

**C.S.T. Consultants Inc.**



# **Canadian Scholarship Trust Group Savings Plan 2001**

Audited Financial Statements and  
Management Report of Fund Performance

**October 31, 2017 and 2016**



## Contents

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Management Report of Fund Performance	1
Management's Responsibility for Financial Reporting	6
Independent Auditor's Report	6
Statements of Financial Position	7
Statements of Comprehensive Income	8
Statements of Changes in Net Assets Attributable to Subscribers' and Beneficiaries	8
Statements of Cash Flows	9
Schedule I – Statement of Investment Portfolio	10
Schedule II – Subscribers' Deposits and Accumulated Income	14
Schedule III – Education Assistance Payments	15
Notes to the Financial Statements	16
Government Grants (Appendix I to Schedule I)	23
Sales Charge Refund Entitlements	
– Agreements purchased prior to October 2, 2007 (Appendix II to Schedule I)	27
– Agreements purchased on or after October 2, 2007 (Appendix III to Schedule I)	28

### CAUTION REGARDING FORWARD-LOOKING STATEMENTS

Certain portions of the Management Report of Fund Performance, including but not limited to, "Results of Operations" and "Recent Developments", may contain forward-looking statements about the Plan, including its strategy, risks, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates" and similar forward-looking expressions or negative versions thereof.

In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Plan action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about the Plan and economic factors. Accordingly, assumptions concerning future economic and other factors may prove to be incorrect at a future date.

Forward-looking statements are not guarantees of future performance, and actual events could differ materially from those expressed or implied in any forward-looking statements made by the Plan. Any number of important factors could contribute to these digressions, including, but not limited to, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

It should be stressed that the above-mentioned list of important factors is not exhaustive. You are encouraged to consider these and other factors carefully before making any investment decisions and you are urged to avoid placing undue reliance on forward-looking statements whether as a result of new information, future events or otherwise, prior to the release of the next Management Report of Fund Performance.

# Management Report of Fund Performance

## Introduction

This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements of the Canadian Scholarship Trust Group Savings Plan 2001 (“the Plan”). A copy of the annual financial statements can be obtained on request, and at no cost, by visiting our website at [www.cst.org](http://www.cst.org), SEDAR at [www.sedar.com](http://www.sedar.com), by calling our customer service team at 1-877-333-7377 or by writing to us by mail at 2235 Sheppard Avenue East, Suite 1600, Toronto, Ontario M2J 5B8.

The Canadian Scholarship Trust Foundation, as the Plan sponsor, and C.S.T. Consultants Inc., as the Investment Fund Manager, view corporate governance and compliance as critical to overall corporate performance and long-term investment returns, and as such we review and support the proxy voting guidelines established by our investment managers. Each investment manager’s proxy voting policy is available on request through our customer service area or by contacting us at [cstplan@cst.org](mailto:cstplan@cst.org).

## Investment Objective and Strategy

The Plan’s investment objectives are to protect Subscribers’ principal (net “Contributions” or “Principal”), and to deliver a reasonable positive return on investments over a long-term investment horizon within prudent risk tolerances.

Over Fiscal 2017, the Plan implemented changes to its investment structure to enhance diversification and improve yield. These changes included an overweight provincial bond mandate, the elimination of corporates bonds, an increased allocation to financial institution bonds and transition to a non-hedged U.S. equity ETF mandate.

With these changes, the Plan modified the blend of indices comprising its Benchmark beginning October 1, 2017 to the following, which more closely reflects the Plan’s new strategic investment mix (see *Annual Compound Returns* for further details):

22.0%	FTSE TMX Long Term Provincial Bond Index
15.0%	FTSE TMX Canada Provincial Bond Index
6.5%	FTSE TMX Canada Federal Bond Index
23.5%	FTSE TMX Financial Institution Bond Index
19.0%	S&P US Total Market Index (CAD)
7.5%	S&P 500 Index (CAD)
6.5%	S&P/TSX Capped Composite Index

The Plan is invested according to a strategic mix with Principal assets invested in a combination of government fixed income securities and Canadian financial institution debt rated A (mid) and above. Income assets are invested in U.S. equity Exchange Traded Funds (“ETFs”), and Canadian equity securities.

The Plan’s Canadian government fixed income securities are passively managed by TD Asset Management Inc. and CIBC Asset Management Inc., according to pre-specified duration targets. Financial institution debt securities are actively managed by Greystone Managed Investments Inc. and TD Asset Management Inc. The active fixed income portfolios focus on strategies where value can be added on a sustainable basis and may rely upon sector allocation, credit research, and duration management, dependent upon the managers’ expertise and mandate.

The Plan’s US equity assets are managed by BMO Asset Management Inc. and BlackRock Asset Management Canada Limited. These assets are allocated to ETFs traded on Canadian exchanges that replicate the performance of the S&P US Total Market Index and S&P 500 Index. The Plan’s Canadian equity assets are actively managed between two managers. Sionna Investment Managers Inc. seeks to generate long term capital appreciation by investing in a diversified portfolio of quality Canadian companies. CGOV Asset Management strives to construct a focused portfolio composed of Canadian companies identified as having effective management with superior long term prospects. All of the above listed assets and investment agreements are managed in accordance with our policies and agreements.

## Risk

The risks of investing in the Plan remain as described in the prospectus. There were no material changes to the Plan during the financial year that affected the overall level of risk.

## Results of Operation

### 2017 Plan Performance

For 2017, the Plan’s rate of return, net of fees, was 4.7% compared to the investment policy benchmark (“Benchmark”) return of 4.5% and the broad-based FTSE TMX Canada All Government Bond Index return of – 1.2% (“Broad-based Index”). The Plan’s return is after the deduction of fees and expenses of 0.7%, while the Benchmark and Broad-based Index returns do not include any costs of investing, such as fees, expenses and commissions.

In comparison to the Benchmark, an overweight to U.S. equities, transition to the current investment asset mix, and outperformance by the actively managed Canadian equity allocation were the most significant contributors to Plan relative returns over the fiscal year.

In comparison to the Broad-based Index, the Plan’s allocation to U.S. and Canadian equities in combination with financial institution and corporate bond exposure, all contributed to outperformance relative to the FTSE TMX Canada All Government Bond Index.

### Economic Review

Global economic growth strengthened in 2017 with forecasts revised upwards to 3.6 percent in 2017 and 3.7 percent in 2018 according to the October 2017 World Economic Outlook (“WEO”). Global pickup in economic activity that started in the second half of 2016

gained further momentum in the first half of 2017. In advanced economies, growth was largely broad based, with stronger activity in the United States and Canada, the euro area and Japan. Financial market sentiment was generally strong, with continued gains in equity markets in both advanced and emerging market economies. Inflation remained soft and generally below target.

Economic growth in the United States rebounded in the second quarter with improved consumption growth and persistent business investment. The Federal Reserve Board raised interest rates in March and June of 2017 and announced in September plans to reduce quantitative easing measures. Core inflation marginally declined in 2017 with an expectation by the Federal Reserve Board of reaching 2 percent by 2019.

The Canadian economy grew rapidly in the second quarter of 2017, as growth was broad-based across regions and industries. The Bank of Canada increased the overnight rate in July and September of 2017; however, elected to pause further tightening in light of uncertainty from geopolitical developments, notably the renegotiation of the North American Free Trade Agreement. Inflation marginally crept upwards through 2017 reflecting stronger economic activity and higher gasoline prices and is projected by the Bank of Canada to rise to 2 percent for the second half of 2018.

The Canadian fixed income market experienced negative returns following each of the Bank of Canada's interest rate hikes. Bond prices partially recovered in October as yields fell on the expectation the Bank of Canada would refrain from further rate hikes for the remainder of 2017. In this environment, long term federal bonds were amongst the worst performing market segment with losses exceeding 5% over the year. Provincial bonds outperformed relative to federals, however were still in negative territory. Corporate bonds including Financials generated positive returns over the year as spreads tightened in October.

U.S. equities, as represented by the S&P 500 (a broad index of U.S. large cap stocks), continued to soar with an annual return of 23.6% (USD). Index gains were widespread with 10 of the 11 S&P 500 sectors in positive territory with the majority providing double digit annual returns. Amongst the gainers, the Information Technology and Financials sectors were the strongest with annual returns in excess of 35%.

The S&P/TSX Capped Composite Index (a broad index of Canadian stocks) grew by 11.5% over the year with eight out of the eleven sectors in positive territory. Consumer Discretionary, Industrials, and Financials experienced strong growth with returns in excess of 20% over the period. Both the Energy and Materials sectors detracted over the period.

#### **Portfolio Manager Changes**

With the implementation of the current investment strategy, the Plan's portfolio managers and mandates were either re-aligned or

changed. In November 2016, the passive government bond mandates managed on behalf of the Plan by TD Asset Management Inc. and CIBC Asset Management Inc. were updated to a provincial bond overweight. In September 2017, the corporate bond allocation managed by Canso Investment Counsel Ltd. was terminated with assets reallocated to U.S. equities. Hedged U.S. equity assets managed by BlackRock Asset Management Canada Ltd. and BMO Global Asset Management Ltd. were replaced with unhedged U.S. equity ETFs.

#### **Recent Developments and Other Information**

Recent Canadian economic data depicted mixed results as GDP unexpectedly shrank in August by 0.1 percent from July, followed with stronger than anticipated labour-force survey results released in October and November by Statistics Canada. The Bank of Canada announced on December 6, 2017 the decision to maintain the overnight rate at 1 per cent as a cautious approach in light of softening economic data and ongoing strained discussions related to the renegotiation of the North American Free Trade Act.

We are confident that our investment strategy and conservative management approach will continue to provide value over the long-term horizon of the Plan. Our goal, as always, is to provide safety of principal and deliver a reasonable return within our investment policy guidelines and risk tolerances for our subscribers and beneficiaries.

#### **Future Accounting Standards**

In July 2014, the IASB finalized the reform of financial instruments accounting and issued IFRS 9 (as revised in 2014), which contains the requirements for the classification and measurement of financial assets and financial liabilities, impairment methodology, and general hedge accounting. IFRS 9 (as revised in 2014) will supersede IAS 39 *Financial Instruments: Recognition and Measurement* ("IAS 39"). IFRS 9 will be effective for the Plan's financial statements during its fiscal 2019 year.

IFRS 15 was issued in May 2014, replacing existing guidance related to revenue recognition and will be effective for the Plan's financial statements during its fiscal 2019 year. IFRS 15 includes a single revenue recognition model based on the principal that revenue is recognized when control of a good or service is transferred to the customer. When appropriate, contracts with customers are divided into separate performance obligations, each of which represent promises to deliver distinct goods or services. IFRS 15 provides guidance for recognizing revenue from performance obligations that are delivered at a point in time, or delivered over time and also includes additional disclosure requirements.



## Financial and Operating Highlights (with comparative figures)

The following table is intended to help you understand the key financial results for the past five fiscal years ending October 31 for the Plan. This information is derived from the Plan's audited annual financial statements.

(\$ thousands)	2017 <sup>1</sup>	2016 <sup>1</sup>	2015 <sup>1</sup>	2014 <sup>1</sup>	2013 <sup>2</sup>
<b>Statements of Financial Position</b>					
Total Assets	\$3,992,371	\$3,666,544	\$3,299,857	\$2,986,788	\$2,630,081
Net Assets	3,971,985	3,614,998	3,228,464	2,946,876	990,348
% Change of Net Assets	9.9%	11.9%	9.6%	197.6%	7.8%
<b>Statements of Comprehensive Income</b>					
Net Investment Income	\$ 186,214	\$ 203,366	\$ 88,843	\$ 109,912	\$ 48,570
<b>Statements of Changes in Net Assets</b>					
Education Assistance Payments	\$ (19,397)	\$ (17,359)	\$ (18,340)	\$ (13,966)	\$ (11,707)
Government Grants Received (net of repayments)	86,320	86,466	84,959	83,494	83,262
Government Grant Payments to Beneficiaries	(17,328)	(15,106)	(12,981)	(9,591)	(7,214)
<b>Other</b>					
Total number of units	2,974,945	2,873,326	2,761,913	2,643,035	2,517,436
% Change in the total number of units	3.5%	4.0%	4.5%	5.0%	6.7%

Note:

1 Based on financial statements in accordance with IFRS

2 Based on financial statements in accordance with Canadian GAAP

## Management Fees

### Administration Fees

An administration fee of \$19,763 thousand (2016 – \$18,148 thousand) comprising Plan administration and processing fees and financial reporting expenses was paid to the Canadian Scholarship Trust Foundation (“the Foundation”), the sponsor and administrator of the Plan, in accordance with subscribers’ Education Savings Plan Agreements. The administration of the Plan includes processing and call centre services related to new agreements, Government Grants, plan modifications, terminations, maturities and Education Assistance Payments (“EAPs”). The annual administration fee is calculated as 0.5% of the total amount of net Contributions, Government Grants and income earned on these amounts, subject to applicable taxes, and is paid monthly.

The Foundation has delegated certain administrative and distribution functions to its wholly-owned subsidiary, C.S.T. Consultants Inc., which is registered as the Plan’s Investment Fund Manager in Ontario, Quebec, Newfoundland and Labrador, and Scholarship Plan Dealer under securities legislation of each of the provinces and territories of Canada in which it operates to sell

scholarship plans. C.S.T. Consultants Inc. is the exclusive distributor of the Canadian Scholarship Trust Plans.

In exchange for its administrative services, C.S.T. Consultants Inc. receives an amount equal to the administration costs incurred plus a percentage of such costs from the Foundation. The administration services agreement is renewable on an annual basis.

### Portfolio Management Fees

The Plan’s annual investment management fee was 0.10%, including taxes, (2016 – 0.11%) of the average market value of assets based on the Investment Management Agreements with portfolio managers. The portfolio managers provide investment advisory and discretionary managed account services with respect to purchasing, selling, and dealing in securities.

### Trustee and Custodian Fees

The Plan pays trustee and custodian fees to RBC Investor Services Trust to settle all investment trades and disburse fees, EAPs and other amounts in accordance with the terms of the Plan Agreement. For 2017 these fees charged to the Plan amounted to \$1,127 thousand (2016 – \$671 thousand) and were 0.03%, including taxes, (2016 – 0.02%) of the average market value of assets.

## Summary of Plan Investment Portfolio

The Plan's Total Portfolio Assets are comprised of the Principal and Income for all education savings plan agreements that have not reached their maturity date, and the assets from which eligible beneficiaries collect EAP payments.

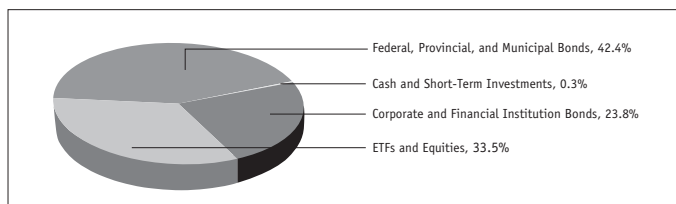
Government Grant assets and related investment income are specific to each beneficiary, but are invested together with funds from other Plans administered by the Foundation. Any payments to beneficiaries from Government Grant assets are treated as separate payments and not included in EAP values paid out.

Sales Charge Refund assets and related investment income are used to pay Sales Charge Refund Entitlements to qualified beneficiaries. These assets are invested together with funds from other Plans administered by the Foundation. Any payments to beneficiaries from Sales Charge Refund assets are treated as separate payments.

The Plan's Total Portfolio Assets as presented and as defined in this report, reflect only the Principal and Income assets. The Plan's Total Portfolio Assets do not include the allocation of assets from the Government Grant and Sales Charge Refund asset pools that are attributable to this Plan.

The following chart illustrates the Plan's Total Portfolio Assets by investment categories.

### Asset Mix as at October 31, 2017



The following table details the top 25 long positions in the Total Portfolio Assets of the Plan. The Plan is prohibited from holding short positions in securities.

Issuer	Rate	Maturity Date	Fair Value (\$ 000's)	% of Plan Portfolio Assets
iShares Core S&P U.S. Total Market Index ETF			537,768	19.3%
BMO S&P 500 Index ETF			220,023	7.9%
Bank of Montreal	3.40%	23 Apr 2021	63,201	2.3%
Province of Québec	5.00%	01 Dec 2041	56,982	2.0%
Province of Ontario	4.65%	02 Jun 2041	49,393	1.8%
Province of Ontario	3.45%	02 Jun 2045	40,410	1.5%
Province of Québec	5.75%	01 Dec 2036	39,499	1.4%
Province of Ontario	3.50%	02 Jun 2043	35,102	1.3%
Royal Bank of Canada	2.86%	04 Mar 2021	35,063	1.3%
Caisse Centrale Desjardins	2.44%	17 Jul 2019	32,021	1.1%
Toronto Dominion Bank	2.05%	08 Mar 2021	31,322	1.1%
National Bank of Canada	2.11%	18 Mar 2022	30,504	1.1%
HSBC Bank Canada	2.91%	29 Sep 2021	28,870	1.0%
Province of Ontario	6.50%	08 Mar 2029	28,488	1.0%
Royal Bank of Canada	1.65%	15 Jul 2021	28,202	1.0%
Province of Ontario	2.80%	02 Jun 2048	27,342	1.0%
Toronto Dominion Bank	3.23%	24 Jul 2024	26,289	0.9%
Royal Bank of Canada	2.00%	21 Mar 2022	25,142	0.9%
Bank of Nova Scotia	2.40%	28 Oct 2019	24,996	0.9%
Province of Ontario	2.90%	02 Dec 2046	23,627	0.8%
Province of Québec	3.50%	01 Dec 2048	22,697	0.8%
Royal Bank of Canada	4.93%	16 Jul 2025	22,458	0.8%

Issuer	Rate	Maturity Date	Fair Value (\$ 000's)	% of Plan Portfolio Assets
Province of Ontario	5.60%	02 Jun 2035	22,287	0.8%
Bank of Montreal	2.10%	06 Oct 2020	22,055	0.8%
HSBC Bank Canada	2.08%	26 Nov 2018	21,979	0.8%

### Top 25 long positions as a percentage of Plan's Total Portfolio Assets

53.6%

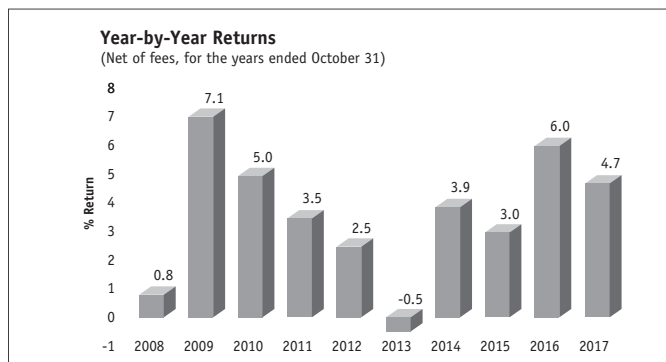
## Past Performance

The returns presented in the following chart and the annual compound returns table are based on the investment performance of the Plan's Total Portfolio Assets only and do not reflect the investment performance of assets from the Government Grants and Sales Charge Refund Entitlements. Investment returns have been calculated using market values and time-weighted cash flows during the periods. Total expenses incurred by the Plan, including administration, portfolio management, custody and trustee fees, and Independent Review Committee expenses have been deducted and only net returns are displayed in each period. Past returns of the Plan do not necessarily indicate how it will perform in the future.

Plan changes as described within the Investment Objective and Strategy and Portfolio Manager Changes sections could have affected the performance of the Plan's Total Portfolio Assets had they been in effect throughout the performance measurement periods presented.

### Year-by-Year Returns

The following bar chart illustrates the annual performance in each of the past ten years to October 31, 2017 of the Plan's Total Portfolio assets. The chart illustrates in percentage terms how much an investment in the Plan's Total Portfolio Assets, made on the first day of each financial year, would have increased or decreased by the last day of each financial year:



### Annual Compound Returns

The following table depicts the Plan's Benchmark comprised of the following specified indices in the weights and for the periods indicated:

Index	Prior to: July 1, 2011	From: July 2, 2011 To: July 31, 2014	From: Aug 1, 2014 To: Sep 30, 2015	From: Oct 1, 2015 To: Nov 30, 2016	From: Dec 1, 2016 To: Sep 30, 2017	From: Oct 1, 2017 To: Current
FTSE TMX Canada Long Term Gov't Bond Index				28.7%		
FTSE TMX Long Term Provincial Bond Index					25.2%	22.0%

Index	Prior to:	From:	From:	From:	From:	From:
	July 1, 2011	July 31, 2014	Aug 1, 2014	Oct 1, 2015	Dec 1, 2016	Oct 1, 2017 To: Current
FTSE TMX Canada All Gov't Bond Index	100.0%	49.0%	73.0%	21.7%		
FTSE TMX Canada Provincial Bond Index					17.6%	15.0%
FTSE TMX Canada Federal Bond Index					7.6%	6.5%
FTSE TMX Canada Financial Bond Index				22.6%	22.6%	23.5%
FTSE TMX Canada Short Term Gov't Bond Index		49.0%				
FTSE TMX Canada All Corporate Bond Index		2.0%	7.0%	7.0%	7.0%	
S&P 500 CAD Hedged Index			14.0%	14.0%	14.0%	
S&P US Total Market Index (CAD)						19.0%
S&P 500 Index (CAD)						7.5%
S&P/TSX Capped Composite			6.0%	6.0%	6.0%	6.5%

The FTSE TMX Canada Long Term Government Bond Index is a broad measure of Canadian investment grade fixed income securities, issued by the Government of Canada, including Crown Corporations and provincial governments, with maturities greater than 10 years.

The FTSE TMX Canada Long Term Provincial Bond Index is a broad measure of Canadian investment grade fixed income securities, issued by the Provinces of Canada, including Crown Corporations, with maturities greater than 10 years.

The FTSE TMX Canada All Government Bond Index is a broad measure of Canadian investment grade fixed income securities, issued by the Government of Canada, including Crown Corporations and provincial governments, with maturities greater than 1 year.

The FTSE TMX Canada Provincial Bond Index is a broad measure of Canadian investment grade fixed income securities, issued by the Provinces of Canada, including Crown Corporations, with maturities greater than 1 year.

The FTSE TMX Canada Federal Bond Index is a broad measure of Canadian investment grade fixed income securities, issued by the Federal Government of Canada, including Crown Corporations, with maturities greater than 1 year.

The FTSE TMX Canada Financial Bond Index is a broad measure of Canadian investment grade fixed income securities, issued by bank, insurance, financial service, and auto finance corporations, with maturities greater than one year.

The FTSE TMX Canada Short Term Government Bond Index is a broad measure of Canadian investment grade fixed income securities, issued by the Government of Canada, including Crown Corporations and provincial governments, with maturities between 1 and 5 years.

The FTSE TMX Canada All Corporate Bond Index is a broad measure of Canadian investment grade fixed income securities issued by corporations, with maturities greater than one year.

The S&P 500 CAD Hedged Index is a broad measure of the returns of the S&P 500 while hedging Canadian dollar risk, but not the underlying equity market risk. The S&P 500 is a market-capitalization-weighted stock market index which includes 500 of the top companies in industries of the U.S. economy.

The S&P US Total Market CAD Index is designed to track the broad U.S. equity market, including large, mid, small, and micro-cap stocks.

The S&P 500 Total Return CAD Index is a broad measure of the returns of the S&P 500, a market-capitalization-weighted stock market index which includes 500 of the top companies in industries of the U.S. economy.

The S&P/TSX Capped Composite Index reflects price movements of selected securities listed on the Toronto Stock Exchange and weighted by market capitalization, with a capped weight of 10% on all of the constituents.

The following table illustrates the annual compound returns of the Plan's Total Portfolio Assets, for the periods shown ending on October 31, 2017.

	Period			
	1 Yr	3 Yr	5 Yr	10 Yr
<b>Net Plan Return*</b>	<b>4.7</b>	<b>4.5</b>	<b>3.4</b>	<b>3.6</b>
<b>Benchmark</b>	<b>4.5</b>	<b>5.2</b>	<b>4.1</b>	<b>4.9</b>
<b>Broad-based Index: FTSE TMX Canada All Government Bond Index</b>	<b>-1.2</b>	<b>3.0</b>	<b>2.8</b>	<b>4.6</b>

Note:

\* The Plan's returns are after the deduction of fees and expenses, while the Benchmarks and Broad-based Index returns do not include any costs of investing such as fees, expenses and commissions. The Plan's fees and expenses were 0.7% for all periods.

For commentary on the market and/or information regarding the relative performance of the Plan compared to its Broad-based Index and Benchmark, see the Results of Operations section of this report.

Securities regulations require that we also show Benchmark returns that would have been applicable to the time periods if the Benchmark was not modified as previously described (the "Former Benchmark"). The Former Benchmark return for the above time periods were 3.5% (1 Year), 4.9% (3 Year), 3.9% (5 Year) and 4.8% (10 Year).

The Former Benchmark is comprised of the following specified indices in the weights and for the periods of time as indicated:

Index	Prior to:	From:	From:	From:
	July 1, 2011	July 31, 2014	Aug 1, 2014	Oct 1, 2015
FTSE TMX Canada Long Term Gov't Bond Index				28.7%
FTSE TMX Long Term Provincial Bond Index				
FTSE TMX Canada All Gov't Bond Index	100.0%	49.0%	73.0%	21.7%
FTSE TMX Canada Provincial Bond Index				
FTSE TMX Canada Federal Bond Index				
FTSE TMX Canada Financial Bond Index				22.6%
FTSE TMX Canada Short Term Gov't Bond Index		49.0%		
FTSE TMX Canada All Corporate Bond Index		2.0%	7.0%	7.0%
S&P 500 CAD Hedged Index			14.0%	14.0%
S&P US Total Market Index (CAD)				
S&P 500 Index (CAD)				
S&P/TSX Capped Composite			6.0%	6.0%

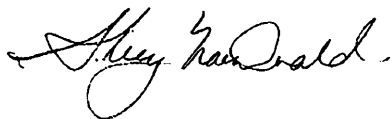
In comparison to the Former Benchmark, an overweight to U.S. equities, transition to the current investment asset mix, and outperformance by the actively managed Canadian equity allocation were the most significant contributors to Plan relative returns over the fiscal year.

# Management's Responsibility for Financial Reporting

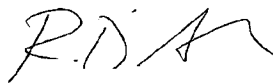
The accompanying financial statements of the Canadian Scholarship Trust Group Savings Plan 2001 (the "Plan") are prepared by management and are approved by the Board of Directors of the Canadian Scholarship Trust Foundation (the "Foundation"). Management is responsible for the information and representations contained in these financial statements. The Board of Directors is responsible for reviewing and approving the financial statements and overseeing management's performance of its financial reporting responsibilities.

The Foundation, through C.S.T. Consultants Inc., a wholly-owned subsidiary which administers the Plan, maintains appropriate processes to ensure that relevant and reliable financial information is produced. The financial statements have been prepared in accordance with International Financial Reporting Standards and include certain amounts that are based on estimates and judgments. The significant accounting policies, which management believes are appropriate for the Plan, are described in Note 2 to the financial statements.

Deloitte LLP is the external auditor of the Plan. It has audited the financial statements in accordance with Canadian generally accepted auditing standards to enable it to express to the Board of Directors and Members of the Foundation its opinion on the financial statements. Its report is set out below.



**Sherry J. MacDonald, CPA, CA**  
President and Chief Executive Officer



**Richard D'Archivio, CPA, CA, CFA**  
Vice President, Chief Financial Officer

Toronto, Ontario  
December 19, 2017

## Independent Auditor's Report

To the Board of Directors and Members of the Canadian Scholarship Trust Foundation

We have audited the accompanying financial statements of the Canadian Scholarship Trust Group Savings Plan 2001, which comprise the statements of financial position as at October 31, 2017 and 2016, and the statements of comprehensive income, statements of changes in net assets attributable to subscribers' and beneficiaries and statements of cash flows for the years ended October 31, 2017 and 2016, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Canadian Scholarship Trust Group Savings Plan 2001 as at October 31, 2017 and 2016 and the results of its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.



Chartered Professional Accountants  
Licensed Public Accountants  
December 19, 2017

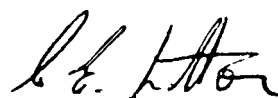


# Statements of Financial Position

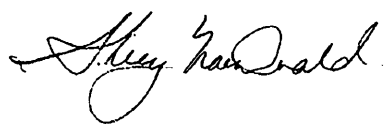
As at October 31, 2017 and 2016 (in thousands of Canadian dollars)

	2017	2016
<b>Assets</b>		
Cash and cash equivalents	\$ 17,555	\$ 15,421
Receivables for securities sold	7,434	4,964
Investments, at fair value <i>(Note 4 and Schedule I)</i>	3,931,293	3,605,820
Accrued interest and other receivables	24,196	27,575
Government grants receivable	11,893	12,764
	<b>3,992,371</b>	<b>3,666,544</b>
<b>Liabilities</b>		
Payables for securities purchased	15,862	9,677
Accounts payable, accrued liabilities and unclaimed subscribers' funds	4,524	41,869
	<b>20,386</b>	<b>51,546</b>
<b>Net Assets Attributable to Subscribers and Beneficiaries</b>	<b>3,971,985</b>	<b>3,614,998</b>
<b>Represented by:</b>		
<b>Non-Discretionary Funds</b>		
Accumulated income held for future education assistance payments	492,826	378,496
Subscribers' deposits <i>(Schedule II)</i>	2,232,424	2,090,162
Government grants	778,356	721,275
Income on Government grants	198,072	153,293
Sales charge refund entitlements <i>(Note 8)</i>	154,028	132,383
General fund <i>(Note 7)</i>	535	-
<b>Unrealized Gains</b>	<b>113,766</b>	<b>138,411</b>
<b>Discretionary Funds</b>		
Donations from the Foundation <i>(Note 7)</i>	1,978	978
	<b>\$3,971,985</b>	<b>\$3,614,998</b>

Approved on behalf of the Board of Canadian Scholarship Trust Foundation.



Colin E. Litton, FCPA, FCA  
Director



Sherry J. MacDonald, CPA, CA  
Director

# Statements of Comprehensive Income

For the years ended October 31, 2017 and 2016 (in thousands of Canadian dollars)

	2017	2016
<b>Income</b>		
Interest for allocation to subscriber accounts	\$ 91,127	\$ 85,067
Realized gains on sale of investments	110,849	17,530
Change in unrealized gains (losses)	(24,645)	95,941
Dividends	33,709	27,433
	<b>211,040</b>	<b>225,971</b>
<b>Expenses</b>		
Administration and account maintenance fees <i>(Note 3(a))</i>	19,763	18,148
Portfolio management fees	3,876	3,729
Custodian and trustee fees	1,127	671
Independent Review Committee fees	60	57
	<b>24,826</b>	<b>22,605</b>
<b>Increase in Net Assets from Operations Attributable to Subscribers and Beneficiaries</b>	<b>\$186,214</b>	<b>\$203,366</b>

# Statements of Changes in Net Assets Attributable to Subscribers and Beneficiaries

For the years ended October 31, 2017 and 2016 (in thousands of Canadian dollars)

	2017	2016
<b>Net Assets Attributable to Subscribers and Beneficiaries, Beginning of Year</b>	<b>\$3,614,998</b>	<b>\$3,228,464</b>
Increase in Net Assets from Operations Attributable to Subscribers and Beneficiaries	186,214	203,366
Transfers to internal and external plans	(10,408)	(9,213)
	<b>175,806</b>	<b>194,153</b>
<b>Receipts</b>		
Net increase in Subscribers' deposits <i>(Schedule II)</i>	142,262	147,987
Government grants received (net of repayments)	86,320	86,466
Contributions received from the Foundation <i>(Note 7)</i>	1,000	-
<b>Disbursements</b>		
Payments to beneficiaries		
Education assistance payments	(19,397)	(17,359)
Government grants	(17,328)	(15,106)
Refund of sales charges	(5,743)	(4,740)
Return of interest	(5,933)	(4,867)
<b>Total payments to beneficiaries</b>	<b>(48,401)</b>	<b>(42,072)</b>
<b>Receipts less Disbursements</b>	<b>181,181</b>	<b>192,381</b>
<b>Change in Net Assets Attributable to Subscribers and Beneficiaries</b>	<b>356,987</b>	<b>386,534</b>
<b>Net Assets Attributable to Subscribers and Beneficiaries, End of Year</b>	<b>\$3,971,985</b>	<b>\$3,614,998</b>

# Statements of Cash Flows

For the years ended October 31, 2017 and 2016 (in thousands of Canadian dollars)

	2017	2016
<b>Operating Activities</b>		
Increase in Net Assets from Operations Attributable to Subscribers and Beneficiaries	\$ 186,214	\$ 203,366
Net disbursements for investment transactions	(235,554)	(277,603)
Items not affecting cash		
Realized gains on sale of investments	(110,849)	(17,530)
Change in unrealized (gains) losses	24,645	(95,941)
Change in non-cash operating working capital		
Decrease (increase) in Accrued interest and other receivables	3,379	(1,986)
Decrease (increase) in Government grants receivable	871	(1,549)
(Decrease) increase in Accounts payable, accrued liabilities and unclaimed subscribers' funds	(37,345)	7,840
<b>Cash flow used in Operating Activities</b>	<b>(168,639)</b>	<b>(183,403)</b>
<b>Financing Activities</b>		
Transfers to internal and external plans	(10,408)	(9,213)
Contributions received from the Foundation <i>(Note 7)</i>	1,000	-
Government grants received (net of repayments)	86,320	86,466
Net increase in Subscribers' deposits <i>(Schedule II)</i>	142,262	147,987
Payments to beneficiaries	(48,401)	(42,072)
<b>Cash flow from Financing Activities</b>	<b>170,773</b>	<b>183,168</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>2,134</b>	<b>(235)</b>
<b>Cash and cash equivalents, Beginning of Year</b>		
Cash	6,804	7,542
Cash equivalents	8,617	8,114
	<b>15,421</b>	<b>15,656</b>
<b>Cash and cash equivalents, End of Year</b>		
Cash	4,867	6,804
Cash equivalents	12,688	8,617
	<b>\$ 17,555</b>	<b>\$ 15,421</b>
<b>Supplemental cash flow information:</b>		
Withholding Taxes	\$ 1,861	\$ 1,515
Interest Income Received	94,601	78,137

# Schedule I – Statement of Investment Portfolio

As at October 31, 2017 (in thousands of Canadian dollars)

Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)	Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
<b>Bonds</b>						<b>Bonds (continued)</b>					
<b>Federal – 6.4%</b>						<b>Federal – 6.4% (continued)</b>					
Canada Housing Trust	2.35	15 Dec 2018	3,090	3,123	3,219	Labrador-Island Link Funding Trust	3.85	1 Dec 2053	300	352	378
Canada Housing Trust	4.10	15 Dec 2018	3,000	3,090	3,316	Muskkrat Falls Funding Trust	3.83	1 Jun 2037	6,250	7,031	7,186
Canada Housing Trust	1.95	15 Jun 2019	1,875	1,889	1,944	Muskkrat Falls Funding Trust	3.86	1 Dec 2048	400	465	496
Canada Housing Trust	3.75	15 Mar 2020	9,331	9,799	10,347					177,687	180,928
Canada Housing Trust	1.25	15 Jun 2021	1,918	1,882	1,936						
Canada Housing Trust	3.80	15 Jun 2021	1,580	1,692	1,792	<b>Provincial – 34.7%</b>					
Canada Housing Trust	1.15	15 Dec 2021	2,425	2,357	2,413	Province of Alberta	4.00	1 Dec 2019	1,025	1,075	1,110
Canada Housing Trust	1.50	15 Dec 2021	2,437	2,402	2,433	Province of Alberta	1.25	1 Jun 2020	6,167	6,096	6,110
Canada Housing Trust	2.65	15 Mar 2022	5,000	5,156	5,307	Province of Alberta	1.35	1 Sep 2021	1,553	1,520	1,552
Canada Housing Trust	1.75	15 Jun 2022	3,508	3,480	3,525	Province of Alberta	1.60	1 Sep 2022	970	949	968
Canada Housing Trust	2.40	15 Dec 2022	2,787	2,842	2,852	Province of Alberta	2.55	15 Dec 2022	500	510	518
Canada Housing Trust	2.90	15 Jun 2024	2,690	2,816	2,814	Province of Alberta	3.10	1 Jun 2024	1,050	1,098	1,111
Canada Housing Trust	2.55	15 Mar 2025	2,000	2,048	2,077	Province of Alberta	2.20	1 Jun 2026	4,005	3,891	3,985
Canada Housing Trust	1.95	15 Dec 2025	1,000	977	1,027	Province of Alberta	2.55	1 Jun 2027	1,888	1,871	1,870
Canada Housing Trust	1.90	15 Sep 2026	1,426	1,377	1,408	Province of Alberta	2.90	20 Sep 2029	2,700	2,717	2,821
Canada Housing Trust	2.35	15 Jun 2027	1,880	1,872	1,897	Province of Alberta	3.50	1 Jun 2031	1,195	1,274	1,260
Canada Post Corporation	4.36	16 Jul 2040	325	397	409	Province of Alberta	3.90	1 Dec 2033	7,182	8,006	7,577
Government of Canada	0.95	14 Dec 2017	50	50	50	Province of Alberta	4.50	1 Dec 2040	3,000	3,676	3,639
Government of Canada	1.00	28 Dec 2017	275	274	274	Province of Alberta	3.45	1 Dec 2043	16,620	17,537	16,846
Government of Canada	0.99	11 Jan 2018	1,600	1,596	1,596	Province of Alberta	3.30	1 Dec 2046	8,965	9,234	9,103
Government of Canada	0.91	25 Jan 2018	740	738	738	Province of Alberta	3.05	1 Dec 2048	6,718	6,625	6,558
Government of Canada	1.00	22 Feb 2018	3,950	3,931	3,931	Province of British Columbia	2.25	1 Mar 2019	1,850	1,870	1,903
Government of Canada	0.96	8 Mar 2018	250	249	249	Province of British Columbia	9.95	15 May 2021	1,000	1,273	1,343
Government of Canada	0.50	1 Nov 2018	1,025	1,017	1,017	Province of British Columbia	4.80	15 Jun 2021	700	771	821
Government of Canada	1.75	1 Mar 2019	1,793	1,803	1,810	Province of British Columbia	3.25	18 Dec 2021	750	790	813
Government of Canada	0.75	1 Aug 2019	3,925	3,883	3,897	Province of British Columbia	2.70	18 Dec 2022	575	593	603
Government of Canada	1.75	1 Sep 2019	8,162	8,217	8,310	Province of British Columbia	3.30	18 Dec 2023	500	532	545
Government of Canada	1.50	1 Mar 2020	5,550	5,562	5,668	Province of British Columbia	2.85	18 Jun 2025	1,850	1,912	1,920
Government of Canada	3.50	1 Jun 2020	11,900	12,524	12,896	Province of British Columbia	2.30	18 Jun 2026	2,166	2,139	2,167
Government of Canada	0.75	1 Sep 2020	6,575	6,447	6,587	Province of British Columbia	2.55	18 Jun 2027	3,111	3,114	3,096
Government of Canada	0.75	1 Mar 2021	8,707	8,496	8,620	Province of British Columbia	5.70	18 Jun 2029	3,710	4,811	4,926
Government of Canada	3.25	1 Jun 2021	5,143	5,453	5,739	Province of British Columbia	6.35	18 Jun 2031	8,550	11,991	11,683
Government of Canada	0.75	1 Sep 2021	1,866	1,812	1,853	Province of British Columbia	5.40	18 Jun 2035	890	1,195	1,146
Government of Canada	0.50	1 Mar 2022	462	441	441	Province of British Columbia	4.70	18 Jun 2037	2,000	2,519	2,584
Government of Canada	2.75	1 Jun 2022	683	718	750	Province of British Columbia	4.95	18 Jun 2040	13,650	18,044	17,866
Government of Canada	1.00	1 Sep 2022	2,838	2,756	2,731	Province of British Columbia	4.30	18 Jun 2042	5,636	6,911	6,345
Government of Canada	1.50	1 Jun 2023	2,225	2,203	2,229	Province of British Columbia	3.20	18 Jun 2044	7,800	8,082	7,905
Government of Canada	2.50	1 Jun 2024	2,175	2,275	2,286	Province of British Columbia	2.80	18 Jun 2048	9,934	9,575	9,435
Government of Canada	2.25	1 Jun 2025	3,550	3,656	3,701	Province of Manitoba	5.50	15 Nov 2018	148	154	171
Government of Canada	1.50	1 Jun 2026	1,317	1,276	1,289	Province of Manitoba	1.15	21 Nov 2019	528	523	527
Government of Canada	1.00	1 Jun 2027	977	896	892	Province of Manitoba	4.15	3 Jun 2020	850	902	932
Government of Canada	8.00	1 Jun 2027	500	763	833	Province of Manitoba	1.55	5 Sep 2021	383	378	384
Government of Canada	5.75	1 Jun 2029	3,950	5,451	5,596	Province of Manitoba	2.55	2 Jun 2023	225	229	232
Government of Canada	5.75	1 Jun 2033	4,725	6,955	7,066	Province of Manitoba	3.30	2 Jun 2024	5,850	6,188	6,330
Government of Canada	5.00	1 Jun 2037	1,595	2,283	2,353	Province of Manitoba	2.45	2 Jun 2025	600	599	604
Government of Canada	4.00	1 Jun 2041	3,325	4,338	4,351	Province of Manitoba	4.40	5 Sep 2025	3,649	4,130	4,067
Government of Canada	3.50	1 Dec 2045	6,466	8,020	8,063	Province of Manitoba	2.55	2 Jun 2026	969	966	987
Government of Canada	2.75	1 Dec 2048	6,168	6,772	6,827	Province of Manitoba	2.60	2 Jun 2027	596	592	593
Government of Canada	2.75	1 Dec 2064	2,918	3,315	3,402	Province of Manitoba	3.25	5 Sep 2029	500	519	472
Labrador-Island Link Funding Trust	3.76	1 Jun 2033	250	277	293	Province of Manitoba	6.30	5 Mar 2031	625	855	825
Labrador-Island Link Funding Trust	3.86	1 Dec 2045	7,091	8,193	7,814	Province of Manitoba	5.70	5 Mar 2037	1,000	1,371	1,356
						Province of Manitoba	4.60	5 Mar 2038	1,300	1,582	1,472
						Province of Manitoba	4.65	5 Mar 2040	2,500	3,089	2,813

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



# Schedule I – Statement of Investment Portfolio (continued)

As at October 31, 2017 (in thousands of Canadian dollars)

Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)	Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
<b>Bonds (continued)</b>						<b>Bonds (continued)</b>					
<b>Provincial – 34.7% (continued)</b>						<b>Provincial – 34.7% (continued)</b>					
Province of Manitoba	4.10	5 Mar 2041	12,075	13,903	13,576	Province of Ontario	4.65	2 Jun 2041	39,006	49,393	46,644
Province of Manitoba	4.40	5 Mar 2042	7,650	9,219	9,018	Province of Ontario	3.50	2 Jun 2043	32,650	35,102	34,620
Province of Manitoba	3.35	5 Mar 2043	875	898	777	Province of Ontario	3.45	2 Jun 2045	37,800	40,410	39,007
Province of Manitoba	4.05	5 Sep 2045	3,300	3,812	3,777	Province of Ontario	2.90	2 Dec 2046	24,452	23,627	23,206
Province of Manitoba	2.85	5 Sep 2046	2,901	2,709	2,642	Province of Ontario	2.80	2 Jun 2048	28,791	27,342	26,948
Province of Manitoba	3.40	5 Sep 2048	1,418	1,481	1,420	Province of Québec	4.50	1 Dec 2018	1,975	2,040	2,154
Province of Manitoba	3.15	5 Sep 2052	2,000	1,982	1,864	Province of Québec	4.50	1 Dec 2019	3,800	4,024	4,229
Province of New Brunswick	4.50	2 Jun 2020	1,500	1,605	1,679	Province of Québec	4.50	1 Dec 2020	1,700	1,837	1,903
Province of New Brunswick	2.85	2 Jun 2023	1,500	1,549	1,580	Province of Québec	4.25	1 Dec 2021	7,125	7,762	8,025
Province of New Brunswick	2.60	14 Aug 2026	1,204	1,201	1,206	Province of Québec	3.50	1 Dec 2022	2,700	2,882	2,954
Province of New Brunswick	2.35	14 Aug 2027	987	955	968	Province of Québec	3.00	1 Sep 2023	16,645	17,377	17,509
Province of New Brunswick	5.50	27 Jan 2034	2,000	2,612	2,587	Province of Québec	3.75	1 Sep 2024	12,751	13,894	14,280
Province of New Brunswick	4.55	26 Mar 2037	9,000	10,803	10,506	Province of Québec	2.75	1 Sep 2025	3,300	3,375	3,393
Province of New Brunswick	4.80	26 Sep 2039	1,500	1,878	1,808	Province of Québec	8.50	1 Apr 2026	4,700	6,791	7,070
Province of New Brunswick	4.80	3 Jun 2041	1,500	1,895	1,819	Province of Québec	2.50	1 Sep 2026	2,672	2,667	2,730
Province of New Brunswick	3.55	3 Jun 2043	6,750	7,130	6,797	Province of Québec	2.75	1 Sep 2027	6,433	6,514	6,515
Province of New Brunswick	3.80	14 Aug 2045	7,500	8,285	7,944	Province of Québec	6.00	1 Oct 2029	2,900	3,847	3,868
Province of New Brunswick	3.10	14 Aug 2048	625	612	611	Province of Québec	6.25	1 Jun 2032	10,000	13,985	14,036
Province of Newfoundland and Labrador	1.95	2 Jun 2022	914	907	912	Province of Québec	5.25	1 Jun 2034	3,200	4,116	4,013
Province of Newfoundland and Labrador	3.00	2 Jun 2026	8,857	9,046	8,941	Province of Québec	5.75	1 Dec 2036	28,250	39,499	39,195
Province of Newfoundland and Labrador	5.60	17 Oct 2033	1,500	1,949	1,944	Province of Québec	5.00	1 Dec 2038	12,050	15,714	15,327
Province of Newfoundland and Labrador	4.65	17 Oct 2040	1,700	2,059	1,990	Province of Québec	5.00	1 Dec 2041	42,875	56,982	54,146
Province of Newfoundland and Labrador	3.30	17 Oct 2046	5,175	5,135	4,873	Province of Québec	4.25	1 Dec 2043	12,700	15,364	14,761
Province of Newfoundland and Labrador	3.70	17 Oct 2048	2,938	3,152	3,019	Province of Québec	3.50	1 Dec 2045	14,300	15,440	14,660
Province of Nova Scotia	4.10	1 Jun 2021	1,100	1,183	1,222	Province of Québec	3.50	1 Dec 2048	20,825	22,697	22,275
Province of Nova Scotia	2.10	1 Jun 2027	1,296	1,236	1,238	Province of Saskatchewan	2.55	2 Jun 2026	3,137	3,137	3,194
Province of Nova Scotia	5.80	1 Jun 2033	4,937	6,649	6,396	Province of Saskatchewan	2.65	2 Jun 2027	689	690	681
Province of Nova Scotia	4.50	1 Jun 2037	5,900	7,117	6,954	Province of Saskatchewan	6.40	5 Sep 2031	9,096	12,697	12,675
Province of Nova Scotia	4.70	1 Jun 2041	2,000	2,519	2,414	Province of Saskatchewan	5.60	5 Sep 2035	2,100	2,839	2,821
Province of Nova Scotia	4.40	1 Jun 2042	5,230	6,356	5,879	Province of Saskatchewan	4.75	1 Jun 2040	7,325	9,260	9,292
Province of Nova Scotia	3.45	1 Jun 2045	2,000	2,108	2,029	Province of Saskatchewan	3.90	2 Jun 2045	4,250	4,841	4,652
Province of Nova Scotia	3.50	2 Jun 2062	1,400	1,519	1,397	Province of Saskatchewan	2.75	2 Dec 2046	7,586	7,023	6,808
Province of Ontario	4.40	2 Jun 2019	10,275	10,736	11,309	Province of Saskatchewan	3.30	2 Jun 2048	2,880	2,982	2,966
Province of Ontario	2.10	8 Sep 2019	1,400	1,414	1,417	Province of Saskatchewan	3.75	5 Mar 2054	815	928	907
Province of Ontario	4.20	2 Jun 2020	9,175	9,753	10,100					966,714	953,895
Province of Ontario	4.00	2 Jun 2021	12,400	13,304	13,847	<b>Municipal – 1.3%</b>					
Province of Ontario	1.35	8 Mar 2022	3,038	2,957	2,970	City of Montreal	5.45	1 Dec 2019	400	431	455
Province of Ontario	3.15	2 Jun 2022	10,000	10,487	10,778	City of Montreal	3.50	1 Sep 2023	450	477	483
Province of Ontario	2.85	2 Jun 2023	16,350	16,929	17,297	City of Montreal	3.00	1 Sep 2025	1,763	1,804	1,775
Province of Ontario	3.50	2 Jun 2024	8,550	9,172	9,260	City of Montreal	2.75	1 Sep 2026	456	456	457
Province of Ontario	2.60	2 Jun 2025	8,400	8,500	8,544	City of Montreal	4.25	1 Dec 2032	750	847	824
Province of Ontario	2.40	2 Jun 2026	1,946	1,927	1,974	City of Montreal	4.10	1 Dec 2034	902	1,006	967
Province of Ontario	2.60	2 Jun 2027	2,831	2,830	2,831	City of Montreal	3.15	1 Dec 2036	1,700	1,672	1,696
Province of Ontario	6.50	8 Mar 2029	20,900	28,488	29,276	City of Montreal	6.00	1 Jun 2043	875	1,270	1,252
Province of Ontario	6.20	2 Jun 2031	3,600	4,959	5,096	City of Ottawa	4.60	14 Jul 2042	1,000	1,217	1,180
Province of Ontario	5.85	8 Mar 2033	15,030	20,476	20,229	City of Ottawa	3.10	27 Jul 2048	172	165	171
Province of Ontario	5.60	2 Jun 2035	16,400	22,287	22,244	City of Toronto	4.50	2 Dec 2019	500	528	555
Province of Ontario	4.70	2 Jun 2037	13,330	16,637	16,592	City of Toronto	3.50	6 Dec 2021	400	422	438
Province of Ontario	4.60	2 Jun 2039	16,900	21,038	20,986	City of Toronto	3.90	29 Sep 2023	2,500	2,706	2,769
						City of Toronto	2.40	24 Jun 2026	464	453	464
						City of Toronto	2.95	28 Apr 2035	600	579	555
						City of Toronto	3.50	2 Jun 2036	2,621	2,717	2,610
						City of Toronto	5.20	1 Jun 2040	2,650	3,444	3,465

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

# Schedule I – Statement of Investment Portfolio (continued)

As at October 31, 2017 (in thousands of Canadian dollars)

Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)	Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
<b>Bonds (continued)</b>						<b>Bonds (continued)</b>					
<b>Municipal – 1.3% (continued)</b>						<b>Corporate – 23.8% (continued)</b>					
City of Toronto	4.70	10 Jun 2041	1,150	1,412	1,359	Manufacturers Life Insurance Company	2.93	29 Nov 2023	5,348	5,402	5,473
City of Toronto	3.80	13 Dec 2042	450	486	465	Manufacturers Life Insurance Company	2.64	15 Jan 2025	15,599	15,767	15,796
City of Toronto	4.15	10 Mar 2044	450	515	493	Manufacturers Life Insurance Company	2.10	1 Jun 2025	7,163	7,139	7,106
City of Toronto	3.25	24 Jun 2046	227	224	226	Manufacturers Life Insurance Company	2.39	5 Jan 2026	11,643	11,665	11,574
City of Vancouver	3.70	18 Oct 2052	299	321	342	Manufacturers Life Insurance Company	3.18	22 Nov 2027	12,860	13,219	13,195
City of Winnipeg	4.10	1 Jun 2045	86	96	99	National Bank of Canada	1.49	26 Mar 2018	215	213	213
City of Winnipeg	4.30	15 Nov 2051	900	1,059	1,024	National Bank of Canada	2.11	18 Mar 2022	30,720	30,504	30,301
Municipal Finance Authority of British Columbia	5.10	20 Nov 2018	650	674	723	National Bank of Canada	1.96	30 Jun 2022	1,825	1,797	1,782
Municipal Finance Authority of British Columbia	4.88	3 Jun 2019	650	683	729	Royal Bank of Canada	1.92	17 Jul 2020	1,790	1,788	1,778
Municipal Finance Authority of British Columbia	4.15	1 Jun 2021	557	599	624	Royal Bank of Canada	2.86	4 Mar 2021	34,245	35,063	34,869
Municipal Finance Authority of British Columbia	3.75	26 Sep 2023	475	513	529	Royal Bank of Canada	2.03	15 Mar 2021	12,743	12,708	12,812
Municipal Finance Authority of British Columbia	2.50	19 Apr 2026	1,450	1,438	1,453	Royal Bank of Canada	1.65	15 Jul 2021	28,714	28,202	28,450
Region of Peel	2.30	2 Nov 2026	160	154	159	Royal Bank of Canada	1.58	13 Sep 2021	1,675	1,638	1,671
Region of Peel	5.10	29 Jun 2040	1,200	1,547	1,515	Royal Bank of Canada	2.00	21 Mar 2022	25,414	25,142	25,244
Region of Peel	3.85	30 Oct 2042	900	982	951	Royal Bank of Canada	4.93	16 Jul 2025	19,385	22,458	22,192
Regional Municipality of York	2.60	15 Dec 2025	3,362	3,352	3,274	Sun Life Capital Trust	7.09	30 Jun 2052	8,424	11,173	10,968
Regional Municipality of York	2.50	2 Jun 2026	159	157	163	Toronto Dominion Bank	2.45	2 Apr 2019	19,989	20,187	20,453
Regional Municipality of York	4.00	31 May 2032	600	660	658	Toronto Dominion Bank	1.69	2 Apr 2020	1,520	1,512	1,505
Regional Municipality of York	4.05	1 May 2034	1,525	1,695	1,679	Toronto Dominion Bank	2.56	24 Jun 2020	1,750	1,778	1,769
				36,761	36,581	Toronto Dominion Bank	2.05	8 Mar 2021	31,355	31,322	31,089
						Toronto Dominion Bank	1.68	8 Jun 2021	14,916	14,719	14,762
						Toronto Dominion Bank	2.62	22 Dec 2021	1,750	1,779	1,768
						Toronto Dominion Bank	1.99	23 Mar 2022	1,820	1,803	1,785
<b>Corporate – 23.8%</b>						Toronto Dominion Bank	3.23	24 Jul 2024	25,195	26,287	26,354
Bank of Montreal	2.10	6 Oct 2020	22,015	22,055	22,194	Wells Fargo Financial Corporation Canada	3.04	29 Jan 2021	1,688	1,734	1,759
Bank of Montreal	1.88	31 Mar 2021	1,417	1,406	1,417	Wells Fargo Financial Corporation Canada	3.46	24 Jan 2023	10,996	11,528	11,480
Bank of Montreal	3.40	23 Apr 2021	60,649	63,201	63,955				661,357	662,901	
Bank of Montreal	2.70	11 Sep 2024	5,743	5,792	5,742	<b>Total Fixed Income – 66.2%</b>			<b>1,842,519</b>	<b>1,834,305</b>	
Bank of Nova Scotia	2.46	14 Mar 2019	15,240	15,391	15,613						
Bank of Nova Scotia	2.40	28 Oct 2019	24,731	24,996	25,286						
Bank of Nova Scotia	2.09	9 Sep 2020	10,297	10,313	10,390						
Bank of Nova Scotia	3.27	11 Jan 2021	7,545	7,819	7,783						
Bank of Nova Scotia	2.87	4 Jun 2021	2,245	2,301	2,292						
Bank of Nova Scotia	1.90	2 Dec 2021	1,645	1,625	1,646						
Bank of Nova Scotia	1.84	27 Apr 2022	14,965	14,678	14,602						
Caisse Centrale Desjardins	2.80	19 Nov 2018	8,188	8,279	8,471	<b>Equities – 6.3%</b>					
Caisse Centrale Desjardins	2.44	17 Jul 2019	31,690	32,021	31,915	Agrium Inc.			41	5,765	4,932
Canadian Imperial Bank of Commerce	2.30	11 Jul 2022	16,982	16,986	16,913	Alimentation Couche-Tard Inc.			83	5,023	4,925
Great-West Lifeco Inc.	6.67	21 Mar 2033	3,706	4,993	4,952	ATCO Ltd.			34	1,570	1,409
HSBC Bank Canada	2.08	26 Nov 2018	21,907	21,979	22,038	AutoCanada Inc.			48	1,112	1,082
HSBC Bank Canada	2.45	29 Jan 2021	1,640	1,655	1,645	Bank of Nova Scotia			115	9,572	6,795
HSBC Bank Canada	2.91	29 Sep 2021	28,220	28,870	28,766	Birchcliff Energy Ltd.			341	1,789	2,215
HSBC Bank Canada	2.17	29 Jun 2022	3,989	3,950	3,987	Boardwalk Real Estate Investment Trust			66	2,623	3,202
Hydro One Inc.	8.90	18 Aug 2022	2,000	2,612	2,844	Brookfield Asset Management Inc.			54	2,949	2,279
Hydro One Inc.	8.25	22 Jun 2026	4,750	6,778	7,081	Brookfield Infrastructure Partners L.P.			32	1,753	1,379
Hydro-Québec	1.00	25 May 2019	1,582	1,569	1,576	Brookfield Renewable Partners L.P.			32	1,396	1,333
Hydro-Québec	11.00	15 Aug 2020	3,400	4,247	4,909	CAE Inc.			84	1,909	1,245
Hydro-Québec	6.50	15 Feb 2035	3,000	4,410	4,371	Canadian National Railway Company			38	3,996	2,942
Hydro-Québec	6.00	15 Feb 2040	7,650	11,246	10,982	Canadian Natural Resources Limited			71	3,213	1,843
Hydro-Québec	5.00	15 Feb 2050	3,000	4,193	3,970	Canadian Pacific Railway Company			16	3,622	2,914
Hydro-Québec	4.00	15 Feb 2055	1,208	1,465	1,413	Canadian Western Bank			27	996	616

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

# Schedule I – Statement of Investment Portfolio (continued)

As at October 31, 2017 (in thousands of Canadian dollars)

Security	Number of Securities	Fair Value (\$)	Average Cost (\$)	Security	Number of Securities	Fair Value (\$)	Average Cost (\$)
<b>Equities – 6.3% (continued)</b>				<b>Exchange-traded Funds – 27.2%</b>			
CCL Industries Inc.	53	3,290	2,663	BMO S&P 500 Index ETF	6,021	220,023	205,801
CGI Group Inc.	36	2,468	2,108	iShares Core S&P U.S. Total Market Index ETF	21,039	537,768	503,304
CI Financial Corp.	110	3,163	3,006				
Computer Modeling Group Ltd.	98	998	983	<b>Total Equities and ETFs – 33.5%</b>		<b>932,597</b>	<b>856,502</b>
DREAM Unlimited Corporation	125	917	915				
Empire Company Limited	159	3,558	3,256	<b>Total Investments – 99.7%</b>		<b>2,775,116</b>	<b>2,690,807</b>
Enbridge Inc.	105	5,226	5,406				
Enerflex Ltd.	193	3,383	2,816	<b>Cash and cash equivalents – 0.3%</b>		<b>10,411</b>	<b>10,411</b>
Fairfax Financial Holdings Limited	5	3,306	3,042				
Finning International Inc.	78	2,469	1,493	<b>Total Portfolio Assets – 100.0%</b>		<b>2,785,527</b>	<b>2,701,218</b>
FirstService Corporation	14	1,232	642				
Franco-Nevada Corporation	55	5,661	4,318	<b>Investments Allocation (Note 4)</b>			
Freehold Royalties Ltd.	258	4,071	2,930	<b>Government Grants (Appendix I)</b>		999,796	971,884
Granite REIT Holdings Limited Partnership	25	1,230	922	<b>Sales Charge Refund Entitlements (Appendices II &amp; III)</b>		156,381	154,836
Great Canadian Gaming Corporation	61	1,863	1,107	<b>Cash and cash equivalents (Appendices I, II &amp; III)</b>		7,144	7,144
Great-West Lifeco Inc.	67	2,407	2,258	<b>Total Investment Fund</b>		<b>3,948,848</b>	<b>3,835,082</b>
IGM Financial Inc.	34	1,564	1,204				
Imperial Oil Limited	86	3,597	3,453	<b>Represented by:</b>			
Industrial Alliance Insurance and Financial Services Inc.	7	431	429	<b>Cash and cash equivalents</b>		17,555	
Intact Financial Corporation	71	7,448	6,469	<b>Investments, at fair value</b>		3,931,293	
Laurentian Bank of Canada	16	962	782				
Loblaw Companies Limited	74	4,904	5,014				
Magna International Inc.	60	4,218	3,359				
Maxar Technologies Ltd.	51	4,185	3,510				
Methanex Corporation	29	1,791	1,320				
METRO Inc.	40	1,636	1,665				
Morguard Corporation	6	1,121	806				
Mullen Group Ltd.	201	3,405	3,368				
Onex Corporation	12	1,151	937				
Pason System Inc.	140	2,626	2,553				
PrairieSky Royalty Ltd.	120	4,122	2,795				
Restaurant Brands International Inc.	15	1,232	922				
Ritchie Brothers Auctioneers Inc.	107	3,856	4,059				
ShawCor Ltd.	77	2,140	2,215				
Stella-Jones Inc.	32	1,634	1,370				
Suncor Energy Inc.	146	6,389	5,069				
TELUS Corporation	100	4,685	4,166				
Toromont Industries Ltd.	35	1,972	1,109				
Toronto Dominion Bank	143	10,495	7,618				
Total Energy Services Inc.	76	1,145	1,078				
Tucows Inc.	4	310	298				
Wajax Corporation	43	1,012	899				
Westshore Terminals Investment Corporation	122	2,991	2,766				
Winpak Ltd.	25	1,254	1,188				
		<b>174,806</b>	<b>147,397</b>				

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

# Schedule II – Subscribers’ Deposits and Accumulated Income

As at October 31, 2017 and 2016 (in thousands of Canadian dollars)

The following is a summary of Group Savings Plan 2001 Units, Subscribers’ Deposits and Accumulated Income by year of eligibility:

Year of Eligibility	Opening Units	Inflow Units <sup>1</sup>	Outflow Units <sup>2</sup>	Closing Units	Subscribers’ Deposits	Accumulated Income <sup>3</sup>
2016 and prior to 2016	135,186	770	20,384	115,572	8,604	9,979
2017	58,913	1,485	2,920	57,478	12,411	17,378
2018	94,184	344	1,890	92,638	29,533	18,715
2019	164,399	608	1,677	163,330	101,951	26,042
2020	183,179	562	1,705	182,036	241,923	70,498
2021	189,515	930	2,276	188,169	247,842	67,729
2022	196,021	1,906	3,156	194,771	239,750	59,792
2023	191,952	2,504	3,249	191,207	225,962	51,854
2024	196,637	3,404	4,088	195,953	207,007	43,496
2025	188,085	5,067	6,199	186,953	190,552	36,842
2026	180,561	7,277	6,834	181,004	166,032	28,743
2027	170,346	6,598	6,193	170,751	139,878	20,644
2028	166,579	4,411	6,660	164,330	118,714	14,733
2029	162,524	5,011	7,370	160,165	94,622	10,062
2030	163,979	6,764	8,654	162,089	75,238	6,934
2031 and thereafter	431,266	164,251	27,018	568,499	132,405	9,385
<b>TOTAL</b>	<b>2,873,326</b>	<b>211,892</b>	<b>110,273</b>	<b>2,974,945</b>	<b>\$ 2,232,424</b>	<b>\$ 492,826</b>

1 Inflow units are comprised of new units, additional units and transfers in.

2 Outflow units are comprised of terminations, transfers out and education assistance payments.

3 Accumulated income represents both income allocated to subscribers’ accounts and income held for future education assistance payments.

The changes in Subscribers’ deposits are as follows:

	Oct 31, 2017	Oct 31, 2016
Payments from subscribers <sup>1</sup>	\$ 286,328	\$ 283,640
Inter-plan principal transfers	(31,205)	(31,267)
Account maintenance fees	(3,154)	(3,150)
Return of principal	(109,707)	(101,236)
Net increase in Subscribers’ deposits	142,262	147,987
<b>Balance, Beginning of Year</b>	<b>2,090,162</b>	<b>1,942,175</b>
<b>Balance, End of Year</b>	<b>\$ 2,232,424</b>	<b>\$ 2,090,162</b>

1 Net of Sales charges collected of \$36,192 (2016 – \$37,111).



## Schedule III – Education Assistance Payments

For the years ended October 31, 2017 and 2016 (in thousands of Canadian dollars, except for per unit amounts)

The following tables provide the total dollar payments by fiscal year, as well as number of eligible units paid and education assistance payment amounts by year of eligibility.

<b>Education Assistance Payments</b>	<b>2017</b>	<b>2016</b>	<b>Education Assistance Payments</b>	<b>2017</b>	<b>2016</b>
Current year payments	<b>\$13,843</b>	\$11,909	Non-Discretionary	<b>\$19,397</b>	\$15,751
Deferred payments	<b>5,292</b>	5,125	Discretionary	<b>–</b>	1,608
Advance payments	<b>262</b>	325		<b>\$19,397</b>	\$17,359
	<b>\$19,397</b>	\$17,359			

	<b>Number of education assistance payment units</b>				<b>Amount of education assistance payment per unit</b>			
	<b>Year of Eligibility</b>				<b>Year of Eligibility</b>			
	<b>2017</b>	2016	2015	2014	<b>2017</b>	2016	2015	2014
First	<b>34,324.9</b>	31,645.9	25,928.6	17,375.7	<b>\$ 121</b>	\$ 123	\$ 183	\$ 210
Second	<b>25,910.2</b>	21,431.2	16,892.3		<b>151</b>	156	179	219
Third		<b>18,761.1</b>	14,538.4					
Fourth			<b>12,350.4</b>					<b>205</b>

# Notes to the Financial Statements

As at October 31, 2017 and 2016 (in thousands of Canadian dollars)

## Note 1. Nature of Operations

The Canadian Scholarship Trust Group Savings Plan 2001 (the “Plan”) is a Pooled Education Savings Plan that was established on May 1, 2001. The objective of the Plan is to assist parents and others to save for the post-secondary education of children. The Plan is managed and distributed by C.S.T. Consultants Inc. (“C.S.T.C.”), a wholly-owned subsidiary of the Canadian Scholarship Trust Foundation (the “Foundation”). The Plan’s registered place of business is 1600-2235 Sheppard Avenue East, Toronto, Ontario, Canada.

Payments are made by a subscriber to an account maintained by the Plan’s trustee on behalf of a beneficiary. Deductions of sales charges and account maintenance fees are made from the subscriber’s contributions. The principal accumulated over the term of the subscriber’s education savings plan agreement (the “Agreement”) is returned to the subscriber when:

- i. the Agreement matures and the beneficiary is a qualified student eligible to receive the first education assistance payment (“EAP”),
- ii. the Agreement matures and the beneficiary is not yet a qualified student, in which case the beneficiary will forfeit all government grants (as described below), or
- iii. the Agreement is terminated.

The investment income earned on the subscribers’ principal balance is used to provide EAPs to qualified students. A beneficiary is deemed to be a qualified student upon receipt by the Foundation of evidence of enrolment in a qualifying educational program at an eligible institution.

There are a number of government grants that may be available to beneficiaries including the Canada Education Savings Grant Program (“CESG”), the Canada Learning Bond (“CLB”), the Quebec Education Savings Incentive (“QESI”), the Saskatchewan Advantage Grant for Education Savings (“SAGES”) and the British Columbia Training and Education Savings Grant (“BCTESG”) (collectively, “Government Grants”). The Government of Saskatchewan has announced a temporary suspension of the SAGES program effective January 1, 2018.

The Plan collects Government Grants, which are credited directly into subscribers’ Agreements (“Agreements”) and invests these funds in accordance with the Plan’s investment policies. The Government Grants, along with investment income earned thereon, are paid to qualified students with their EAPs.

Agreements are registered with appropriate government authorities if all required information is provided, and once registered are subject to the rules for Registered Education Savings Plans (“RESP”) under the *Income Tax Act* (Canada). The current tax legislation provides that income credited on subscribers’ principal is not taxable income of the subscriber unless withdrawn as an Accumulated Income Payment subject to certain eligibility requirements. The deposits are not deductible for income tax purposes and are not taxable when returned to the subscriber. Payments made to a beneficiary, including EAPs, Government Grants and investment income earned on Government Grants will constitute taxable income of that beneficiary in the year that the payments are made.

## Note 2. Significant Accounting Policies

### (a) Statement of Compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”).

These financial statements were approved by the Board of Directors of the Foundation on December 19, 2017.

### (b) Basis of measurement

These financial statements have been prepared on the historical cost basis except for financial instruments classified as “at fair value through profit or loss” (“FVTPL”), which are measured at fair value.

### (c) Future accounting standards

The following new accounting standards have been issued by the International Accounting Standards Board (“IASB”). These new standards are not yet effective and the Plan has not completed its assessment of the impact on its financial statements.

#### *IFRS 9 Financial Instruments (“IFRS 9”)*

In July 2014, the IASB finalized the reform of financial instruments accounting and issued IFRS 9 (as revised in 2014), which contains the requirements for the classification and measurement of financial assets and financial liabilities, impairment methodology, and general hedge accounting. IFRS 9 (as revised in 2014) will supersede IAS 39 *Financial Instruments: Recognition and Measurement* (“IAS 39”). IFRS 9 will be effective for the Plan’s financial statements during its fiscal 2019 year.

#### *IFRS 15 Revenue from Contracts with Customers (“IFRS 15”)*

IFRS 15 was issued in May 2014, replacing existing guidance related to revenue recognition and will be effective for the Plan’s financial statements during its fiscal 2019 year. IFRS 15 includes a single revenue recognition model based on the principal that revenue is recognized when control of a good or service is transferred to the customer. When appropriate, contracts with customers are divided into separate performance obligations, each of which represent promises to deliver distinct goods or services. IFRS 15 provides guidance for recognizing revenue from performance obligations that are delivered at a point in time, or delivered over time and also includes additional disclosure requirements.

### (d) Financial instruments

The Plan recognizes financial assets and financial liabilities when it becomes a party to a contract. Financial assets and financial liabilities, with the exception of those classified as FVTPL, are measured at fair value plus transaction costs on initial recognition. Financial assets and financial liabilities classified as FVTPL are measured at fair value on initial recognition and transaction costs are expensed when incurred. Investments, at fair value have been designated as FVTPL.

# Notes to the Financial Statements (continued)

As at October 31, 2017 and 2016 (in thousands of Canadian dollars)

## Note 2. Significant Accounting Policies (continued)

### (d) Financial instruments (continued)

Measurement in subsequent periods depends on the classification of the financial instrument. The financial assets and financial liabilities of the Plan are classified as follows:

Financial asset or financial liability	Classification
Investments, at fair value	FVTPL <sup>i</sup>
Cash and cash equivalents	Loans and receivables <sup>ii</sup>
Accrued interest and other receivables	Loans and receivables <sup>ii</sup>
Receivables for securities sold	Loans and receivables <sup>ii</sup>
Accounts payable, accrued liabilities and unclaimed subscribers' funds	Other financial liabilities <sup>iii</sup>
Payables for securities purchased	Other financial liabilities <sup>iii</sup>

<sup>i</sup> Financial assets are designated as FVTPL when acquired principally for the purpose of trading. Financial assets classified as FVTPL are measured at fair value, with changes in unrealized gains and losses recognized on the Statements of Comprehensive Income.

<sup>ii</sup> Loans and receivables are non-derivative financial assets that have fixed or determinable payments and are not quoted in an active market. Subsequent to initial recognition, loans and receivables are carried at amortized cost using the effective interest method. Loans and receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

<sup>iii</sup> Other financial liabilities are liabilities that are not derivative liabilities or classified as FVTPL. Subsequent to initial recognition, other financial liabilities are carried at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial instrument and allocating interest over the relevant period. The effective interest rate is the rate that discounts estimated future cash flows (including all transaction costs and other premiums or discounts) through the expected life of the financial instrument to the net carrying amount on initial recognition.

### (e) Investment valuation

Investments, at fair value include the following types of securities: bonds, money market securities, equities, exchange-traded funds ("ETF") and pooled funds.

The fair value of fixed income securities that are not publicly traded is measured by using either the average bid price from multiple dealers, or by the present value of contractual cash flows, discounted at current market rates. Interest accrued at the reporting date is included in Accrued interest and other receivables on the Statements of Financial Position.

The fair value of securities that are publicly traded in an active market is measured using bid prices at the reporting date.

Investments in pooled funds used to pay the Sales Charge Refund ("SCR") Entitlements referred to in Note 8(a) are valued at net asset values of the pooled funds at the valuation date, as these represent the value that would be received by the Plan from redeeming its units held in the pooled funds.

Note 9 provides further guidance on fair value measurements.

### (f) Investment transactions and income recognition

Investment transactions are accounted for on a trade-date basis. Interest for allocation to subscriber accounts represents the coupon interest received by the Plan accounted for on an accrual basis. The Plan does not amortize premiums paid or discounts received on the purchase of fixed income securities. Dividends and distributions are accrued as of the ex-dividend date and ex-distribution date, respectively. Realized gains (losses) on the sale of investments and Change in unrealized gains (losses) are calculated with reference to the average cost of the related investments and are recognized in the period that such gains (losses) occur.

### (g) Subscribers' deposits, sales charges and account maintenance fees

Subscribers' deposits reflect amounts received from subscribers net of sales charges and account maintenance fees and do not include future amounts receivable on outstanding Agreements. Sales charges are deducted from subscribers' deposits and are collected over periods of up to 32 months from the date of initial deposit. Account maintenance fees are paid annually to the Foundation from subscribers' deposits and are accrued throughout the year.

### (h) Income taxes

The Plan is exempt from income taxes under Section 146.1 of the *Income Tax Act* (Canada).

### (i) Cash and cash equivalents

Cash and cash equivalents include deposit balances with banks and securities with a purchase date to maturity of 90 days or less and includes term deposits, treasury bills and bankers acceptances

### (j) Foreign currency

The functional and presentation currency of the Plan is the Canadian Dollar.

To the extent applicable in any period, foreign currency purchases and sales of investments and foreign currency dividend and interest income are translated into Canadian dollars at the rate of exchange prevailing at the time of the transactions. Realized and unrealized foreign currency gains or losses on investments are included in the Statements of Comprehensive Income in Realized gains (losses) on sale of investments and Change in unrealized gains (losses), respectively.

### (k) Critical accounting estimates and judgments

When preparing the financial statements, C.S.T.C. management makes estimates and judgments that affect the reported amounts recognized and disclosed in the financial statements. These estimates and judgments have a direct effect on the measurement of transactions and balances recognized in the financial statements. By their nature, these estimates and judgments are subject to measurement uncertainty and actual results could differ.

The estimates, assumptions and judgments that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities are those involved with the

# Notes to the Financial Statements (continued)

As at October 31, 2017 and 2016 (in thousands of Canadian dollars)

## Note 2. Significant Accounting Policies (continued)

### (k) Critical accounting estimates and judgments (continued)

valuation of the SCR Entitlements. Further information on the SCR Entitlement valuation can be found in Note 8(b).

## Note 3. Related Party Transactions

Related party transactions are measured at the exchange amount, which is the amount agreed between the parties.

### (a) Distribution and Administration of the Plan

The Foundation, as the Plan sponsor, has appointed C.S.T.C., as both the Scholarship Plan Dealer and Investment Fund Manager to distribute and administer, respectively, the Plan. The agreements are renewable annually on November 1.

Administration and account maintenance fees are paid to the Foundation. Administration fees are annual fees of  $\frac{1}{2}$  of 1% of the total amount of principal, Government Grants and income earned thereon, as well as the investments used to pay the SCR Entitlements ("SCR Fund").

During the year ended October 31, 2017, \$19,763 was recognized as an expense for Administration and account maintenance fees (2016 – \$18,148). Administration and account maintenance fees included in Accounts payable, accrued liabilities and unclaimed subscribers' funds at October 31, 2017 was \$362 (2016 – \$259).

Sales charges are paid by subscribers' and deducted from their contributions. In accordance with the distribution agreement, the Foundation agreed to set aside a portion of the sales charges collected from subscribers' to the SCR Fund each year in order to pay SCR Entitlements when they become due. The balance of sales charges collected is paid to C.S.T.C. as compensation for the sale and distribution of savings plans.

During the year ended October 31, 2017, \$36,198 was paid to C.S.T.C. from sales charges collected as compensation for the sale and distribution of savings plans (2016 – \$37,106). Related amounts included in Accounts payable, accrued liabilities and unclaimed subscribers' funds at October 31, 2017 was \$500 (2016 – \$506).

The Foundation is responsible to pay to beneficiaries of the Plan the refunds of sales charges as promised. Any shortfall in the assets to meet the SCR Entitlements will be funded from the Foundation's surplus (see Note 8).

### (b) SCR Deficit Funding Payments from the Canadian Scholarship Trust Foundation

For the year ended October 31, 2017, the Foundation provided deficit funding payments of \$1,600 (2016 – \$1,900) to the SCR Fund (see Note 8(b)).

### (c) Fees paid for services of an Independent Review Committee

The Independent Review Committee ("IRC") provides independent review and oversight of conflicts of interest relating to the management of the Plan. For the year ended October 31, 2017, the Plan recognized an expense of \$60 (2016 – \$57) for the services of the IRC. IRC fees included in Accounts payable,

accrued liabilities and unclaimed subscribers' funds at October 31, 2017 was \$nil (2016 – \$nil).

### (d) Fees paid to monitor and manage the portfolio managers

Included in Portfolio management fees on the Statements of Comprehensive Income is \$763 (2016 – \$582) charged by C.S.T.C. for expenses incurred to monitor and manage the portfolio managers. Included in Accounts payable, accrued liabilities and unclaimed subscribers' funds is \$19 owing from C.S.T.C. as at October 31, 2017 (2016 – \$38) relating to these expenses.

## Note 4. Investment Holdings

The investment holdings are disclosed in Schedule I – Statement of Investment Portfolio and the related Appendices I – III to the schedule, which are explained below.

The Government Grants are invested collectively in a separate fund with Government Grants of other RESP plans administered by C.S.T.C. The Government Grant principal received and income earned thereon are separately tracked for each subscriber's Agreement. The portfolio holdings are allocated across all plans based on the proportion of principal and income attributable to Agreements within each plan (see Appendix I to Schedule I).

For Agreements purchased under prospectuses dated prior to October 2, 2007, investments used to fund the SCR Entitlements of the Group Savings Plan 2001 and the Group Savings Plan are managed in a separate SCR Fund (see Appendix II to Schedule 1). The SCR Fund's holdings and income are allocated to the Plan based on its proportionate share of the SCR Entitlements.

For Agreements purchased under prospectuses dated on or after October 2, 2007, investments used to fund the SCR Entitlements of the Plan are managed in a separate SCR Fund (see Appendix III to Schedule I).

The investment restrictions set out in National Policy 15 of the Canadian Securities Administrators do not apply to assets invested in the SCR Funds.

## Note 5. Capital Risk Management

The Plan's capital consists of the components of the net assets attributable to subscribers' and beneficiaries as per the Statements of Financial Position. The Plan has obligations to return subscriber contributions upon maturity or termination as well as pay EAPs of investment income, grants and income on grants. The Plan invests subscriber contributions and government grants received in appropriate investments in accordance with its stated investment objectives while maintaining sufficient liquidity to meet subscribers' obligations.

## Note 6. Risks Associated with Financial Instruments

In the normal course of business the Plan may be exposed to a variety of risks arising from financial instruments. The Plan's exposures to such risks are concentrated in its investment holdings



# Notes to the Financial Statements (continued)

As at October 31, 2017 and 2016 (in thousands of Canadian dollars)

## Note 6. Risks Associated with Financial Instruments (continued)

and are related to market risk (which includes interest rate risk and other price risk), credit risk, liquidity risk and currency risk.

The Plan's risk management process includes monitoring compliance with the Plan's investment policy. The Plan manages the effects of these financial risks to the Plan portfolio performance by retaining and overseeing professional external investment managers. The investment managers regularly monitor the Plan's positions and market events and manage the investment portfolio within the constraints of the investment policy and mandates.

### (a) Market risk

#### i. Interest rate risk

Interest rate risk is the risk of a decrease in the Plan's yield on interest-bearing investments as a result of fluctuations in market interest rates. There is an inverse relationship between changes in interest rates and changes in the fair value of bonds. This risk is actively managed using duration, yield curve analysis, sector and credit selection. There is reduced risk to interest rate changes for cash and cash equivalents due to their short-term nature.

The Plan's holdings of debt instruments by maturity are as follows:

Debt Instruments by Maturity Date	% of Total Investment Fund	
	Oct 31, 2017	Oct 31, 2016
Less than 1 year	1%	3%
1-3 years	9%	13%
3-5 years	14%	12%
Greater than 5 years	41%	50%
<b>Total Debt instruments</b>	<b>65%</b>	<b>78%</b>

As at October 31, 2017, if prevailing interest rates had increased by 1%, the fair value of the Total Investment Fund of \$3,948,848 (2016 – \$3,621,241) as per Schedule I – Statement of Investment Portfolio would have decreased by approximately \$207,000 (2016 – \$221,000). If prevailing interest rates had decreased by 1% the fair value of the Total Investment Fund would have increased by approximately \$249,000 (2016 – \$278,000). This 1% change assumes a parallel shift in the yield curve with all other variables held constant. In practice, actual results may differ materially.

#### ii. Other price risk

Other price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, other than those arising from interest rate risk. Factors specific to an individual investment, its issuer or other factors affecting all instruments traded in a market or market segment affect other price risk. The asset classes that are most impacted by other price risk are the equities and ETFs of the Plan, Government Grants asset pool, and the SCR Funds, which represent 35% (2016 – 22%) of the Total Investment Fund as at October 31, 2017. The risk associated

with the equity component of the SCR Fund is managed by security selection and active management by external managers within approved investment policy and mandates.

As at October 31, 2017, if equity and underlying indices prices had increased or decreased by 1%, with all other variables held constant, the fair value of the Total Investment Fund as per Schedule I – Statement of Investment Portfolio would have increased or decreased by approximately \$13,800 (2016 – \$8,000). In practice, actual results may differ materially.

### (b) Credit risk

Credit risk refers to the ability of the issuer of debt securities to make interest payments and repay principal. The Plan's portfolio is comprised of bonds issued or guaranteed by federal or provincial governments along with corporate debt instruments with a minimum approved credit rating as set by Canadian Securities Administrators. The Plan has a concentration of investments in government and government guaranteed bonds, which are considered to be high credit quality investments thereby moderating credit risk.

The Plan's credit risk exposure is summarized below:

Credit rating	October 31, 2017		October 31, 2016	
	% of Total Investment Fund	Amount	% of Total Investment Fund	Amount
AAA	7%	\$ 279,939	21%	\$ 775,260
AA/AAH/AAL	38%	1,480,169	35%	1,257,118
A/AH/AL	19%	769,844	19%	702,692
BBB	0%	9,534	3%	65,504
R-1	1%	19,940	0%	11,327
Short-term unrated	0%	8,201	0%	10,507
<b>Total Debt instruments</b>	<b>65%</b>	<b>\$2,567,627</b>	<b>78%</b>	<b>\$2,822,408</b>

The Dominion Bond Rating Service ("DBRS") was the primary source for obtaining credit ratings. Secondary sources used include Standard & Poor's Financial Services LLC and Moody's Investor Service, Inc.

### (c) Liquidity risk

Liquidity risk is the risk that the Plan may not be able to meet its financial obligations as they come due. The Plan's exposure to liquidity risk is concentrated in principal repayments to subscribers' and EAPs to beneficiaries including SCR Entitlements. The Plan primarily invests in securities that are traded in active markets and can be readily sold. The Plan retains sufficient cash and cash equivalents positions to meet liquidity requirements by utilizing cash forecasting models that reflect the maturity distribution of subscribers' deposits and accumulated income. All other financial liabilities are short term and due within one year. The Foundation directs a portion of the sales charges collected from subscribers' to the SCR Fund each year in order to pay SCR Entitlements when they become due. Any shortfall in the assets to meet the SCR Entitlements will be funded by the Foundation (see Note 8(b)).

# Notes to the Financial Statements (continued)

As at October 31, 2017 and 2016 (in thousands of Canadian dollars)

## Note 6. Risks Associated with Financial Instruments (continued)

### (d) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Plan holds foreign equity funds and ETF's, which represent 29% (2016 – 2%) of the Total Investment Fund. The fair value of the Total Investment Fund would increase or decrease by approximately \$11,400 (2016 – \$600) in response to a 1% depreciation or appreciation of the Canadian dollar currency exchange rate. In practice the actual change may differ materially.

## Note 7. General Fund and Donations from the Foundation

The Canadian Scholarship Group Savings Plan Trust (the “Group Trust”) is a legal trust which includes the Group Savings Plan and the Group Savings Plan 2001 (the “Plans”). The Plans are registered with the Canada Revenue Agency as Education Savings Plans. The General Fund is a separate account within the Group Trust and derives its income from the following sources:

- interest earned on subscribers' accumulated income from the date of maturity of the Agreements to the date the funds are paid to qualified students as EAPs;
- interest earned on the income forfeited when a subscriber's agreement is terminated prior to maturity;
- income not collected by beneficiaries before the expiry of the Agreements; and
- unclaimed principal and income payments.

According to the trust indenture of the Group Trust, the General Fund may be used to subsidize EAPs for qualified students of either of the Plans within the Group Trust.

Donations from the Foundation represent a discretionary pool of funds shared between the Plans. These funds are used to supplement EAPs when the General Fund is depleted. The amount is allocated annually between the Plans according to the payout forecast in each of the Plans.

Receipts and disbursements of the General Fund included in the financial statements of the Plan for the years ended October 31, 2017 and 2016 are as follows:

	2017	2016
<b>Receipts</b>		
Net investment income	\$2,338	\$ 759
<b>Disbursements</b>		
Education assistance payments	(1,807)	(759)
Excess of Receipts over Disbursements	535	-
<b>Balance, Beginning of Year</b>	-	-
<b>Balance, End of Year</b>	\$ 535	\$ -

Receipts and disbursements in the Donations from the Foundation included in the financial statements of the Plan for the years ended October 31, 2017 and 2016, are as follows:

	2017	2016
<b>Receipts</b>		
Contributions received from the Foundation	\$ 1,000	\$ 0
<b>Disbursements</b>		
Education assistance payments	-	(1,608)
Excess (Shortfall) of Receipts over Disbursements	1,000	(1,608)
<b>Balance, Beginning of Year</b>	978	2,586
<b>Balance, End of Year</b>	\$ 1,978	\$ 978

## Note 8. Sales Charge Refund

### (a) Sales Charge Refund Entitlements

The Plan refunds sales charges to qualified beneficiaries (“SCR Entitlements”) in four instalments during the EAP payout period (see (i) and (ii) below). The total amount refunded for the year ended October 31, 2017, was \$5,743 (2016 – \$4,740).

As at October 31, 2017, the SCR Entitlements amount of \$154,028 (2016 – \$132,383) presented in the Statements of Financial Position represents the average cost of the Plan's investments in the SCR Fund of \$155,186 (2016 – \$133,332), less funds to be transferred to the direct investment holdings of the plan of \$1,572 (2016 – \$1,162) for SCR payments made to beneficiaries during the year, plus accrued interest of \$414 (2016 – \$213). The fair value of the investments in the SCR Fund as at October 31, 2017, after adjusting for the above, amounted to \$155,573 (2016 – \$138,975), of which \$156,381 and \$350 are included in Investments, at fair value and Cash and cash equivalents, respectively, in the Statements of Financial Position. The difference between the present value of SCR Entitlements and the fair value of the SCR Fund is not recorded in the financial statements of the Plan.

#### (i) Agreements purchased under prospectuses dated prior to October 2, 2007

The Plan pays SCR Entitlements to the beneficiaries from the SCR Fund, which amount to 100% of sales charges paid for these Agreements.

As at October 31, 2017, the average cost and fair value of the Plan's investments in the SCR Fund available for the purpose of paying SCR Entitlements amounted to \$90,802 and \$91,381, respectively (2016 – \$81,877 and \$84,963, respectively).

#### (ii) Agreements purchased under prospectuses dated on or after October 2, 2007

The SCR Entitlements amount is comprised of a refund of at least 50% of the sales charges paid plus a potential additional amount not to exceed the amount of surplus (if any) in the SCR Fund. Any surplus in the SCR Fund will be calculated by the Foundation as the excess, if any, of the value of assets in the

# Notes to the Financial Statements (continued)

As at October 31, 2017 and 2016 (in thousands of Canadian dollars)

## Note 8. Sales Charge Refund (continued)

### (a) Sales Charge Refund Entitlements (continued)

#### (ii) Agreements purchased under prospectuses dated on or after October 2, 2007 (continued)

SCR Fund over the valuation of sales charge refund obligations based on 50% of sales charges.

For the year ended October 31, 2017, \$3,236 (2016 – \$3,237) was deposited in the SCR Fund from subscriber contributions, which is equivalent to the estimated present value of the future expected SCR Entitlements of \$100 per unit for all units sold during the period. The discount rate at December 31, 2016 of 6.5% (October 31, 2016 – 7.1%) used in determining the estimated present value was based on conservative assumptions regarding long-term investment returns for the SCR Fund.

As at October 31, 2017, the average cost and fair value of the Plan's investments in the SCR Fund available for the purpose of paying SCR Entitlements amounted to \$64,384 and \$65,350, respectively (2016 – \$51,455 and, \$54,961, respectively).

### (b) Sales Charge Refund Entitlements Valuation

Two separate valuations are performed for SCR Entitlements. First, on an annual basis, a valuation of SCR Entitlements is prepared based on management's best estimates. This valuation is used to estimate the current funded status for SCR Entitlements. The present value of the SCR Entitlements is determined using the expected long-term investment rates of return based on the investment policy for the SCR Fund as explained in (i) below.

Second, a funding valuation is performed at least every two years to assess the adequacy of the assets in the SCR Fund and the Foundation's funding requirements to meet SCR Entitlements in future years. This valuation uses expected long-term investment rates of return as determined by management to calculate the present value of the SCR Entitlements and to project the asset growth of the SCR Fund to ensure that future SCR Entitlements will be fully funded, as set out in (ii) below.

The 2017 valuations were prepared by management and reviewed by an external actuary. The 2016 valuations were prepared by an external actuary.

#### (i) Management's Best Estimate Valuation

The assumptions used in determining the valuation of SCR Entitlements reflect management's best estimate of future payments to beneficiaries and involve both economic and non-economic assumptions. The non-economic assumptions include considerations such as termination of Agreements prior to maturity and participation of eligible students in the collection of EAPs. The primary economic assumption is the discount rate, which is based on the investment policy approved by the Board of the Foundation. As underlying conditions change over time, assumptions may also change, which could cause a material change in the present value of the SCR Entitlements.

#### (A) Agreements purchased under prospectuses dated prior to October 2, 2007

The funded status of the SCR Entitlements at October 31 was:

	2017	2016
Present value of SCR Entitlements	\$149,202	\$123,974
Fair value of SCR Fund (Note 8(a)(i))	91,381	84,963
Underfunded portion of SCR Entitlements	\$ 57,821	\$ 39,011

The discount rate, which is set at the expected long-term investment return of the SCR Fund as at October 31, 2017, was 5.4% (2016 – 6.1%). A 1% decrease or increase in the discount rate used will increase or decrease the present value of SCR Entitlements by \$8,140 or \$7,500 respectively (2016 – \$8,100 or \$7,400 respectively).

#### (B) Agreements purchased under prospectuses dated on or after October 2, 2007

The funded status of the SCR Entitlements at October 31 was:

	2017	2016
Present value of SCR Entitlements	\$66,859	\$50,550
Fair value of SCR Fund (Note 8(a)(ii))	65,350	54,961
Underfunded (Overfunded) portion of SCR Entitlements	\$ 1,509	\$(4,411)

The discount rate, which is set at the expected long-term investment return of the SCR Fund as at October 31, 2017, was 5.7% (2016 – 6.3%). A 1% decrease or increase in the discount rate used will increase or decrease the present value of SCR Entitlements by \$8,100 or \$7,000, respectively (2016 – \$6,600 or \$5,700, respectively).

#### (ii) Funding Valuation

A valuation was completed based on assets and obligations as at December 31, 2016. This valuation included assumptions regarding management's best estimate of termination of Agreements prior to maturity and participation of eligible students in the collection of EAPs. The discount rate used to determine the present value of SCR Entitlements was based on the expected long-term investment rates of return. The discount rate used for the Plan was 5.7%, which resulted in an unfunded liability of \$50,299 for Agreements purchased under prospectuses dated prior to October 2, 2007. The discount rate used for Agreements purchased under prospectuses after October 2, 2007 was 6.1%, which resulted in an over-funded amount of \$2,973. The Foundation is responsible to pay to beneficiaries of the Plan the refund of sales charges as promised. Funding requirements were established by the Foundation to ensure assets are sufficient to meet future SCR Entitlements using expected long-term investment rates of return based on the investment policy approved by the Board of Directors of the Foundation to project the asset growth of the SCR Fund. Any shortfall in the assets to meet the SCR Entitlements will be funded by the Foundation.

The next funding valuation will be performed in 2019 based on assets and obligations as at October 31, 2018.

# Notes to the Financial Statements (continued)

As at October 31, 2017 and 2016 (in thousands of Canadian dollars)

## Note 9. Fair Value Measurements and Disclosures

Estimates of fair value used for measurement and disclosure are designed to approximate amounts that would be received to sell an asset, or paid to discharge a liability, in an orderly transaction between market participants.

The carrying values of other financial instruments such as Cash and cash equivalents, Accrued interest and other receivables, Receivables for securities sold, Government grants receivable, Accounts payable, accrued liabilities and unclaimed subscribers' funds and Payables for securities purchased approximate their fair values as these financial instruments are short term in nature.

The following table presents the level in the fair value hierarchy into which the Plan's financial instruments that are carried at fair value in the Statements of Financial Position are categorized:

- i. Level 1 financial instruments are valued using quoted market prices.
- ii. Level 2 financial instruments are valued using directly or indirectly observable inputs.
- iii. Level 3 financial instruments are valued using unobservable inputs (including the use of assumptions based on the best information available).

### Assets Measured at Fair Value as of October 31, 2017

	Level 1	Level 2	Level 3	Total
Fixed income securities	\$ -	\$ 2,550,072	\$ -	\$ 2,550,072
Equity Securities and Pooled equity funds	1,381,221	-	-	1,381,221
<b>Total Investments, at fair value</b>	<b>\$1,381,221</b>	<b>\$ 2,550,072</b>	<b>\$ -</b>	<b>\$ 3,931,293</b>

### Assets Measured at Fair Value as of October 31, 2016

	Level 1	Level 2	Level 3	Total
Fixed income securities	\$ -	\$ 2,806,987	\$ -	\$ 2,806,987
Equity Securities and Pooled equity funds	798,833	-	-	798,833
<b>Total Investments, at fair value</b>	<b>\$ 798,833</b>	<b>\$ 2,806,987</b>	<b>\$ -</b>	<b>\$ 3,605,820</b>

For the years ended October 31, 2017 and 2016, there were no transfers between Levels 1 or 2.



# Government Grants

## Appendix I to Schedule I

### Statement of Investment Portfolio

As at October 31, 2017 (in thousands of Canadian dollars)

Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)	Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
<b>Bonds</b>						<b>Bonds (continued)</b>					
<b>Federal – 6.4%</b>						<b>Federal – 6.4% (continued)</b>					
Canada Housing Trust	1.95	15 Jun 2019	3,000	3,023	3,080	Labrador-Island Link Funding Trust	3.85	1 Dec 2053	100	117	126
Canada Housing Trust	3.75	15 Mar 2020	3,685	3,870	4,090	Muskkrat Falls Funding Trust	3.83	1 Jun 2037	4,150	4,666	4,590
Canada Housing Trust	1.20	15 Jun 2020	825	816	816	Muskkrat Falls Funding Trust	3.86	1 Dec 2048	150	175	186
Canada Housing Trust	1.25	15 Dec 2020	1,500	1,479	1,516					79,521	80,939
Canada Housing Trust	1.25	15 Jun 2021	1,477	1,449	1,491						
Canada Housing Trust	3.80	15 Jun 2021	130	139	144						
Canada Housing Trust	1.15	15 Dec 2021	589	572	584	<b>Provincial – 33.7%</b>					
Canada Housing Trust	1.50	15 Dec 2021	688	678	688	Province of Alberta	4.00	1 Dec 2019	780	818	847
Canada Housing Trust	1.75	15 Jun 2022	1,243	1,233	1,249	Province of Alberta	1.25	1 Jun 2020	1,902	1,880	1,883
Canada Housing Trust	2.40	15 Dec 2022	7,518	7,666	7,830	Province of Alberta	1.35	1 Sep 2021	765	749	761
Canada Housing Trust	2.90	15 Jun 2024	1,685	1,764	1,809	Province of Alberta	1.60	1 Sep 2022	439	429	438
Canada Housing Trust	2.55	15 Mar 2025	1,500	1,536	1,598	Province of Alberta	2.55	15 Dec 2022	225	230	232
Canada Housing Trust	1.90	15 Sep 2026	823	795	813	Province of Alberta	2.35	1 Jun 2025	725	719	720
Canada Housing Trust	2.35	15 Jun 2027	860	857	868	Province of Alberta	4.45	15 Dec 2025	1,785	2,022	2,052
Canada Post Corporation	4.36	16 Jul 2040	375	458	472	Province of Alberta	2.20	1 Jun 2026	1,597	1,551	1,594
Government of Canada	0.73	2 Nov 2017	65	65	65	Province of Alberta	2.55	1 Jun 2027	855	847	847
Government of Canada	0.95	14 Dec 2017	275	274	274	Province of Alberta	2.90	20 Sep 2029	1,150	1,157	1,152
Government of Canada	1.00	28 Dec 2017	100	100	100	Province of Alberta	3.50	1 Jun 2031	1,025	1,093	1,081
Government of Canada	0.91	25 Jan 2018	100	100	100	Province of Alberta	3.90	1 Dec 2033	3,522	3,926	3,819
Government of Canada	1.00	22 Feb 2018	1,635	1,627	1,627	Province of Alberta	4.50	1 Dec 2040	3,000	3,676	3,639
Government of Canada	0.96	8 Mar 2018	100	100	100	Province of Alberta	3.45	1 Dec 2043	4,045	4,268	4,183
Government of Canada	0.50	1 Nov 2018	1,600	1,587	1,598	Province of Alberta	3.30	1 Dec 2046	4,726	4,868	4,835
Government of Canada	0.50	1 Feb 2019	1,175	1,163	1,167	Province of Alberta	3.05	1 Dec 2048	3,054	3,012	2,978
Government of Canada	1.75	1 Mar 2019	1,525	1,534	1,548	Province of British Columbia	2.25	1 Mar 2019	250	253	254
Government of Canada	3.75	1 Jun 2019	1,950	2,023	2,034	Province of British Columbia	4.10	18 Dec 2019	1,200	1,263	1,315
Government of Canada	0.75	1 Aug 2019	350	346	347	Province of British Columbia	3.70	18 Dec 2020	1,025	1,086	1,129
Government of Canada	1.75	1 Sep 2019	1,304	1,313	1,345	Province of British Columbia	3.30	18 Dec 2023	900	957	937
Government of Canada	1.50	1 Mar 2020	1,500	1,503	1,538	Province of British Columbia	2.30	18 Jun 2026	898	887	900
Government of Canada	3.50	1 Jun 2020	2,825	2,973	3,080	Province of British Columbia	2.55	18 Jun 2027	1,511	1,512	1,504
Government of Canada	0.75	1 Sep 2020	1,475	1,446	1,466	Province of British Columbia	5.70	18 Jun 2029	2,825	3,663	3,753
Government of Canada	0.75	1 Mar 2021	2,798	2,730	2,760	Province of British Columbia	6.35	18 Jun 2031	2,950	4,137	4,199
Government of Canada	3.25	1 Jun 2021	1,602	1,699	1,753	Province of British Columbia	4.70	18 Jun 2037	3,345	4,212	4,092
Government of Canada	0.75	1 Sep 2021	835	811	827	Province of British Columbia	4.95	18 Jun 2040	5,000	6,610	6,480
Government of Canada	0.50	1 Mar 2022	682	651	650	Province of British Columbia	4.30	18 Jun 2042	3,955	4,849	4,623
Government of Canada	2.75	1 Jun 2022	699	735	752	Province of British Columbia	3.20	18 Jun 2044	1,750	1,813	1,741
Government of Canada	1.00	1 Sep 2022	1,407	1,366	1,387	Province of British Columbia	2.80	18 Jun 2048	3,197	3,081	3,041
Government of Canada	1.50	1 Jun 2023	2,800	2,772	2,843	Province of Manitoba	5.50	15 Nov 2018	514	535	591
Government of Canada	2.50	1 Jun 2024	1,575	1,647	1,701	Province of Manitoba	1.15	21 Nov 2019	253	251	253
Government of Canada	2.25	1 Jun 2025	769	792	791	Province of Manitoba	1.55	5 Sep 2021	373	368	373
Government of Canada	1.50	1 Jun 2026	1,388	1,345	1,386	Province of Manitoba	3.85	1 Dec 2021	1,000	1,073	1,088
Government of Canada	1.00	1 Jun 2027	556	510	508	Province of Manitoba	2.55	2 Jun 2023	400	407	413
Government of Canada	8.00	1 Jun 2027	150	229	242	Province of Manitoba	3.30	2 Jun 2024	2,408	2,547	2,618
Government of Canada	2.00	1 Jun 2028	250	250	246	Province of Manitoba	2.45	2 Jun 2025	250	250	252
Government of Canada	5.75	1 Jun 2029	1,100	1,518	1,551	Province of Manitoba	4.40	5 Sep 2025	1,300	1,472	1,462
Government of Canada	5.75	1 Jun 2033	1,100	1,619	1,676	Province of Manitoba	2.55	2 Jun 2026	655	653	669
Government of Canada	5.00	1 Jun 2037	1,297	1,857	1,823	Province of Manitoba	2.60	2 Jun 2027	388	386	386
Government of Canada	4.00	1 Jun 2041	875	1,142	1,148	Province of Manitoba	3.25	5 Sep 2029	950	986	982
Government of Canada	3.50	1 Dec 2045	3,231	4,008	4,007	Province of Manitoba	4.10	5 Mar 2041	5,400	6,218	6,101
Government of Canada	2.75	1 Dec 2048	1,908	2,095	2,101	Province of Manitoba	4.40	5 Mar 2042	3,300	3,977	3,894
Government of Canada	2.75	1 Dec 2064	1,400	1,590	1,631	Province of Manitoba	3.35	5 Mar 2043	1,300	1,334	1,298
Labrador-Island Link Funding Trust						Province of Manitoba	4.05	5 Sep 2045	3,300	3,812	3,925
Labrador-Island Link Funding Trust	3.76	1 Jun 2033	150	166	176	Province of Manitoba	2.85	5 Sep 2046	196	183	181
Labrador-Island Link Funding Trust	3.86	1 Dec 2045	2,200	2,542	2,641	Province of Manitoba	3.40	5 Sep 2048	802	837	802
						Province of New Brunswick	4.40	3 Jun 2019	1,400	1,462	1,556

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

# Government Grants (continued)

## Appendix I to Schedule I

### Statement of Investment Portfolio

As at October 31, 2017 (in thousands of Canadian dollars)

Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)	Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
<b>Bonds (continued)</b>						<b>Bonds (continued)</b>					
<b>Provincial – 33.7% (continued)</b>						<b>Provincial – 33.7% (continued)</b>					
Province of New Brunswick	2.85	2 Jun 2023	700	723	720	Province of Ontario	2.90	2 Dec 2046	12,063	11,656	11,366
Province of New Brunswick	3.65	3 Jun 2024	550	593	577	Province of Ontario	2.80	2 Jun 2048	13,197	12,533	12,368
Province of New Brunswick	2.60	14 Aug 2026	167	167	167	Province of Québec	4.50	1 Dec 2018	775	800	842
Province of New Brunswick	2.35	14 Aug 2027	445	431	436	Province of Québec	4.50	1 Dec 2019	1,600	1,694	1,754
Province of New Brunswick	5.65	27 Dec 2028	245	309	300	Province of Québec	4.50	1 Dec 2020	1,450	1,567	1,557
Province of New Brunswick	5.50	27 Jan 2034	1,075	1,404	1,265	Province of Québec	4.25	1 Dec 2021	3,100	3,377	3,481
Province of New Brunswick	4.65	26 Sep 2035	710	859	739	Province of Québec	3.50	1 Dec 2022	2,100	2,242	2,297
Province of New Brunswick	4.55	26 Mar 2037	1,700	2,041	1,986	Province of Québec	3.00	1 Sep 2023	3,250	3,393	3,467
Province of New Brunswick	4.80	26 Sep 2039	950	1,190	1,183	Province of Québec	3.75	1 Sep 2024	6,584	7,174	7,277
Province of New Brunswick	3.55	3 Jun 2043	3,950	4,172	3,980	Province of Québec	2.50	1 Sep 2026	1,279	1,277	1,304
Province of New Brunswick	3.80	14 Aug 2045	2,550	2,817	2,727	Province of Québec	2.75	1 Sep 2027	2,570	2,602	2,620
Province of New Brunswick	3.10	14 Aug 2048	299	293	293	Province of Québec	6.00	1 Oct 2029	1,650	2,189	2,204
Province of Newfoundland and Labrador	1.95	2 Jun 2022	248	246	247	Province of Québec	6.25	1 Jun 2032	4,400	6,153	6,156
Province of Newfoundland and Labrador	2.30	2 Jun 2025	200	196	199	Province of Québec	5.25	1 Jun 2034	3,000	3,859	3,800
Province of Newfoundland and Labrador	3.00	2 Jun 2026	1,324	1,352	1,329	Province of Québec	5.75	1 Dec 2036	8,915	12,465	12,161
Province of Newfoundland and Labrador	6.15	17 Apr 2028	350	450	466	Province of Québec	5.00	1 Dec 2038	4,015	5,236	4,460
Province of Newfoundland and Labrador	6.55	17 Oct 2030	1,750	2,393	2,377	Province of Québec	5.00	1 Dec 2041	16,925	22,494	21,898
Province of Newfoundland and Labrador	4.65	17 Oct 2040	1,350	1,635	1,593	Province of Québec	4.25	1 Dec 2043	7,625	9,225	9,007
Province of Newfoundland and Labrador	3.30	17 Oct 2046	1,780	1,766	1,662	Province of Québec	3.50	1 Dec 2045	9,550	10,311	9,773
Province of Newfoundland and Labrador	3.70	17 Oct 2048	1,305	1,400	1,349	Province of Québec	3.50	1 Dec 2048	7,857	8,563	8,380
Province of Nova Scotia	4.10	1 Jun 2021	550	592	611	Province of Saskatchewan	3.20	3 Jun 2024	80	84	83
Province of Nova Scotia	2.10	1 Jun 2027	462	441	442	Province of Saskatchewan	2.55	2 Jun 2026	1,343	1,343	1,366
Province of Nova Scotia	5.80	1 Jun 2033	2,275	3,065	2,870	Province of Saskatchewan	2.65	2 Jun 2027	367	367	363
Province of Nova Scotia	4.40	1 Jun 2042	3,600	4,375	4,187	Province of Saskatchewan	6.40	5 Sep 2031	4,500	6,282	6,341
Province of Nova Scotia	3.45	1 Jun 2045	2,950	3,109	2,975	Province of Saskatchewan	4.75	1 Jun 2040	2,725	3,445	3,435
Province of Nova Scotia	3.50	2 Jun 2062	600	651	599	Province of Saskatchewan	3.90	2 Jun 2045	3,100	3,531	3,429
Province of Ontario	4.40	2 Jun 2019	3,675	3,840	4,032	Province of Saskatchewan	2.75	2 Dec 2046	3,881	3,593	3,466
Province of Ontario	4.20	2 Jun 2020	5,125	5,448	5,645	Province of Saskatchewan	3.30	2 Jun 2048	1,201	1,244	1,241
Province of Ontario	4.00	2 Jun 2021	5,890	6,319	6,419	Province of Saskatchewan	3.75	5 Mar 2054	384	437	427
Province of Ontario	1.35	8 Mar 2022	1,189	1,157	1,163					419,904	412,879
Province of Ontario	3.15	2 Jun 2022	4,800	5,034	5,105	<b>Municipal – 1.3%</b>					
Province of Ontario	1.95	27 Jan 2023	1,700	1,686	1,710	City of Montreal	5.45	1 Dec 2019	200	215	227
Province of Ontario	2.85	2 Jun 2023	3,350	3,469	3,349	City of Montreal	3.50	1 Sep 2023	225	238	241
Province of Ontario	3.50	2 Jun 2024	2,765	2,966	2,857	City of Montreal	3.00	1 Sep 2025	831	850	837
Province of Ontario	2.60	2 Jun 2025	2,150	2,176	2,193	City of Montreal	2.75	1 Sep 2026	223	223	223
Province of Ontario	2.40	2 Jun 2026	1,328	1,315	1,346	City of Montreal	4.25	1 Dec 2032	350	395	384
Province of Ontario	2.60	2 Jun 2027	1,046	1,045	1,044	City of Montreal	4.10	1 Dec 2034	375	418	399
Province of Ontario	7.60	2 Jun 2027	2,270	3,232	3,255	City of Montreal	3.15	1 Dec 2036	900	885	898
Province of Ontario	6.50	8 Mar 2029	8,825	12,029	12,295	City of Montreal	6.00	1 Jun 2043	550	798	782
Province of Ontario	6.20	2 Jun 2031	1,675	2,307	2,333	City of Ottawa	4.60	14 Jul 2042	500	608	590
Province of Ontario	5.85	8 Mar 2033	5,975	8,140	8,182	City of Ottawa	3.10	27 Jul 2048	83	80	82
Province of Ontario	5.60	2 Jun 2035	7,275	9,886	9,437	City of Toronto	4.50	2 Dec 2019	225	238	250
Province of Ontario	4.70	2 Jun 2037	8,145	10,165	9,520	City of Toronto	3.50	6 Dec 2021	200	211	219
Province of Ontario	4.60	2 Jun 2039	6,540	8,141	7,739	City of Toronto	3.90	29 Sep 2023	1,200	1,299	1,329
Province of Ontario	4.65	2 Jun 2041	18,475	23,395	22,654	City of Toronto	2.40	24 Jun 2026	225	220	225
Province of Ontario	3.50	2 Jun 2043	6,975	7,499	7,418	City of Toronto	2.95	28 Apr 2035	300	290	277
Province of Ontario	3.45	2 Jun 2045	21,075	22,530	21,708	City of Toronto	3.50	2 Jun 2036	1,309	1,357	1,304
						City of Toronto	5.20	1 Jun 2040	1,350	1,754	1,764
						City of Toronto	4.70	10 Jun 2041	325	399	383
						City of Toronto	3.80	13 Dec 2042	550	594	578
						City of Toronto	4.15	10 Mar 2044	225	257	246
						City of Toronto	3.25	24 Jun 2046	109	108	109

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



# Government Grants (continued)

## Appendix I to Schedule I

### Statement of Investment Portfolio

As at October 31, 2017 (in thousands of Canadian dollars)

Security	Number of Securities	Fair Value (\$)	Average Cost (\$)	Security	Number of Securities	Fair Value (\$)	Average Cost (\$)
<b>Equities – 6.3% (continued)</b>				<b>Exchange-traded Funds – 27.0%</b>			
CGI Group Inc.	16	1,126	983	BMO S&P 500 Index ETF	2,625	95,904	89,783
CI Financial Corp.	50	1,429	1,358	iShares Core S&P U.S. Total Market Index ETF	9,423	240,853	225,342
Computer Modeling Group Ltd.	45	456	450				
DREAM Unlimited Corporation	57	418	414	<b>Total Equities and ETFs – 33.3%</b>		<b>415,379</b>	<b>382,449</b>
Empire Company Limited	73	1,620	1,484	<b>Total Investments – 99.4%</b>		<b>1,240,495</b>	<b>1,203,364</b>
Enbridge Inc.	47	2,325	2,404	<b>Cash and cash equivalents – 0.6%</b>		<b>8,413</b>	<b>8,413</b>
Enerflex Ltd.	86	1,504	1,252	<b>Total Portfolio Assets – 100.0%</b>		<b>1,248,908</b>	<b>1,211,777</b>
Fairfax Financial Holdings Limited	2	1,509	1,372	<b>Government Grant Investments Allocation</b>			
Finning International Inc.	36	1,121	714	Plan II		902	860
FirstService Corporation	6	562	320	Founders' Plan		14,796	13,985
Franco-Nevada Corporation	25	2,511	1,947	Group Savings Plan		125,695	119,941
Freehold Royalties Ltd.	115	1,815	1,327	Group Savings Plan 2001		999,796	971,884
Granite REIT Holdings Limited Partnership	11	561	440	Family Savings Plan		96,176	93,658
Great Canadian Gaming Corporation	28	850	538	Individual Savings Plan		3,130	3,036
Great-West Lifeco Inc.	31	1,098	1,035			<b>1,240,495</b>	<b>1,203,364</b>
IGM Financial Inc.	16	714	562	<b>Cash and Short-term Investments Allocation</b>			
Imperial Oil Limited	39	1,618	1,558	Plan II		6	6
Industrial Alliance Insurance and Financial Services Inc.	3	196	195	Founders' Plan		98	98
Intact Financial Corporation	32	3,351	2,934	Group Savings Plan		839	839
Laurentian Bank of Canada	7	439	364	Group Savings Plan 2001		6,794	6,794
Loblaw Companies Limited	33	2,179	2,291	Family Savings Plan		655	655
Magna International Inc.	27	1,872	1,495	Individual Savings Plan		21	21
Maxar Technologies Ltd.	23	1,860	1,561			<b>8,413</b>	<b>8,413</b>
Methanex Corporation	13	818	620				
METRO Inc.	18	743	754				
Morguard Corporation	3	511	387				
Mullen Group Ltd.	90	1,515	1,499				
Onex Corporation	5	523	438				
Pason System Inc.	60	1,121	1,098				
PrairieSky Royalty Ltd.	55	1,881	1,322				
Restaurant Brands International Inc.	7	562	428				
Ritchie Brothers Auctioneers Inc.	47	1,714	1,801				
ShawCor Ltd.	35	985	1,034				
Stella-Jones Inc.	15	735	618				
Suncor Energy Inc.	65	2,861	2,305				
TELUS Corporation	45	2,112	1,896				
Toromont Industries Ltd.	16	881	524				
Toronto Dominion Bank	64	4,722	3,499				
Total Energy Services Inc.	36	553	515				
Tucows Inc.	2	141	135				
Wajax Corporation	20	462	421				
Westshore Terminals Investment Corporation	53	1,313	1,206				
Wipak Ltd.	11	569	551				
		<b>78,622</b>	<b>67,324</b>				

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





# Sales Charge Refund Entitlements

## Appendix III to Schedule I

### Statement of Investment Portfolio

As at October 31, 2017 (in thousands of Canadian dollars)

#### Agreements Purchased on or after October 2, 2007

Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)	Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
<b>Bonds</b>						<b>Corporate – 18.9% (continued)</b>					
<b>Federal – 0.8%</b>						Loblaw Companies Limited	6.45	1 Mar 2039	33	43	43
Canada Housing Trust	2.65	1 Oct 2027	30	30	30	Magna International Inc.	3.10	15 Dec 2022	202	207	208
Government of Canada	1.40	1 Dec 2019	48	31	30	Manufacturers Life Insurance Company	3.18	22 Nov 2027	150	154	156
Government of Canada	1.60	1 Apr 2021	20	15	15	Maritimes and Northeast Pipelines Limited Partnership	4.34	30 Nov 2019	57	58	59
Government of Canada	1.60	1 Sep 2021	117	100	99	Maritimes and Northeast Pipelines Limited Partnership	6.90	30 Nov 2019	45	47	51
Government of Canada	1.60	1 Jun 2022	163	157	156	McCain Finance Limited	3.87	7 Feb 2023	94	99	94
Kreditanstalt für Wiederaufbau Global	5.05	4 Feb 2025	172	200	213	Metropolitan Life Insurance Company	3.11	16 Apr 2021	142	146	148
				533	543	MILIT-AIR Inc.	5.75	30 Jun 2019	86	89	95
<b>Provincial - 0.3%</b>						National Bank of Canada	1.09	14 Jun 2018	239	240	239
Province of British Columbia	10.65	19 Jun 2021	20	25	28	National Grid Electricity Transmission plc	2.90	26 Nov 2019	155	158	160
Province of New Brunswick	6.47	30 Nov 2027	144	172	177	NAV Canada	7.56	1 Mar 2027	300	368	377
				197	205	North Battleford Power L.P.	4.96	31 Dec 2032	52	58	59
<b>Corporate – 18.9%</b>						Ontrea Inc.	4.62	9 Apr 2018	180	182	193
407 International Inc.	7.13	26 Jul 2040	224	338	304	Ornge Issuer Trust	5.73	11 Jun 2034	228	266	262
Apple Inc.	2.51	19 Aug 2024	1,244	1,244	1,244	PepsiCo Inc.	2.15	6 May 2024	197	193	197
Arrow Lakes Power Corporation	5.52	5 Apr 2041	31	37	31	Public Sector Pension Investment Board	3.27	12 Jun 2020	192	194	192
AT&T Inc.	4.85	25 May 2047	260	258	258	Royal Bank of Canada	1.40	11 Feb 2020	235	237	235
Bank Nederlandse Gemeenten	5.15	7 Mar 2025	32	37	38	Royal Bank of Canada	1.50	23 Mar 2020	672	676	672
Bank of Montreal	1.21	11 Apr 2019	41	41	41	Shaw Communications Inc.	6.75	9 Nov 2039	472	599	521
Bankers Hall L.P.	4.38	20 Nov 2023	74	76	74	SNC-Lavalin Group Inc.	6.19	3 Jul 2019	78	83	85
Bell Canada	6.17	26 Feb 2037	89	111	111	St. Clair Holding ULC	4.88	31 Aug 2031	43	44	43
Blue Water Bridge Authority	6.41	9 Jul 2027	84	57	58	Strait Crossing Development Inc.	6.17	15 Sep 2031	194	169	162
Caisse Française de Financement Local S.A.	4.68	9 Mar 2029	81	88	93	Toronto Dominion Bank	1.69	2 Apr 2020	51	51	51
Canadian Pacific Railway Company	6.91	1 Oct 2024	327	194	214	Toronto Dominion Bank	1.68	8 Jun 2021	293	289	289
Central 1 Credit Union	1.40	21 Nov 2018	449	451	449	TransCanada PipeLines Limited	8.29	5 Feb 2026	118	160	158
Cogeco Inc.	5.15	16 Nov 2020	124	134	131	TransCanada PipeLines Limited	6.28	26 May 2028	8	10	10
Cogeco Inc.	4.18	26 May 2023	239	252	238	TransCanada PipeLines Limited	6.89	7 Aug 2028	29	38	36
Enbridge Inc.	4.24	27 Aug 2042	57	54	56	University Health Network	5.64	8 Dec 2022	174	188	199
Enbridge Inc.	4.57	11 Mar 2044	384	381	390	University of Ontario Institute of Technology	6.35	15 Oct 2034	81	96	86
EUROFIMA Maple Bond	4.55	30 Mar 2027	169	191	197	Walt Disney Company	2.76	7 Oct 2024	566	573	567
GE Capital Canada Funding Company	1.62	15 Feb 2022	269	268	247	WTH Car Rental ULC	2.54	20 Aug 2019	302	304	302
GE Capital Canada Funding Company	2.18	6 Feb 2023	113	117	113					12,316	12,157
Greater Toronto Airports Authority	6.45	30 Jul 2029	183	225	221	<b>Total Fixed Income – 20.0%</b>				<b>13,046</b>	<b>12,905</b>
Heathrow Funding Limited	3.25	21 May 2027	409	415	405						
Honda Canada Finance Inc.	1.93	3 Dec 2018	194	195	194						
InPower BC General Partnership	4.47	31 Mar 2033	169	178	170						
Kraft Canada Inc.	1.90	6 Jul 2020	352	357	352						
KS SP Limited Partnership	3.21	15 Jun 2019	240	215	214						
Loblaw Companies Limited	6.05	9 Jun 2034	176	213	194						
Loblaw Companies Limited	5.90	18 Jan 2036	142	170	171						

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

# Sales Charge Refund Entitlements (continued)

## Appendix III to Schedule I

### Statement of Investment Portfolio

As at October 31, 2017 (in thousands of Canadian dollars)

#### Agreements Purchased on or after October 2, 2007 (continued)

Security	Number of Securities	Fair Value (\$)	Average Cost (\$)
<b>Pooled Equity Funds</b>			
CC&L Global Equity Fund	2,142	52,180	51,355
<b>Total Equities – 79.8%</b>		<b>52,180</b>	<b>51,355</b>
<b>Total Investments – 99.8%</b>		<b>65,226</b>	<b>64,260</b>
<b>Cash and cash equivalents – 0.2%</b>		<b>124</b>	<b>124</b>
<b>Total Portfolio Assets – 100.0%</b>		<b>65,350</b>	<b>64,384</b>
<b>Total Investments Allocation</b>			
Group Savings Plan 2001		65,226	64,260
		<b>65,226</b>	<b>64,260</b>
<b>Cash and cash equivalents Allocation</b>			
Group Savings Plan 2001		124	124
		<b>124</b>	<b>124</b>

# Canadian Scholarship Trust Plan

## Sponsor

Canadian Scholarship Trust Foundation  
2235 Sheppard Avenue East, Suite 1600  
Toronto, Ontario M2J 5B8  
1.877.333.RESP (7377)

## Investment Fund Manager and Distributor

C.S.T. Consultants Inc.  
2235 Sheppard Avenue East, Suite 1600  
Toronto, Ontario M2J 5B8

## Trustee

RBC Investor Services Trust  
155 Wellington Street West, 2<sup>nd</sup> Floor  
Toronto, Ontario M5V 3L3

## Auditor

Deloitte LLP  
Bay Adelaide East  
22 Adelaide Street West, Suite 200  
Toronto, Ontario M5H 0A9

## Bank

Royal Bank of Canada  
Royal Bank Plaza  
South Tower  
200 Bay Street, 10<sup>th</sup> Floor  
Toronto, Ontario M5J 2J5

For updates on your Plan account, login to Online Services at [www.cst.org](http://www.cst.org)  
In Quebec, Canadian Scholarship Trust Plan is distributed by  
C.S.T. Consultants Inc. Scholarship Plan Brokerage Firm.

