthur, President and Chief Executive Officer

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

## Statements of Comprehensive Income (unaudited)

For the periods ended September 30	2020	2019
In thousands (except per unit figures)	\$	\$
<b>INCOME</b>		
Interest for distribution purposes	1	9
Dividends	696	1,995
Securities lending	2	1
Foreign exchange gain (loss) on cash	(157)	(32)
Other changes in fair value of investments and derivative financial instruments:		
Investments:		
Net realized gain (loss)	3,512	5,331
Net change in unrealized appreciation (depreciation)	15,145	265
Net gain (loss) in fair value of investments	18,657	5,596
Derivative financial instruments:		
Net realized gain (loss)	30	(10)
Net change in unrealized appreciation (depreciation)	(2)	(5)
Net gain (loss) in fair value of derivative financial instruments	28	(15)
Total other changes in fair value of investments and derivative financial instruments	18,685	5,581
	<b>19,227</b>	<b>7,554</b>
<b>EXPENSES</b>		
Management fees	466	560
Transaction costs	5	13
Foreign withholding taxes	100	250
	<b>571</b>	<b>823</b>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>	<b>18,656</b>	<b>6,731</b>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS BY SERIES</b>		
Series B	-	3
Series O	18,656	6,728
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT</b>		
Series B	-	0.26
Series O	3.24	0.96

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

# JOV Prosperity U.S. Equity Fund

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

For the periods ended September 30 In thousands	2020 \$	2019 \$
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS AT THE BEGINNING OF THE PERIOD</b>		
Series B	-	202
Series O	89,903	120,607
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		
Series B	-	3
Series O	18,656	6,728
<b>DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS</b>		
From net investment income:		
Series B	-	-
Series O	(294)	(1,348)
	(294)	(1,348)
<b>REDEEMABLE UNITS TRANSACTIONS</b>		
Proceeds from redeemable units issued:		
Series B	-	-
Series O	604	533
Reinvestments of distribution to holders of redeemable units:		
Series B	-	-
Series O	255	1,242
Redemption of redeemable units:		
Series B	-	(205)
Series O	(10,037)	(13,194)
	(9,178)	(11,624)
<b>NET INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		
Series B	-	(202)
Series O	9,184	(6,039)
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS AT END OF THE PERIOD</b>		
Series B	-	-
Series O	99,087	114,568

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

## Statements of Cash Flows *(unaudited)*

For the periods ended September 30 In thousands	2020 \$	2019 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	18,656	6,731
Adjustments		
Interest for distribution purposes	(1)	(9)
Dividends	(696)	(1,995)
Foreign withholding taxes	100	250
Foreign exchange loss (gain) on cash	157	32
Net realized loss (gain) of investments and derivative financial instruments	(3,542)	(5,321)
Net change in unrealized depreciation (appreciation) of investments and derivative financial instruments	(15,143)	(260)
Proceeds from sale and maturity of investments	19,939	34,107
Purchases of investments	(12,872)	(21,801)
Increase / (decrease) in expenses payable	3	(7)
Interest received (paid)	1	9
Dividends received, net of withholding taxes	601	1,832
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	7,203	13,568
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Distribution paid to holders of redeemable units net of reinvested distributions	(53)	(455)
Proceeds from issuances of redeemable units	604	533
Change in subscriptions receivable	85	1
Issuance of units from other series	(62)	-
Proceeds from redemption of redeemable units	(10,037)	(13,399)
Change in redemptions payable	(62)	(8)
Redemption of units from other series	62	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	(9,463)	(13,328)
Foreign exchange gain (loss) on cash	(157)	(32)
<b>NET INCREASE (DECREASE) IN CASH</b>	(2,417)	208
Cash (Bank Overdraft) at Beginning of the Period	3,353	1,354
<b>CASH (BANK OVERDRAFT) AT END OF THE PERIOD</b>	936	1,562

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

# JOV Prosperity U.S. 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 \$	As at September 30, 2020 In thousands (except number of securities)	Number of Securities	Average Cost \$	Carrying Value \$
<b>CANADIAN EQUITIES (0.54%)</b>				<b>HEALTH CARE (continued)</b>			
<b>INDUSTRIALS (0.54%)</b>				Hologic Inc.	5,782	389	513
Canadian National Railway Co.	3,773	236	537	Illumina Inc.	687	268	284
<b>U.S. EQUITIES (91.85%)</b>				Johnson & Johnson	9,376	1,431	1,865
<b>CONSUMER DISCRETIONARY (9.58%)</b>				Merck & Co. Inc.	4,832	537	535
Amazon.com Inc.	241	592	1,014	PRA Health Sciences Inc.	2,878	374	390
Booking Holdings Inc.	97	246	222	Thermo Fisher Scientific Inc.	1,146	133	676
Cinemark Holdings Inc.	2,365	107	32	UnitedHealth Group Inc.	4,289	1,123	1,786
Dollar General Corp.	6,458	1,509	1,808	Waters Corp.	2,675	795	699
Home Depot Inc. (The)	5,207	1,075	1,931	West Pharmaceutical Services Inc.	610	120	224
IAA Inc.	9,777	595	680	Zoetis Inc.	7,814	838	1,726
Nike Inc., Class 'B'	6,314	655	1,059			9,860	13,986
Starbucks Corp.	14,388	1,120	1,650	<b>INDUSTRIALS (8.73%)</b>			
Target Corp.	2,744	394	577	3M Co.	1,025	232	219
Tractor Supply Co.	2,724	226	522	A. O. Smith Corp.	5,730	367	404
		6,519	9,495	Ametek Inc.	10,209	1,145	1,355
<b>CONSUMER STAPLES (5.08%)</b>				Carrier Global Corp.	10,935	325	446
Colgate-Palmolive Co.	3,936	271	406	Cintas Corp.	3,058	533	1,360
Costco Wholesale Corp.	885	179	420	CSX Corp.	2,310	219	240
Estée Lauder Cos. Inc. (The), Class 'A'	621	74	181	Fastenal Co.	4,685	227	282
Hershey Co. (The)	2,455	482	470	Fortive Corp.	4,316	410	439
Kimberly-Clark Corp.	1,551	229	306	Honeywell International Inc.	3,012	283	662
Mondelez International Inc., Class 'A'	4,304	175	330	Old Dominion Freight Line Inc.	239	33	58
PepsiCo Inc.	2,330	419	431	Otis Worldwide Corp.	912	68	76
Procter & Gamble Co. (The)	6,245	1,013	1,159	Roper Technologies Inc.	2,523	826	1,332
Tyson Foods Inc., Class 'A'	16,684	1,745	1,326	TriMas Corp.	7,280	301	222
		4,587	5,029	Union Pacific Corp.	635	149	167
<b>ENERGY (0.54%)</b>				Verisk Analytics Inc.	5,610	1,106	1,389
ConocoPhillips	3,967	278	174			6,224	8,651
Enterprise Products Partners L.P.	14,205	391	300	<b>INFORMATION TECHNOLOGY (21.71%)</b>			
EOG Resources Inc.	1,271	123	61	Adobe Inc.	1,211	229	793
		792	535	Amdocs Ltd.	4,283	364	328
<b>FINANCIALS (16.66%)</b>				Amphenol Corp., Class 'A'	4,995	695	722
Arthur J. Gallagher & Co.	2,755	365	389	Analog Devices Inc.	2,089	249	326
Bank of America Corp.	19,305	403	621	ANSYS Inc.	2,048	695	895
BlackRock Inc.	255	168	192	Apple Inc.	5,475	114	847
Blackstone Group Inc. (The), Class 'A'	3,250	120	227	Applied Materials Inc.	2,504	209	199
Cboe Global Markets Inc.	1,385	211	162	Aspen Technology Inc.	2,025	306	342
CME Group Inc.	10,035	2,422	2,243	Broadcom Inc.	2,740	850	1,333
Goldman Sachs Group Inc. (The)	1,790	373	481	Broadridge Financial Solutions Inc.	7,339	1,019	1,294
Intercontinental Exchange Inc.	5,960	746	797	Cisco Systems Inc.	2,371	147	125
JPMorgan Chase & Co.	9,036	683	1,162	Cognizant Technology Solutions Corp., Class 'A'	8,679	701	805
Marsh & McLennan Cos. Inc.	9,815	1,415	1,504	Electronic Arts Inc.	3,098	441	540
Mastercard Inc., Class 'A'	6,425	1,773	2,901	Fidelity National Information Services Inc.	3,833	253	754
Nasdaq Inc.	3,279	214	537	Intuit Inc.	5,168	1,879	2,252
S&P Global Inc.	1,483	522	714	Microsoft Corp.	17,078	3,450	4,799
State Street Corp.	3,340	335	265	Moody's Corp.	3,550	1,202	1,374
TD Ameritrade Holding Corp.	3,250	236	170	Paychex Inc.	6,275	699	669
Truist Financial Corp.	6,583	436	335	PayPal Holdings Inc.	1,020	146	268
Visa Inc., Class 'A'	13,341	2,082	3,563	Salesforce.com Inc.	1,642	289	551
Wells Fargo & Co.	7,907	584	248	Texas Instruments Inc.	11,449	1,472	2,184
		13,088	16,511	VeriSign Inc.	395	108	108
<b>HEALTH CARE (14.11%)</b>						15,517	21,508
AmerisourceBergen Corp.	1,570	183	203	<b>MATERIALS (4.79%)</b>			
Baxter International Inc.	3,815	417	410	AptarGroup Inc.	5,095	755	770
Becton Dickinson & Co.	4,742	1,597	1,474	Crown Holdings Inc.	3,995	236	410
Cigna Corp.	1,380	351	312	DuPont de Nemours Inc.	3,742	367	277
Danaher Corp.	7,834	897	2,253	Ecolab Inc.	1,105	274	295
Eli Lilly and Co.	2,615	282	517	PPG Industries Inc.	1,766	238	288
Gilead Sciences Inc.	1,405	125	119	RPM International Inc.	3,860	381	427
				Sherwin-Williams Co. (The)	2,449	1,421	2,280
						3,672	4,747

# JOV Prosperity U.S. Equity Fund

## Schedule of Investment Portfolio (unaudited - continued)

As at September 30, 2020 In thousands (except number of securities)				
	Number of Securities	Average Cost \$	Carrying Value \$	
<b>REAL ESTATE (2.53%)</b>				
American Tower Corp., REIT	6,286	1,093	2,030	
Equinix Inc., REIT	467	407	474	
		1,500	2,504	
<b>TELECOMMUNICATION SERVICES (7.94%)</b>				
Activision Blizzard Inc.	11,960	1,010	1,293	
Alphabet Inc., Class 'A'	692	532	1,355	
Alphabet Inc., Class 'C'	981	1,360	1,925	
Charter Communications Inc., Class 'A'	135	105	113	
Comcast Corp., Class 'A'	27,382	1,217	1,691	
Facebook Inc., Class 'A'	2,072	408	725	
Verizon Communications Inc.	9,571	639	761	
		5,271	7,863	
<b>UTILITIES (0.18%)</b>				
American Electric Power Co. Inc.	1,675	103	183	
<b>TOTAL U.S. EQUITIES</b>		<b>67,133</b>	<b>91,012</b>	
Country	Number of Securities	Average Cost \$	Carrying Value \$	
<b>FOREIGN EQUITIES (6.97%)</b>				
<b>CONSUMER DISCRETIONARY (1.67%)</b>				
Danone SA, ADR	France	25,604	427	441
Diageo PLC, ADR	United Kingdom	2,237	316	411
LVMH Moët Hennessy-Louis Vuitton SA, ADR	France	3,485	154	439
Pernod Ricard SA	France	8,654	250	368
		1,147	1,659	
<b>FINANCIALS (0.91%)</b>				
Chubb Ltd.	Switzerland	1,865	181	289
Willis Towers Watson PLC	Ireland	2,185	572	610
		753	899	
<b>HEALTH CARE (1.05%)</b>				
ICON PLC	Ireland	883	190	225
Medtronic PLC	Ireland	5,860	587	814
		777	1,039	
<b>INDUSTRIALS (1.66%)</b>				
Allegion PLC	Ireland	12,443	1,910	1,643
<b>INFORMATION TECHNOLOGY (1.32%)</b>				
Accenture PLC, Class 'A'	Ireland	3,293	547	994
TE Connectivity Ltd.	Switzerland	2,398	292	313
		839	1,307	
<b>MATERIALS (0.36%)</b>				
Linde PLC	Ireland	1,115	234	355
<b>TOTAL FOREIGN EQUITIES</b>		<b>5,660</b>	<b>6,902</b>	
<b>TOTAL INVESTMENT PORTFOLIO (99.36%)</b>		<b>73,029</b>	<b>98,451</b>	
OTHER ASSETS LESS LIABILITIES (0.64%)			636	
<b>TOTAL NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS (100.00%)</b>			<b>99,087</b>	

# JOV Prosperity U.S. 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 (\$)
<b>ASSETS</b>				
<b>Investments</b>				
Equities	98,451	-	-	98,451
Investment funds	-	-	-	-
Bonds	-	-	-	-
Short-term investments	-	-	-	-
	98,451	-	-	98,451
<b>Derivatives</b>				
Derivative financial instruments	-	-	-	-
<b>LIABILITIES</b>				
<b>Derivatives</b>				
Derivative financial instruments	-	-	-	-
<b>Total</b>	98,451	-	-	98,451

#### As at March 31, 2020

	Financial Instruments at Fair Value			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
<b>ASSETS</b>				
<b>Investments</b>				
Equities	86,655	-	-	86,655
Investment funds	-	-	-	-
Bonds	-	-	-	-
Short-term investments	-	-	-	-
	86,655	-	-	86,655
<b>Derivatives</b>				
Derivative financial instruments	-	-	-	-
<b>LIABILITIES</b>				
<b>Derivatives</b>				
Derivative financial instruments	-	-	-	-
<b>Total</b>	86,655	-	-	86,655

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 did not invest a significant portion of its holdings in debt instruments, therefore the Fund had no significant exposure to credit risk.

### 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 (%)
Information Technology	23.03	21.40
Financials	17.57	15.34
Health Care	15.16	15.75
Consumer Discretionary	11.26	9.71
Industrials	10.93	11.18
Telecommunication Services	7.94	6.95
Materials	5.15	4.99
Consumer Staples	5.08	7.70
Real Estate	2.53	2.32
Other Net Assets	0.63	3.61
Energy	0.54	0.82
Utilities	0.18	0.23

### 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 Prosperity U.S. 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

The tables below summarize the Fund's exposure to currency risk, if any, based on monetary and non-monetary assets of the Fund. The tables also illustrate the impact on Net Assets if the Canadian dollar had strengthened or weakened by 5% in relation to all foreign currencies, with all other factors remaining constant. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### As at September 30, 2020

Currency*	Financial Instruments (\$)	Currency Contracts (\$)	Total Exposure (\$)	Percentage of Net Assets (%)	Impact on Net Assets (\$)
USD	99,536	-	99,536	100.45	4,977

#### As at March 31, 2020

Currency*	Financial Instruments (\$)	Currency Contracts (\$)	Total Exposure (\$)	Percentage of Net Assets (%)	Impact on Net Assets (\$)
USD	90,085	-	90,085	100.20	4,504

\* See generic note 6 for currency symbols.

### 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 500 Index	10.00	100.00	9.94	9,845

#### As at March 31, 2020

Benchmark	Change in Benchmark (%)	Exposure to Benchmark (%)	Impact on Net Assets (%)	Impact on Net Assets (\$)
S&P 500 Index	10.00	100.00	9.64	8,666

# JOV Prosperity U.S. 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 seek to provide long-term capital appreciation through investment in the U.S. equity markets by investing primarily in equity securities of U.S. companies and to a lesser degree, bonds, debentures and other securities issued by governments, financial institutions and companies (including, among others, exchange traded funds) in Canada and in the United States. The Fund may also invest in mutual funds managed by Industrial Alliance, affiliates of Industrial Alliance or other fund managers that are consistent with this investment objective and may invest up to 100% of its net assets in securities of other mutual funds.

### The Fund

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

	Dates of Inception MM/DD/YY
Series O	02/24/04

### Terminated Series

The following series of the Fund was terminated on the date indicated below:

Series	Date
Series B	6/13/2019

### Series Mergers

The exchange ratio (represented by the number of units issued by the Continuing Series in exchange for each outstanding unit of the Terminating Series), for the total number of units issued by the Continuing Series and the Net Asset Value acquired are summarized as follows:

Merger Date	Terminating Series	Continuing Series	Exchange Ratio	Number of Units Issued	Net Asset Value Transferred
<b>June 12, 2019</b>					
	Series B	Series O	1.0500	12	204

## 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 O	0.85	0.85

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 B	2020	-	-	-	-	-
	2019	12	-	12	-	5
Series O	2020	6,031	52	591	5,492	5,762
	2019	7,407	107	789	6,725	7,037

### 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 (\$)
2	2

### Securities Lending

See Generic Note 10

For the periods ended September 30, 2020 and September 30, 2019, the Fund's securities lending income, net of withholding tax, was as follows:

	2020 (\$)	2019 (\$)
<b>Gross securities lending income</b>	3	1
Securities lending charges	(1)	-
<b>Net securities lending income received by the Fund</b>	2	1

During the periods ended September 30, 2020 and September 30, 2019, securities lending charges paid to the Fund's custodian, RBC Investor & Treasury Services, represented approximately 30% of the gross securities lending income.

# JOV Prosperity U.S. Equity Fund

## Supplemental Notes to Financial Statements - Fund Specific Information

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

As at September 30, 2020 and March 31, 2020, the fair value of the loaned securities of the Fund included in the investments is as follows:

As at September 30, 2020

Aggregate Value of Securities on Loan (\$)	Aggregate Value of Collateral for Loan (\$)
4,054	4,135

As at March 31, 2020

Aggregate Value of Securities on Loan (\$)	Aggregate Value of Collateral for Loan (\$)
7,333	7,480

The collateral held for the loaned securities may consist of bonds, treasury bills, banker's acceptances and letters of credit.

# 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 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 JOV Prosperity Funds is RBC Investor Services Trust (the "Trustee"). The trustee of the Leon Frazer 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.

Effective May 1, 2017, JOV Leon Frazer Dividend Fund was renamed to Leon Frazer Canadian Dividend Fund.

Effective July 21, 2015, Leon Frazer Canadian Dividend Fund, Jov Prosperity Canadian Equity Fund, Jov Prosperity Canadian Fixed Income Fund, Jov Prosperity International Equity Fund and Jov Prosperity U.S. Equity Fund became Pooled Funds. These Funds, including Leon Frazer U.S. Dividend Companion Fund and Leon Frazer Income Stability Fund, are trust funds 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.

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 Funds' functional and presentation currency is Canadian dollars, except for Leon Frazer U.S. Dividend Companion Fund, whose functional and presentation currency is U.S. dollars.

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 and 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.

# Generic Notes to the Financial Statements

September 30, 2020

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

## 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.

## 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.

## 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 unrealized 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.

# Generic Notes to the Financial Statements

September 30, 2020

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

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.

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.

# Generic Notes to the Financial Statements

September 30, 2020

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

## 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.

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.

# Generic Notes to the Financial Statements

September 30, 2020

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

## 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.

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.



# Generic Notes to the Financial Statements

September 30, 2020

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

## 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.

## d) Offsetting Financial Assets and Liabilities

Some Funds may invest in derivative financial instruments through an International Swaps and Derivatives Association's (ISDA) Master Agreement. This agreement requires guarantees by the counterparty or by the Funds. The amount of assets to pledge is based on changes in fair value of financial instruments. The fair value is monitored daily. The assets pledged by the Funds as collateral can consist of, but are not limited to cash, Treasury bills and Government of Canada bonds. The Funds may receive assets as collateral from the counterparty. According to the conditions set forth in the Credit Support Annex to the ISDA, the Funds may be authorized to sell or re-pledge the assets they receive. In addition, under the ISDA, the Funds have the right to offset in the event of default, insolvency, bankruptcy or other early termination.

## 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 - Colombian 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

Each series of the Funds, 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.

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.

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.

### b) Operating Expenses

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.

## 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.

# Generic Notes to the Financial Statements

September 30, 2020

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

The authorized redeemable units of each series of the Trusts 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 O units of the Trust do not pay sales commission upon purchase, nor redemption fees upon redemption.

## 9. Soft Dollar Commissions

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 Funds to those brokers can be found in the Supplemental Notes to Financial Statements - Fund Specific Information.

## 10. Securities Lending

Certain Funds may enter into securities lending transactions. These transactions will be used in conjunction with other investment strategies in order to seek enhanced returns. The credit risk related to securities lending transactions is limited by the fact that the value of cash or securities held as collateral by the Funds in connection with these transactions is at least 105% of the fair value of loaned securities, except on loans for U.S. securities or global fixed-income securities, for which the applicable percentage will be 102%. This amount is deposited by the borrower with a lending agent until the underlying security has been returned to the Funds in order to provide for the risk of counterparty default or collateral deficiency. The fair value of the loaned securities is monitored on a daily basis with additional collateral obtained or refunded as the market values fluctuate. It is the Funds' practice to obtain a guarantee from the lending agent against counterparty default, including collateral deficiency. Income from securities lending is disclosed separately in the Statements of Comprehensive Income.

## 11. 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.

## 12. 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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email: [operations@teic.com](mailto:operations@teic.com)

# JOV Prosperity International 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 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

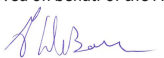
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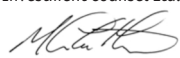
# JOV Prosperity International Equity Fund

## Statements of Financial Position

As at In thousands (except per unit figures)	September 30 2020 (unaudited) \$	March 31 2020 (audited) \$
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Investments	117,184	106,812
Cash	1,075	1,140
Subscriptions receivable	1	40
	<b>118,260</b>	<b>107,992</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Redemptions payable	144	57
Expenses payable	114	106
	<b>258</b>	<b>163</b>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>	<b>118,002</b>	<b>107,829</b>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS BY SERIES</b>		
Series B	-	-
Series O	118,002	107,829
<b>UNITS OUTSTANDING</b>		
Series B	-	-
Series O	7,490	8,040
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT</b>		
Series B	-	-
Series O	15.75	13.41

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 \$
<b>INCOME</b>		
Interest for distribution purposes	647	783
Other changes in fair value of investments and derivative financial instruments		
Investments:		
Net realized gain (loss)	921	3,285
Net change in unrealized appreciation (depreciation)	17,452	(3,051)
Net gain (loss) in fair value of investments	18,373	234
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	18,373	234
	<b>19,020</b>	<b>1,017</b>
<b>EXPENSES</b>		
Management fees	672	813
	<b>672</b>	<b>813</b>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>	<b>18,348</b>	<b>204</b>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS BY SERIES</b>		
Series B	-	1
Series O	18,348	203
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT</b>		
Series B	-	0.08
Series O	2.36	0.03

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 \$
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS AT THE BEGINNING OF THE PERIOD</b>		
Series B	-	309
Series O	107,829	145,475
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		
Series B	-	1
Series O	18,348	203
<b>REDEEMABLE UNITS TRANSACTIONS</b>		
Proceeds from redeemable units issued:		
Series B	-	-
Series O	798	981
Redemption of redeemable units:		
Series B	-	(310)
Series O	(8,973)	(15,189)
	<b>(8,175)</b>	<b>(14,518)</b>
<b>NET INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		
Series B	-	(309)
Series O	10,173	(14,005)
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS AT END OF THE PERIOD</b>		
Series B	-	-
Series O	118,002	131,470

## Statements of Cash Flows (unaudited)

For the periods ended September 30 In thousands	2020 \$	2019 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	18,348	204
Adjustments		
Interest for distribution purposes	(647)	(783)
Net realized loss (gain) of investments and derivative financial instruments	(921)	(3,285)
Net change in unrealized depreciation (appreciation) of investments and derivative financial instruments	(17,452)	3,051
Proceeds from sale and maturity of investments	8,514	14,233
Purchases of investments	(513)	(780)
Increase / (decrease) in expenses payable	8	(19)
Interest received (paid)	647	783
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>7,984</b>	<b>13,404</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuances of redeemable units	798	981
Change in subscriptions receivable	39	(41)
Issuance of units from other series	(23)	-
Proceeds from redemption of redeemable units	(8,973)	(15,499)
Change in redemptions payable	87	261
Redemption of units from other series	23	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>(8,049)</b>	<b>(14,298)</b>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>(65)</b>	<b>(894)</b>
Cash (Bank Overdraft) at Beginning of the Period	1,140	1,595
<b>CASH (BANK OVERDRAFT) AT END OF THE PERIOD</b>	<b>1,075</b>	<b>701</b>

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

# JOV Prosperity International 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 \$
<b>INVESTMENT FUNDS (99.31%)</b>			
Mawer International Equity Fund '0'	1,090,998	53,236	72,120
MFS International Equity Fund	4,417,951	47,039	45,064
<b>TOTAL INVESTMENT FUNDS</b>	<b>100,275</b>		<b>117,184</b>
<b>TOTAL INVESTMENT PORTFOLIO (99.31%)</b>	<b>100,275</b>		<b>117,184</b>
OTHER ASSETS LESS LIABILITIES (0.69%)			818
<b>TOTAL NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS (100.00%)</b>			<b>118,002</b>



# JOV Prosperity International 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 (\$)
<b>ASSETS</b>				
<b>Investments</b>				
Equities	-	-	-	-
Investment funds	117,184	-	-	117,184
Bonds	-	-	-	-
Short-term investments	-	-	-	-
	117,184	-	-	117,184
<b>Derivatives</b>				
Derivative financial instruments	-	-	-	-
<b>LIABILITIES</b>				
<b>Derivatives</b>				
Derivative financial instruments	-	-	-	-
<b>Total</b>	117,184	-	-	117,184

#### As at March 31, 2020

	Financial Instruments at Fair Value			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
<b>ASSETS</b>				
<b>Investments</b>				
Equities	-	-	-	-
Investment funds	106,812	-	-	106,812
Bonds	-	-	-	-
Short-term investments	-	-	-	-
	106,812	-	-	106,812
<b>Derivatives</b>				
Derivative financial instruments	-	-	-	-
<b>LIABILITIES</b>				
<b>Derivatives</b>				
Derivative financial instruments	-	-	-	-
<b>Total</b>	106,812	-	-	106,812

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

As the majority of the Fund's net assets are invested in underlying funds, the Fund may be indirectly exposed to financial instrument risks. Only direct exposure to risks arising from the Fund's financial instruments is presented.

The Fund's Manager ensures that the underlying funds' portfolio advisor manages financial risks. The Fund's Manager reviews the underlying funds' investment portfolios to analyze the management style and compares performance against the Fund's benchmarks. They receive analysis of performance, sector allocations and the underlying funds' top positions.

### Credit Risk

As at September 30, 2020 and March 31, 2020, the Fund did not invest a significant portion of its holdings in debt instruments, therefore the Fund had no significant exposure to credit risk.

### 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 (%)
Corporate Bonds	99.31	99.06
Other Net Assets	0.69	0.94

### 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 Prosperity International 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 (\$)
MSCI EAFE Index	10.00	100.00	9.93	11,718

### As at March 31, 2020

Benchmark	Change in Benchmark (%)	Exposure to Benchmark (%)	Impact on Net Assets (%)	Impact on Net Assets (\$)
MSCI EAFE Index	10.00	100.00	9.91	10,681

# JOV Prosperity International 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 seek to provide long-term capital appreciation through investment in equity markets outside of Canada and the U.S. by investing in equity securities of issuers in throughout the world including Europe, Asia and the Far East. The Fund may also invest in mutual funds managed by us, our affiliates or other fund managers that are consistent with this investment objective and may invest up to 100% of its net assets in securities of other mutual funds.

### The Fund

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

	Dates of Inception MM/DD/YY
Series O	02/24/04

### Terminated Series

The following series of the Fund was terminated on the date indicated below:

Series	Date
Series B	6/13/2019

### Series Mergers

The exchange ratio (represented by the number of units issued by the Continuing Series in exchange for each outstanding unit of the Terminating Series), for the total number of units issued by the Continuing Series and the Net Asset Value acquired are summarized as follows:

Merger Date	Terminating Series	Continuing Series	Exchange Ratio	Number of Units Issued	Net Asset Value Transferred
<b>June 12, 2019</b>					
	Series B	Series O	0.9170	20	310

## Management of Financial Risks

See Generic Note 5

### Investments in Unconsolidated Structured Entities

As at September 30, 2020 and March 31, 2020, the Fund had the following interests in unconsolidated structured entities to disclose:

Type	Carrying Value September 30, 2020	Carrying Value March 31, 2020
Investment Funds	<b>117,184</b>	106,812

## 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 O	<b>1.05</b>	1.05

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 B	<b>2020</b>	-	-	-	-	-
	2019	22	-	22	-	9
Series O	<b>2020</b>	<b>8,040</b>	<b>55</b>	<b>605</b>	<b>7,490</b>	<b>7,771</b>
	2019	9,380	63	981	8,462	8,945

# 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 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 JOV Prosperity Funds is RBC Investor Services Trust (the "Trustee"). The trustee of the Leon Frazer 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.

Effective May 1, 2017, JOV Leon Frazer Dividend Fund was renamed to Leon Frazer Canadian Dividend Fund.

Effective July 21, 2015, Leon Frazer Canadian Dividend Fund, Jov Prosperity Canadian Equity Fund, Jov Prosperity Canadian Fixed Income Fund, Jov Prosperity International Equity Fund and Jov Prosperity U.S. Equity Fund became Pooled Funds. These Funds, including Leon Frazer U.S. Dividend Companion Fund and Leon Frazer Income Stability Fund, are trust funds 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.

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 Funds' functional and presentation currency is Canadian dollars, except for Leon Frazer U.S. Dividend Companion Fund, whose functional and presentation currency is U.S. dollars.

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 and 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.

# Generic Notes to the Financial Statements

September 30, 2020

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

## 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.

## 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.

## 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 unrealized 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.

# Generic Notes to the Financial Statements

September 30, 2020

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

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.

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.

# Generic Notes to the Financial Statements

September 30, 2020

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

## 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.

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.

# Generic Notes to the Financial Statements

September 30, 2020

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

## 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.

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.



# Generic Notes to the Financial Statements

September 30, 2020

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

## 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.

## d) Offsetting Financial Assets and Liabilities

Some Funds may invest in derivative financial instruments through an International Swaps and Derivatives Association's (ISDA) Master Agreement. This agreement requires guarantees by the counterparty or by the Funds. The amount of assets to pledge is based on changes in fair value of financial instruments. The fair value is monitored daily. The assets pledged by the Funds as collateral can consist of, but are not limited to cash, Treasury bills and Government of Canada bonds. The Funds may receive assets as collateral from the counterparty. According to the conditions set forth in the Credit Support Annex to the ISDA, the Funds may be authorized to sell or re-pledge the assets they receive. In addition, under the ISDA, the Funds have the right to offset in the event of default, insolvency, bankruptcy or other early termination.

## 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

Each series of the Funds, 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.

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.

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.

### b) Operating Expenses

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.

## 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.

# Generic Notes to the Financial Statements

September 30, 2020

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

The authorized redeemable units of each series of the Trusts 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 O units of the Trust do not pay sales commission upon purchase, nor redemption fees upon redemption.

## 9. Soft Dollar Commissions

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 Funds to those brokers can be found in the Supplemental Notes to Financial Statements - Fund Specific Information.

## 10. Securities Lending

Certain Funds may enter into securities lending transactions. These transactions will be used in conjunction with other investment strategies in order to seek enhanced returns. The credit risk related to securities lending transactions is limited by the fact that the value of cash or securities held as collateral by the Funds in connection with these transactions is at least 105% of the fair value of loaned securities, except on loans for U.S. securities or global fixed-income securities, for which the applicable percentage will be 102%. This amount is deposited by the borrower with a lending agent until the underlying security has been returned to the Funds in order to provide for the risk of counterparty default or collateral deficiency. The fair value of the loaned securities is monitored on a daily basis with additional collateral obtained or refunded as the market values fluctuate. It is the Funds' practice to obtain a guarantee from the lending agent against counterparty default, including collateral deficiency. Income from securities lending is disclosed separately in the Statements of Comprehensive Income.

## 11. 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.

## 12. 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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