
COUNSEL PORTFOLIO SERVICES INC.

ANNUAL INFORMATION FORM

June 28, 2019

OFFERING SERIES A, F AND I SECURITIES

(UNLESS OTHERWISE INDICATED) OF:

COUNSEL CANADIAN STRATEGIC PORTFOLIO	COUNSEL PORTFOLIO COMPONENTS
COUNSEL MONTHLY INCOME PORTFOLIO¹	COUNSEL GLOBAL DIVIDEND²
	COUNSEL GLOBAL REAL ESTATE^{2,3}
	COUNSEL CANADIAN CORE FIXED INCOME⁴
	COUNSEL RETIREMENT INCOME PORTFOLIO^{2,5}
	COUNSEL GLOBAL FIXED INCOME⁶
	COUNSEL NORTH AMERICAN HIGH YIELD BOND⁴

¹Also offering Series B, F, F5, FT, IB, IT, Private Wealth I and T securities

²Also offering Series O and Private Wealth securities

³Also offering Series E securities

⁴Only offering Series O securities

⁵Also offering Series Private Wealth I securities

⁶Only offering Series O and Series Private Wealth securities

Securities of the Funds are currently not available for purchase in the Province of Quebec.

COUNSEL | PORTFOLIO SERVICES

TABLE OF CONTENTS

1.	NAME, FORMATION AND HISTORY OF THE FUNDS.....	3
2.	INVESTMENT RESTRICTIONS AND PRACTICES.....	6
3.	DESCRIPTION OF SECURITIES	12
4.	VALUATION OF PORTFOLIO SECURITIES.....	14
5.	CALCULATION OF NAV.....	17
6.	PURCHASES AND SWITCHES (EXCHANGES OF SECURITIES)	18
7.	HOW TO REDEEM SECURITIES.....	19
8.	RESPONSIBILITY FOR FUND OPERATIONS.....	21
9.	CONFLICTS OF INTEREST	31
10.	FUND GOVERNANCE.....	35
11.	FEES AND EXPENSES.....	46
12.	INCOME TAX CONSIDERATIONS.....	48
13.	REMUNERATION OF DIRECTORS, OFFICERS AND TRUSTEES	55
14.	MATERIAL CONTRACTS	56

1. NAME, FORMATION AND HISTORY OF THE FUNDS

Introduction

This annual information form contains information concerning the mutual funds listed on the front cover (individually, each is a “**Fund**” and, collectively, they are referred to as the “**Funds**”). Counsel Monthly Income Portfolio became a reporting issuer in Quebec by virtue of a merger with Brigata Diversified Portfolio (previously a reporting issuer in Quebec). The remaining Funds became reporting issuers in Quebec because each serves as underlying funds in which Counsel Monthly Income Portfolio invests.

Investors resident in Quebec only hold securities of Series A or F of Counsel Monthly Income Portfolio and do not hold securities of the other Funds. Units of the Funds are not qualified for distribution in Quebec, but are qualified for distribution under a simplified prospectus in all of the other provinces and territories of Canada. Since investors resident in Quebec are not able to purchase, or switch securities into any Counsel Funds, all disclosure relating to purchases, switching, distribution and marketing have not been included in this annual information form.

This annual information form is prepared in accordance with Part 9 of National Instrument 81-106, *Investment Fund Continuous Disclosure* (“**NI 81-106**”), which requires a mutual fund to file an annual information form if the mutual fund has not obtained a receipt for a prospectus during the last twelve months preceding its financial year.

To make this annual information form easier to read and understand, we have used personal pronouns throughout much of the text. References to “**Counsel**”, “**our**”, “**we**” or “**us**” generally refer to **Counsel Portfolio Services Inc.** in its capacity as manager and trustee of the Funds. References to “**you**” are directed to the reader as an **investor** in the Funds holding securities directly or in a registered plan.

In this document we refer to “**financial advisors**” and “**dealers.**” The financial advisor is the individual with whom you consult for investment advice, and the dealer is the company or partnership that employs your financial advisor and may include, at our discretion, a company or partnership that has received an exemption from the dealer registration requirements from the Canadian securities regulatory authorities.

The Funds are part of a larger group of mutual funds we manage and are referred to collectively as the “**Counsel Funds**” or, each individually, as a “**Counsel Fund**”. Other Counsel Funds are offered under a simplified prospectus.

In Canada, a mutual fund can be established as a unit trust or as one or more classes of shares of a corporation. The Funds have been established as unit trusts and issue units to investors. In this document, reference to a Fund’s “**securities**” means its units. Investors in the Funds are sometimes referred to as “**securityholders.**”

The following plans are collectively referred to as “**registered plans**”:

- registered retirement savings plans (“**RRSPs**”), including
 - locked-in retirement accounts (“**LIRAs**”),
 - locked-in retirement savings plans (“**LRSPs**”),
 - restricted locked-in savings plans (“**RLSPs**”),
- registered retirement income funds (“**RRIFs**”), including
 - life income funds (“**LIFs**”),
 - locked-in retirement income funds (“**LRIFs**”),
 - prescribed retirement income funds (“**PRIFs**”),
 - restricted life income funds (“**RLIFs**”),
- tax-free savings accounts (“**TFSAs**”),
- registered education savings plans (“**RESPs**”),
- registered disability savings plans (“**RDSPs**”), and
- deferred profit-sharing plans (“**DPSPs**”).

Address of the Funds and Counsel

The registered address of the Funds and Counsel is:

5015 Spectrum Way
Suite 300
Mississauga, Ontario L4W 0E4
Telephone: (905) 625-9885 / 1(877) 625-9885
Fax: (905) 625-6184
Email: info@counselervices.com
Website: www.counselervices.com

Formation of the Funds

Each of the Funds has been formed as an “**open-end**” mutual fund trust under the laws of the Province of Ontario by declaration of trust. An open-end mutual fund trust is a mutual fund that can issue an unlimited number of securities (“**units**”) and permits investors to redeem their securities for cash at their request.

The Funds are currently governed by the terms of an Amended and Restated Master Declaration of Trust dated May 1, 2002, as amended and restated on January 19, 2004, March 1, 2004, July 13, 2012, and October 29, 2015, as amended on November 7, 2015, January 7, 2016, November 4, 2016, November 21, 2016, January 4, 2017, May 9, 2017, May 19, 2017, October 27, 2017, November 24, 2017, January 17, 2018, April 26, 2018, June 13, 2018, September 10, 2018 and June 27, 2019 (the “**Master Declaration of Trust**”). The Master Declaration of Trust is amended each time a new Fund or series of a Fund is created to include the investment objectives and any other information specific to the new Fund and/or series.

Dates of Formation of the Funds

The table below lists the name of each Fund and the date of its formation, unless otherwise noted, and the notes to the table provide details of material amendments to the Master Declaration of Trust in the last 10 years relating to the Funds:

Fund Name	Date of Formation
Counsel Monthly Income Portfolio ^{1,2,3,4,5,6}	January 19, 2004
Counsel Global Real Estate ^{1,5}	January 7, 2009
Counsel Global Dividend ^{1,2,5}	July 13, 2012
Counsel Canadian Core Fixed Income	January 7, 2016
Counsel Global Fixed Income	May 23, 2014
Counsel Retirement Income Portfolio ⁵	January 7, 2016
Counsel North American High Yield Bond	October 29, 2015

¹ Effective November 6, 2015, all Series F securities were redesignated as Series D securities.

² Effective November 4, 2016, Series E securities of the Fund were redesignated as Series A securities.

³ Effective November 4, 2016, Series EB securities of the Fund were redesignated as Series B securities.

⁴ Effective November 4, 2016, Series ET securities of the Fund were redesignated as Series T securities.

⁵ Effective October 27, 2017, Series D and DT securities were renamed Series F and FT securities, respectively.

⁶ Effective October 27, 2017, Series DB securities were renamed Series F5 securities.

Major Changes to the Funds During the Last 10 Years

To date, the following Funds have experienced major events or made the following changes to their name, investment objective, material changes to their investment strategy or a change in portfolio manager or sub-advisor since June 2009, as summarized in the table below:

Fund Name	Change	Effective Date
Counsel Monthly Income Portfolio	<ul style="list-style-type: none"> • Merger with Brigata Diversified Portfolio whereby investors holding Series A securities of Brigata Diversified Portfolio were issued Series E securities of Counsel Regular Pay Portfolio and investors holding Series F securities of Brigata Diversified Portfolio were issued Series D securities of Counsel Regular Pay Portfolio 	July 17, 2015
	<ul style="list-style-type: none"> • Change of name from Counsel Regular Pay Portfolio 	January 17, 2018
	<ul style="list-style-type: none"> • AGF Investments Inc. no longer the sub-advisor to the Fund 	January 17, 2018

Fund Name	Change	Effective Date
Counsel Global Fixed Income	<ul style="list-style-type: none"> Franklin Advisers Inc. appointed as sub-advisor to the Fund 	November 17, 2017
Counsel Global Real Estate	<ul style="list-style-type: none"> Change of sub-advisor to Forum Partners Europe (UK) LLP Change of sub-advisor from Forum Partners Europe (UK) LLP to FSX Securities Canada, Inc. Change of sub-advisor from FSX Securities Canada, Inc. to Timbercreek Investment Management Inc. (previously named Timbercreek Asset Management Ltd.) 	<p>July 1, 2009</p> <p>October 26, 2010</p> <p>July 7, 2014</p>

2. INVESTMENT RESTRICTIONS AND PRACTICES

National Instrument 81-102

The Funds are subject to certain restrictions and practices contained in securities legislation, including National Instrument 81-102 *Investment Funds* (“**NI 81-102**”), which are designed, in part, to ensure that the investments of mutual funds are diversified and relatively liquid and to ensure the proper administration of mutual funds. We intend to manage the Funds in accordance with these restrictions and practices or to obtain relief from the securities regulatory authorities before implementing any variations.

Exemptions from NI 81-102

Before the date of this annual information form, we applied to the securities regulatory authorities for, and received, exemptions from the provisions of NI 81-102 relating to the Funds, listed below.

ETF Relief

Given the incorporation of the alternative mutual funds into NI 81-102, this ETF Relief is only relevant for U.S. listed exchange traded funds.

All Funds have obtained an exemption from the Canadian securities regulatory authorities which allows them to purchase and hold securities of the following types of ETFs (collectively, the “**Underlying ETFs**”):

- (ii) ETFs that seek to provide daily results that replicate the daily performance of a specified widely quoted market index (the ETF’s “Underlying Index”) by a multiple of up to 200% (“Leveraged Bull ETFs”), inverse multiple of up to 100% (“Inverse ETFs”), or an inverse multiple of up to 200% (“Leveraged Bear ETFs”);

- (iii) ETFs that seek to replicate the performance of gold or silver, or the value of a specified derivative whose underlying interest is gold or silver on an unlevered basis (“Underlying Gold or Silver Interest”), or by a multiple of up to 200% (collectively, the “Leveraged Gold/Silver ETFs”); and
- (iv) ETFs that invest directly, or indirectly through derivatives, in physical commodities, including but not limited to agriculture or livestock, energy, precious metals and industrial metals, on an unlevered basis (“Unlevered Commodity ETFs”, together with the Leveraged Gold/Silver ETFs, collectively, the “Commodity ETFs”).

This relief is subject to the following conditions:

- a Fund’s investment in securities of an Underlying ETF must be in accordance with its fundamental investment objectives;
- the securities of the Underlying ETF must be traded on a stock exchange in Canada or the United States;
- a Fund may not purchase securities of an Underlying ETF if, immediately after the transaction, more than 10% of the NAV of the Fund would consist of securities of Underlying ETFs;
- a Fund may not purchase securities of Inverse ETFs or securities of Leveraged Bear ETFs or sell any securities short if, immediately after the transaction, the Fund’s aggregate market value exposure represented by all such securities purchased and/or sold short would exceed 20% of the NAV of the Fund, taken at market value at the time of the transaction; and
- immediately after entering into a purchase, derivatives or other transaction to obtain exposure to physical commodities, the Fund’s aggregate market value exposure (whether direct or indirect, including through Commodity ETFs) to all physical commodities (including gold); does not exceed 10% of the NAV of the Fund taken at market value at the time of the transaction.

Underlying Non-Index Participation Unit ETF Investment Relief

The Funds have received exemptive relief from the prohibitions in NI 81-102 described below to invest in securities of exchange-traded funds that are not index participation units managed by Mackenzie Financial Corporation (“**Mackenzie**”) or its affiliates (Mackenzie is also an affiliate of Counsel) in the future (each, an “**Underlying Non-IPU ETF**”):

- (i) subsection 2.1(1) of NI 81-102 to permit a Fund to purchase securities of an Underlying Non-IPU ETF or to enter into a specified derivatives transaction with respect to an Underlying Non-IPU ETF even though more than 10% of the net asset value of a Fund will be invested, directly or indirectly, in securities of an Underlying Non-IPU ETF;
- (ii) subsection 2.2(1)(a) of NI 81-102 to permit a Fund to purchase a security of an Underlying Non-IPU ETF such that, after the purchase, a Fund would hold securities representing more than 10% of the votes attaching to the outstanding voting securities of an Underlying Non-IPU ETF; or the outstanding equity securities of the underlying ETF (the “**Concentration Restriction**”);
- (iii) subsection 2.5(2)(a) of NI 81-102 to permit a Fund to purchase and hold a security of an Underlying Non-IPU ETF that is not offered under a simplified prospectus prepared in accordance with National Instrument 81-101 Mutual Fund Prospectus Disclosure; and
- (iv) subsection 2.5(2)(e) of NI 81-102 to permit a Fund to pay brokerage commissions in relation to its purchase and sale of Underlying Non-IPU ETFs on a recognized exchange in Canada.

This approval contains the following conditions:

- (i) the investment in securities of an Underlying Non-IPU ETF is in accordance with the investment objectives of a Fund;
- (ii) a Fund is not permitted to sell securities of an Underlying Non-IPU ETF short;
- (iii) the Underlying Non-IPU ETF is not a commodity pool governed by National Instrument 81-104 Commodity Pools;
- (iv) other than any exemptive relief granted in favour of an Underlying Non-IPU ETF, the Underlying Non-IPU ETF must comply with the requirements of (A) section 2.3 of NI 81-102 regarding the purchase of physical commodities; (B) sections 2.7 and 2.8 of NI 81-102 regarding the use of specified derivatives; and (C) subsections 2.6(a) and (b) of NI 81-102 with respect to the use of leverage;
- (v) in connection with the Concentration Restriction, a Fund shall, for each investment in securities of an Underlying Non-IPU ETF, apply, to the extent applicable, subsections 2.1(3), 2.1(4) and 2.1(5) of NI 81-102 as if those provisions applied to a Fund’s investments in securities of the Underlying Non-IPU ETF, and, accordingly, limit a Fund’s indirect holdings in securities of an issuer held by one or more Underlying Non-IPU ETFs as required by,

and in accordance with, subsections 2.1(3), 2.1(4) and 2.1(5) of NI 81-102; and

- (vi) the investment by a Fund in securities of an Underlying Non-IPU ETF is made in compliance with section 2.5 of NI 81-102, with the exception of paragraph 2.5(2)(a) and, in respect only of brokerage fees incurred for the purchase and sale of an Underlying Non-IPU ETF by a Fund, paragraph 2.5(2)(e) of NI 81-102.

Cleared Swaps Relief

The Funds have received an exemption from the counterparty credit rating requirement, the counterparty exposure threshold and the custodial requirements set out in NI 81-102, in order to (i) permit the Funds to clear certain swaps, such as interest rate and credit default swaps, entered into with a futures commission merchant that is registered with the U.S. Commodity Futures Trading Commission and/or clearing member for purposes of European Market Infrastructure Regulation, and is a member of a clearing corporation (“**Futures Commission Merchant**”), and (ii) deposit cash and other assets directly with the Futures Commission Merchant, and indirectly with a clearing corporation, as margin for such swaps.

In the case of Futures Commission Merchants located in Canada, the Futures Commission Merchant must be a member of a self-regulatory organization that is a member of the Canadian Investor Protection Fund. In the case of Futures Commission Merchants located outside of Canada, the Futures Commission Merchant must (i) have a net worth, determined from its most recent audited financial statements, of more than \$50 million and (ii) be a member of a clearing corporation subject to a regulatory audit. In all instances, the amount of margin already held by the applicable Futures Commission Merchant must not exceed 10% of the net asset value (“**NAV**”) of the Fund at the time of deposit.

Inter-Fund Trades

As permitted under National Instrument 81-107 *Independent Review Committee for Investment Funds* (“**NI 81-107**”), the Funds may engage in inter-fund trades subject to certain conditions, including, for exchange-traded securities, that the trades are executed using the current market price of a security rather than the last sale price before the execution of the trade. Accordingly, the Funds have obtained exemptive relief to permit the Funds to engage in inter-fund trades if the security is an exchange-traded security, executed at the last sale price, immediately before the trade is executed, on an exchange upon which the security is listed or quoted.

Standard Investment Restrictions and Practices

The remaining standard investment restrictions and practices set out in NI 81-102 are deemed to be included in this annual information form. A copy of the investment restrictions and practices adopted by the Funds will be provided to you upon request by writing to us at the address shown under Section 1 “**Name, Formation and History of the Funds - Address of the Funds and Counsel**”.

Approval of the Independent Review Committee

The Independent Review Committee (“**IRC**”) of the Counsel Funds under NI 81-107 has approved a standing instruction to permit the Counsel Funds to invest in certain issuers related to us as provided for in NI 81-107. Related issuers to us include issuers that control Counsel or issuers that are under common control with Counsel. We have determined that, notwithstanding the specific provisions of NI 81-107 and the standing instruction that has been adopted, it would be inappropriate for the Counsel Funds to invest directly in securities issued by IGM Financial Inc., which indirectly owns 100% of our outstanding common shares.

The IRC monitors the investment activity of the Counsel Funds in related issuers at least quarterly. In its review, the IRC considers whether investment decisions:

- have been made free from any influence by, and without taking into account any consideration relevant to, the related issuer or other entities related to us or the Fund;
- represent our business judgment, uninfluenced by considerations other than the best interests of the Fund;
- have been made in compliance with our policies and the IRC’s standing instruction; and
- achieve a fair and reasonable result for the Fund.

The IRC must notify the securities regulatory authorities if it determines that we have not complied with any of the above conditions.

Please see the “**Counsel Funds IRC**” for additional information about the IRC.

Change of Investment Objectives and Strategies

A change in a Fund’s investment objectives can only be made with the consent of the investors in the Fund at a meeting called for that purpose. The investment strategies explain how the Fund intends to achieve its investment objectives. As manager of the Funds, we may change the investment strategies from time to time, but will give you

notice, by way of a press release, of our intention to do so if it would be a material change as defined in NI 81-106. Under NI 81-106, a change in the business, operations or affairs of a Fund is considered to be a “material change” if a reasonable investor would consider it important in deciding whether to purchase or continue to hold securities of the Fund.

Dealer-Managed Mutual Funds

The Funds are dealer-managed mutual funds and are, therefore, prohibited from making certain investments prescribed by NI 81-102. Specifically, the Funds shall not knowingly make an investment in a class of securities:

- of an issuer, during, or for 60 days after, the period in which we, or an associate or affiliate of ours, act as an underwriter in the distribution of securities of that class of securities, except as a member of the selling group distributing five percent or less of the securities underwritten;
- of an issuer of which a partner, director, officer or employee of ours, or a partner, director, officer or employee of an affiliate or associate of ours, is a partner, director or officer, unless the partner, director, officer or employee
 - does not participate in the formulation of investment decisions made on behalf of the Funds;
 - does not have access before implementation to information concerning investment decisions made on behalf of the Funds; and
 - does not influence, other than through research, statistical and other reports generally available to clients, the investment decisions made on behalf of the Funds.

These restrictions do not apply to an investment in a class of securities issued or fully and unconditionally guaranteed by the government of Canada or the government of a jurisdiction.

These restrictions also do not apply to an investment in:

- a class of securities of an issuer if the IRC has approved the transaction,
- a class of debt securities of an issuer, if the security has and continues to have an approved credit rating,
- a class of securities for which a prospectus has been filed in Canada and during the 60-day period referred to above, the investment is made on an exchange on which the securities are listed.

3. DESCRIPTION OF SECURITIES

Each Fund is associated with a specific investment portfolio and specific investment objectives. Each Fund is entitled to the total return (including realized and unrealized gains) on the portfolio assets of that Fund, less that portion of management fees, administration fees, and fund costs, as applicable, attributable to that Fund. Please refer to “**FEES AND EXPENSES**” in Section 11 for further details.

Series of Securities

Each Fund may have an unlimited number of series of securities and may issue an unlimited number of securities within each series. Each Fund may offer new series at any time without notice to, or approval of, investors. Expenses of each series of each Fund are tracked separately and a separate NAV is calculated for each series. Although the money that you and other investors pay to purchase securities of each series, and the expenses of each series, are tracked on a series-by-series basis in your Fund’s administration records, the assets of all series of your Fund are combined into a single pool to create one portfolio for investment purposes.

Securities of the Funds are not currently qualified for distribution in Quebec under a simplified prospectus.

Distributions

The Funds intend to distribute sufficient net income and net capital gains to investors each year to ensure that the Funds do not pay income tax. The Funds may also distribute returns of capital. A Fund may pay a distribution of net income, net capital gains and/or returns of capital at such time or times as we, acting as manager, in our discretion, determine.

The net income and net capital gains of the Fund will be distributed first to pay any management expense distributions to investors who are entitled to benefit from a reduction in the management fee. For more information, see “**FEES AND EXPENSES**”. A Fund may allocate net capital gains as a redemption distribution to an investor who redeems that Fund’s securities provided the capital gain so allocated is not more than the capital gain that the investor would otherwise have realized on the redemption. Any remaining net income or net capital gains of a Fund to be distributed will be allocated among the series of securities of the Fund based on the relative NAV of the series and each series’ expenses available to offset net income or net capital gains on or before the date of the distribution and distributed *pro rata* to investors in each series on the distribution payment date. Any such distribution will occur on or about the business day following the distribution record date or dates, at our discretion.

Liquidation or Other Termination Rights

If a Fund (or a particular series of securities of a Fund) is ever terminated, each security that you own will participate equally with each other security of the same series in the assets of the Fund attributable to that series after all of the Fund's liabilities (or those allocated to the series of securities being terminated) have been paid or provided for.

Certificates

No certificates representing securities shall be issued for securities held in a Fund unless we otherwise permit. Any certificates so issued shall be in such form as approved by us, from time to time. We may issue a replacement certificate if we are satisfied that the original certificate has been mutilated, lost or destroyed.

Voting Rights and Changes Requiring Investor Approval

You have the right to exercise one vote for each security held at meetings of all investors of your Fund and at any meetings held solely for investors of that series of securities. We are required to convene a meeting of investors of a Fund to ask them to consider and approve, by not less than a majority of the votes cast at the meeting (either in person or by proxy), any of the following material changes if they are ever proposed for the Fund:

- a change to the basis of the calculation of management fee rates or of other expenses that are charged to the Fund or to you, which could result in an increase in charges to the Fund or to you, unless (i) the contract is an arm's length contract with a party other than us or an associate or affiliate of ours for services relating to the operation of the Fund, and (ii) you are given at least 60 days' written notice of the effective date of the proposed change, or unless (i) the mutual fund is permitted to be described as "no-load", and (ii) the investors are given at least 60 days' written notice of the effective date of the proposed change. Similarly, the introduction of certain new fees by us for the Fund, which may be payable by the Fund or by investors of the Fund, would also require the approval of a majority of the votes cast at a meeting of investors of the Fund;
- a change of the manager of the Fund (other than a change to one of our affiliates);
- any change in the investment objectives of the Fund;
- any decrease in the frequency of calculating the NAV for each series of securities;
- certain material reorganizations of the Fund; and

- any other matter which is required by the constating documents of the Fund, by the laws applicable to the Fund, or by any agreement to be submitted to a vote of the investors in the Fund.

Other Changes

You will be provided at least 60 days' written notice of

- a change of auditor of the Fund; and
- certain reorganizations with, or transfer of assets to, another mutual fund, if the Fund will cease to exist thereafter and you will become a securityholder of the other Fund (otherwise an investor vote will be required).

4. VALUATION OF PORTFOLIO SECURITIES

The portfolio securities of each Fund are valued as at the close of business on each business day. A “**business day**” is any day that the Toronto Stock Exchange (the “**TSX**”) is open for trading. The value of the portfolio securities and other assets of each Fund is determined by applying the following rules:

- Cash on hand or on deposit, bills and notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued and not yet received are generally valued at their full amount, unless we have determined that any of these assets are not worth the full amount, in which event, the value shall be deemed to be the value that we reasonably deem to be the fair value.
- Portfolio securities listed on a public securities exchange are valued at their close price or last sale price reported before the valuation time on that business day. If there is no close price and if no sale is reported to have taken place before the valuation time on that business day, they are valued at the average of the last bid and ask prices reported before that time on that business day.
- Unlisted portfolio securities traded on an over-the-counter market are valued at the last sale price reported before the valuation time on that business day. If no sale is reported to have taken place before the valuation time on that business day, they are valued at the average of the last bid and ask prices reported before that time on that business day.
- Notwithstanding the foregoing, if portfolio securities are interlisted or traded on more than one exchange or market, we shall use the close price or last sale price or the average of the last bid and ask prices, as the case may be, reported before the valuation time on the exchange or market we determine to be the principal exchange or market for those securities.

- Fixed-income securities listed on a public securities exchange will be valued at their close price or last sale price before the valuation time on that trading day, or if there is no close price and if no sale is reported to have taken place before the valuation time on that trading day, at the average of the last bid and ask prices before that time on that trading day.
- Non-exchange-traded fixed-income securities of the Funds are valued at their fair value based on prices supplied by established pricing vendors, market participants or pricing models, as determined before the valuation time on that business day.
- When a Fund owns securities issued by another mutual fund (an “**Underlying Fund**”), the securities of the Underlying Fund are valued at the NAV calculated by the manager of the Underlying Fund for the applicable series of securities of the Underlying Fund for that business day in accordance with the constating documents of the Underlying Fund.
- Long positions in options, debt-like securities and warrants are valued at the current market value of their positions.
- Where an option is written by a Fund, the premium received by the Fund for those options is reflected as a deferred credit. The deferred credit is valued at an amount equal to the current market value of the option, which would have the effect of closing the position. Any difference resulting from revaluation shall be treated as an unrealized gain or loss on investment. The deferred credit shall be deducted in calculating the NAV of the Fund. The Fund’s portfolio securities which are the subject of a written option shall continue to be valued at their current market value as determined by us.
- Foreign currency hedging contracts are valued at their current market value on that business day, with any difference resulting from revaluation being treated as an unrealized gain or loss on investment.
- The value of a forward contract or swap is the gain or loss on the contract that would be realized if, on that business day, the position in the forward contract or the swap were to be closed out.
- The value of a standardized future is determined as follows:
 - if the daily limits imposed by the futures exchange through which the standardized future was issued are not in effect, the gain or loss on the standardized future that would be realized if, on that trading date, the position in the standardized future was closed out, or
 - if the daily limits imposed by the futures exchange through which the standardized future was issued are in effect, based on the current market value of the underlying interest of the standardized future.

- Margin paid or deposited on standardized futures or forward contracts is reflected as an account receivable, and margin consisting of assets other than cash is noted as held as margin.
- Portfolio securities, the resale of which are restricted or limited by law or by means of a representation, undertaking or agreement by the Fund, are valued at the lesser of
 - their value based upon reported quotations in common use on that business day; and
 - the market value of portfolio securities of the same class or series of a class, whose resale is not restricted (the “**related securities**”) less an amount which reflects the difference between the acquisition cost of the securities versus the market value of the related securities on the date of the purchase; this amount decreases over the restricted period in proportion until the securities are no longer restricted.
- Portfolio securities and other assets that are quoted in foreign currencies are converted to Canadian dollars using an exchange rate as of the close of the North American markets on that trading date.
- Notwithstanding the foregoing, portfolio securities and other assets for which market quotations are, in our opinion, inaccurate, unreliable, not reflective of all available material information or not readily available, are valued at their fair value as determined by us.

If a portfolio security cannot be valued under the foregoing rules or under any other valuation rules adopted under applicable securities laws, or if any rules we have adopted are not set out under applicable securities laws, but at any time are considered by us to be inappropriate under the circumstances, then we will use a valuation we consider to be fair, reasonable and in your best interest. In those circumstances, we would typically review current press releases concerning the portfolio security, discuss an appropriate valuation with other portfolio managers, analysts, the Investment Funds Institute of Canada and consult other industry sources to set an appropriate fair valuation. If, at any time, the foregoing rules conflict with the valuation rules required under applicable securities laws, we will follow the valuation rules required under applicable securities laws.

The constating documents of each of the Funds contain details of the liabilities to be included in calculating the NAV for each series of securities of each of the Funds. The liabilities of a Fund include, without limitation, all bills, notes and accounts payable, management fees, administration fees and/or operating expenses payable or accrued, all contractual obligations for the payment of money or property, all allowances authorized or approved by us for taxes (if any) or contingencies, and all other liabilities of the Fund. We will determine in good faith whether such liabilities are series expenses or common

expenses of the Funds. In calculating the NAV for each series of securities, we will use the latest reported information available to us on each business day. The purchase or sale of portfolio securities by a Fund will be reflected in the first calculation of the NAV for each series of securities after the date on which the transaction becomes binding.

We have not, within the past three years, exercised our discretion to deviate from the Funds' valuation practices described above.

5. CALCULATION OF NAV

The NAV of a Fund, as of any valuation time, is the market value of the Fund's assets less its liabilities.

After the close of business on each business day, a separate NAV will be calculated for each series of securities of each Fund because the management fee rate and administration fee for each series are different. The NAV of each series of a Fund is calculated by

- **adding** up the series' proportionate share of the cash, portfolio securities and other assets of the Fund;
- **subtracting** the liabilities applicable to that series of securities (which includes the series' proportionate share of common liabilities, plus liabilities directly attributable to the series); and
- **dividing** the result (the NAV of the series) by the total number of securities of that series owned by investors.

The NAV applied to redemption orders of securities of each series of each Fund (except as noted in the next paragraph) will generally increase or decrease on each business day as a result of changes in the value of the portfolio securities owned by the Fund. When distributions (other than management expense distributions) are declared by a series of a Fund, the NAV of that series will decrease by the per security amount of the distributions on the payment date.

The NAV for redemptions of securities of the Funds is the NAV first calculated after the receipt of all appropriate documents pertaining to a redemption order in good order.

The NAV of the Fund and the NAV for each series of a Fund is available at your request, and at no cost, by contacting us toll-free at 1-877-625-9885 or by email at info@counselervices.com.

Difference from International Financial Reporting Standards

In accordance with amendments to NI 81-106, the fair value of a portfolio security used to determine the NAV of a series for purchases and redemptions by investors will

be based on the Fund's valuation principles set out above in Section 4, "**Valuation of Portfolio Securities**", which may not be the same as the International Financial Reporting Standards ("**IFRS**"). Hence, the NAV may differ from what is reported in the annual and interim financial statements.

6. PURCHASES AND SWITCHES (EXCHANGES OF SECURITIES)

Securities of the Funds are not currently available for purchase in Quebec under a simplified prospectus, nor can residents in Quebec switch securities of the Funds into other Counsel Funds. You may redeem securities of a Fund only through your financial advisor. The financial advisor you select is your agent, to provide you with investment recommendations to meet your own risk/return objectives and to place orders to redeem securities on your behalf.

We are not liable for the recommendations given to you by your financial advisor and we are entitled to rely on electronic or other instructions that a financial advisor or dealer provides to us without verifying your instructions. We will not make a determination as to the suitability of a Fund when we receive redemption instructions from your dealer.

Delivery of Statements and Reports

We or your financial advisor or dealer will send you the following:

- Confirmation statements when securities of a Fund are redeemed;
- account statements;
- at your request, annual audited financial statements and/or semi-annual unaudited financial statements for your Fund, and annual management reports of fund performance and/or interim management reports of fund performance; and
- if you own securities of a Fund that paid a distribution, T3 and Réleve 16 slips annually, unless your securities are held in a registered plan.

You should retain all your confirmations and account statements to assist with the preparation of your tax return and calculations of the adjusted cost base ("**ACB**") of your securities for tax purposes. Please note that financial statements and management reports of fund performance for your Fund are also available to you electronically at www.counsel services.com.

7. HOW TO REDEEM SECURITIES

Redemption of Securities

This section only relates to securities of Counsel Monthly Income Portfolio, as these are the only securities investors resident in Quebec currently hold.

You may redeem all or any portion of your investment in a Fund on any business day by contacting your financial advisor and providing instructions to proceed with a redemption order or, if you have already arranged with your dealer, by electronic means through your dealer.

The amount that you will receive for your redemption order is based on the Fund's NAV for the series of securities next calculated after your redemption order has been received in good order. Your redemption request must be in writing or, if you have made arrangements with your dealer, by electronic means through your dealer and must be accompanied by your security certificate, if a certificate was issued to you for those securities. To protect you from fraud, for redemptions above certain dollar thresholds, your signature on your redemption request (and certificate, if applicable) must be guaranteed by one of a bank, trust company, member of a recognized stock exchange or any other organization satisfactory to us.

If you request more than one redemption at a time, your redemption requests will be processed in the order in which they are received. Redemption orders involving transfers to or from registered plans may be delayed until all administrative procedures involved with registered plans are complete.

If we do not receive everything we need to complete your redemption order within ten (10) business days after the sale date, under securities law, we are required on that tenth (10th) business day to purchase the same number of securities that you redeemed. We will apply your redemption proceeds to the payment required for those securities. If the NAV has decreased since the sale date, the Fund must keep the excess proceeds. If the NAV has increased since that date, you or your dealer will be required to pay the Fund the deficiency and any additional expenses of processing the repurchase order. Your dealer may require you to pay this amount if you were the cause of the failed redemption order.

If you no longer meet the \$1,000 minimum investment requirement for securities of a Fund because you redeem securities, we may redeem your remaining securities of that Fund and send you the proceeds of that redemption.

We will not redeem your securities if their value drops below the specified minimum investment requirement as a result of a decline in the NAV rather than a redemption of your securities.

We may redeem your securities, without notice, if we determine, at our discretion, that

- you have become a resident, for purposes of applicable securities law or tax law, of a foreign jurisdiction where such foreign residency may have negative legal, regulatory or tax implications for a Fund; or
- it would be in the best interest of the Fund to do so.

You remain responsible for all tax consequences, costs and losses, if any, associated with the redemption of securities of a Fund upon the exercise by us of our right to redeem.

Suspension of Redemption Rights

We may suspend the redemption of securities of a Fund or may postpone the date of payment upon redemption (i) during any period when normal trading is suspended on a stock exchange, options exchange or futures exchange within or outside Canada on which securities are listed and posted for trading, or on which specified derivatives are traded, which represent more than 50% by value or underlying market exposure of the total assets of the Fund without allowance for liabilities, and if those portfolio securities or specified derivatives are not traded on any other exchange that represents a reasonably practical alternative for the Fund, or (ii) with the prior permission of the Ontario Securities Commission. For purposes of making this determination, a Top Fund will be considered to own directly the securities owned by the Underlying Fund(s).

During any period of suspension there will be no calculation of the NAV for any series of securities of the Fund, and the Fund will not be permitted to redeem any securities. The redemption of securities and the calculation of the NAV for each series of securities will resume when trading resumes on the exchanges referred to in (i), above, or when the Ontario Securities Commission declares the suspension ended.

In the event of a suspension, if you have requested the redemption of securities, but the redemption proceeds cannot be calculated because of the suspension, you may either withdraw your request prior to termination of the suspension or receive payment based on the NAV next calculated after the termination of the suspension.

If we have received your redemption request and the redemption proceeds have been calculated prior to a suspension, but payment of the redemption proceeds has not yet been made, the Fund will pay your redemption proceeds to you during the suspension period.

8. RESPONSIBILITY FOR FUND OPERATIONS

Management Services for Counsel Funds

We are the manager, promoter and portfolio manager of each of the Counsel Funds and the trustee of the Funds. You may contact us concerning the Counsel Funds or your accounts at:

Telephone: 1-877-625-9885
Fax: 1-905-625-6184
Website: www.counselservices.com
E-mail: info@counselservices.com

Pursuant to an Amended and Restated Master Management Agreement with respect to the Trust Funds dated July 13, 2012, as amended on December 17, 2012, February 22, 2013, November 1, 2013, February 21, 2014, May 23, 2014, July 17, 2015, October 29, 2015, January 7, 2016, October 28, 2016, November 4, 2016, November 21, 2016, January 4, 2017, May 9, 2017, May 19, 2017, October 27, 2017, November 24, 2017, January 17, 2018, April 26, 2018, June 13, 2018, September 10, 2018 and June 27, 2019 (the “**Management Agreement**”), we, as Manager, are responsible for the day-to-day management of each of the Counsel Funds, including providing or arranging for management of the investment portfolio, investment analysis, recommendations and decisions, the implementation of portfolio purchase and sale transactions and arranging for and determining the policies relating to the distribution of securities. In particular, we are responsible for the following:

- the duties to be performed by the manager under the terms of the Master Declaration of Trust;
- ensuring compliance by the Counsel Funds in respect of applicable securities legislation and other laws, including tax laws, other requirements applicable to the simplified prospectus, annual information form, fund facts, management reports of fund performance, annual and interim financial statements, material change reports and any other documents of the Counsel Funds which may from time to time be filed with securities regulatory authorities (“**disclosure documents**”);
- providing or causing to be provided investor relations services to the Counsel Funds;
- preparing and sending or causing to be prepared and sent all materials in respect of meetings of, and distributions to, securityholders of the Counsel Funds;
- providing or causing to be provided investment management of the Counsel Funds’ investments;

- providing or causing to be provided administrative services and facilities for the Counsel Funds including, but not limited to, appointing a custodian of each Counsel Fund;
- providing or causing to be provided registrar, transfer and record-keeping services in respect of the securities of the Counsel Funds;
- upon redemption, subject to the imposition of a redemption charge, if any, or on such other basis as the Manager may in its discretion determine, in each case in such amount or amounts as may be fixed from time to time by the Manager and disclosed in the disclosure documents or in respect of which a notice shall have been given to securityholders; and
- redeeming securities of the Counsel Funds and issuing appropriate instructions to permit the redemption of securities of the Counsel Funds and delivering appropriate confirmations of trade and other required documents to redeeming securityholders, together with any cheques or other property issued or delivered to such redeeming securityholders.

We, as Manager, may provide these services directly, or we may retain agents to perform these services.

The Management Agreement may be terminated by a Counsel Fund or the Manager if either party ceases to carry on business, becomes bankrupt or insolvent, or commits a material breach of the agreement. The Manager may also terminate the agreement on 90 days' prior written notice.

Directors and Executive Officers of Counsel

The names, municipalities of residence and principal occupations during the preceding five years for each of our directors and executive officers are set out in the tables below. Only the current position of executive officers who have been with us for more than five years is shown.

Directors and Executive Officers	
Earl Bederman Toronto, Ontario	Director of Counsel and Mackenzie Investments; retired Founder and Chief Executive Officer, Investor Economics Inc.
Brian M. Flood Toronto, Ontario	Director of Counsel and Mackenzie Investments; retired Partner of Torys LLP
Karen L. Gavan Toronto, Ontario	Director of Counsel and Mackenzie Investments; retired Director, President and Chief Executive Officer of Economical Mutual Insurance Company

Directors and Executive Officers	
Robert E. Lord Toronto, Ontario	Director of Counsel and Mackenzie Investments; retired Partner of Ernst & Young LLP
Barry S. McInerney Toronto, Ontario	Chairman and Director of Counsel; Chairman, President, Chief Executive Officer and Director of Mackenzie Investments Previously Director, President and Chief Executive Officer of BMO Asset Management Corp.
Paul G. Oliver Markham, Ontario	Director of Counsel and Mackenzie Investments; retired Partner of PricewaterhouseCoopers LLP
Christopher S. Reynolds Toronto, Ontario	Director of Counsel; Vice-Chairman, President and Chief Executive Officer of Investment Planning Counsel Inc.; Director and Chairman of IPC Investment Corporation
Mary L. Turner Beamsville, Ontario	Director of Counsel and Mackenzie Investments; retired President, Chief Executive Officer and Director of Canadian Tire Bank; retired Chief Operating Officer of Canadian Tire Financial Services Limited
Samuel M.R. Febraro Ancaster, Ontario	President and Chief Executive Officer, Chief Anti-Money Laundering Officer and Chief Privacy Officer of Counsel; Executive Vice President, Advisory Services of Investment Planning Counsel Inc.
Frank J. Gawlina Burlington, Ontario	Chief Financial Officer and Chief Compliance Officer of Counsel; Chief Financial Officer of Investment Planning Counsel Inc.; Assistant Secretary of IPC Securities Corporation and IPC Investment Corporation
Reginald J. Alvares Toronto, Ontario	Executive Vice-President, Advisor & Information Services of Counsel, Investment Planning Counsel Inc., IPC Investment Corporation and IPC Securities Corporation
Corrado S. Tiralongo Richmond Hill, Ontario	Chief Investment Officer of Counsel and Portfolio Manager of IPC Securities Corporation
Kevin D. Hurlburt Toronto, Ontario	Executive Vice President, Products and Services of Counsel, Investment Planning Counsel Inc.
Nick Westlind Toronto, Ontario	Secretary of Counsel; Vice-President, Legal of Mackenzie Investments; Director of Legal Services of Mackenzie Investments; previously, Vice-President, Legal, Fidelity Investments Canada ULC

Portfolio Management Services

Although we are the portfolio manager for all of the Funds, the securities owned by certain Funds (either directly or indirectly through fund-of-fund relationships) are managed by sub-advisors hired by us.

Each of the sub-advisors has primary responsibility for the investment advice given to the accounts that are managed or co-managed by it. On a continuing basis, each sub-advisor evaluates the Fund's accounts for which it has responsibility, including the percentage that is invested in a type of security generally or in a particular security, diversification of holdings among industries and, in general, the makeup of the account.

The sub-advisors we hire also provide portfolio management services to other mutual funds and private accounts. If the availability of any particular portfolio security is limited and that security is appropriate for the investment objective of more than one mutual fund or private account, the securities will be allocated among them on a *pro rata* basis or other equitable basis having regard to whether the security is currently held in any of the portfolios, the relevant size and rate of growth of the accounts and any other factors that we or the sub-advisors, as applicable, consider reasonable.

Under securities law, we are required to advise you that there may be difficulty enforcing legal rights against a sub-advisor if the sub-advisor is resident outside Canada and all, or a substantial portion of their respective assets are likely to be located outside of Canada. At present, Acadian Asset Management LLC, Franklin Advisers Inc. and Mount Lucas Management LP are located outside of Canada. International sub-advisors are not fully subject to the requirements of Canadian securities legislation, including proficiency, capital insurance, record keeping, segregation of funds and securities, and statements of account and portfolio. As Manager of the Funds, we are responsible for the sub-advisor's compliance with the overall investment objectives and strategies of the Funds, but do not provide prior approval or review of specific portfolio security investment decisions taken by any sub-advisor.

Details of the portfolio management agreements entered into between us and the sub-advisor firms are set out later in this annual information form in Section 14, "**Material Contracts**".

The tables below describe the portfolio manager or sub-advisors and its principal location, as well as the lead portfolio managers for each Counsel Fund, their years of service with that firm and their most recent five (5) years' business experience.

Counsel Portfolio Services Inc., Mississauga, Ontario

We provide portfolio management services to all of the Funds. The following individual is principally responsible for portfolio investment for the Funds:

Name and Title	Length of Service with Counsel	Principal occupation in the last 5 years
Corrado Tiralongo, Chief Investment Officer	Since 2007	Chief Investment Officer, Counsel Portfolio Services Inc.

Acadian Asset Management LLC (“Acadian”), Boston, Massachusetts

Acadian is the sub-advisor for Counsel Global Dividend.

The following individuals, together with a team of portfolio managers, are principally responsible for portfolio investment for the Fund:

Name and Title	Fund	Length of Service with Acadian	Principal occupation in the last 5 years
Boris Kovtunenکو, Senior Vice President, Senior Portfolio Manager	Counsel Global Dividend	Since 2013	Senior Portfolio Manager, Portfolio Research and Oversight at Acadian; prior thereto Portfolio Manager at Acadian; Partner at Blue Fir Capital LLC; Research Manager at Arrowstreet Capital L.P.
Brendan Bradley, Executive Vice President, Chief Investment Officer	Counsel Global Dividend	Since 2004	Chief Investment Officer at Acadian; prior thereto Co-Chief Investment Officer at Acadian; Director, Portfolio Management at Acadian; Director, Managed Volatility Strategies at Acadian
Charles V. Johnson, Vice President, Associate Portfolio Manager	Counsel Global Dividend	Since 2005	Associate Portfolio Manager at Acadian; prior thereto, Portfolio Construction at Acadian; Investment Operations at Acadian
Scott Brymer, Senior Vice President, Portfolio Manager	Counsel Global Dividend	Since 2006	Portfolio Manager at Acadian; prior thereto, Strategy Analyst at Acadian; Portfolio Construction Analyst at Acadian

Franklin Advisers Inc. (“Franklin”), San Mateo, California

Franklin is the sub-advisor for Counsel Global Fixed Income. The following individual is principally responsible for portfolio investment for the Fund:

Name and Title	Length of Service with Franklin	Principal occupation in the last 5 years
Christine Zhu, Vice President and Director, Portfolio Construction and Quantitative Analysis	Since 2007	Vice President and Director, Portfolio Construction and Quantitative Analysis (since 2017); prior thereto, Portfolio Manager, Quantitative Research Analyst (2013 to 2017)

Mackenzie Financial Corporation (“Mackenzie”) Toronto, Ontario

Mackenzie is a sub-advisor for Counsel Canadian Core Fixed Income. The following individuals, together with a team of portfolio managers, are principally responsible for portfolio investment for the Fund:

Name and Title	Fund	Length of Service with Mackenzie	Principal occupation in the last 5 years
Steven Locke, Senior Vice President and Portfolio Manager	Counsel Canadian Core Fixed Income	Since 2008	Portfolio Manager
Felix Wong, Vice President and Portfolio Manager	Counsel Canadian Core Fixed Income	Since 2008	Portfolio Manager

Mount Lucas Management LP (“Mount Lucas”), Newtown, Pennsylvania

Mount Lucas is the sub-advisor for Counsel Retirement Income Portfolio.

The following individuals, together with a team of portfolio managers, are principally responsible for portfolio investment for the Fund:

Name and Title	Fund	Length of Service with Mount Lucas	Principal occupation in the last 5 years
Timothy Rudderow, Chief Executive Officer & Chief Investment Officer	Counsel Retirement Income Portfolio	Since 1986	Chief Executive Officer & Chief Investment Officer of Mount Lucas
Gerald L. Prior, III, Chief Operating Officer	Counsel Retirement Income Portfolio	Since 1997	Chief Operating Officer, Portfolio Manager
David Aspell, Portfolio Manager	Counsel Retirement Income Portfolio	Since 2011	Portfolio Manager, formerly, Chief Risk Officer
Kent Huang, Chief Risk Officer	Counsel Retirement Income Portfolio	Since 2008	Chief Risk Officer, formerly, derivatives execution trader

Putnam Investments Canada ULC (“Putnam”), Toronto, Ontario

Putnam is the sub-advisor for Counsel North American High Yield Bond. The following individuals are principally responsible for portfolio investment for the Fund:

Name and Title	Fund	Length of Service with Putnam	Principal occupation in the last 5 years
Paul Scanlon, Co-Head of Fixed Income in the Fixed Income Global Credit Group. Lead Portfolio Manager	Counsel North American High Yield Bond	Since 1999	Co-Head of Fixed Income (2011 – present)
Norman Boucher, Portfolio Manager, Putnam Fixed Income; High Yield Investment Management	Counsel North American High Yield Bond	Since 1998	Portfolio Manager
Robert L. Salvin, Portfolio Manager, Putnam Fixed Income	Counsel North American High Yield Bond	Since 2000	Portfolio Manager

Timbercreek Investment Management Inc. (“Timbercreek”), Toronto, Ontario

Timbercreek is the sub-advisor for Counsel Global Real Estate.

The following individuals are principally responsible for portfolio investment for the Fund:

Name and Title	Fund	Length of Service with Timbercreek	Principal occupation in the last 5 years
Corrado Russo, Senior Managing Director, Investments & Global head of Securities	Counsel Global Real Estate	Since 2011	Lead Portfolio Manager, Senior Managing Director, Investments & Global head of Real Estate Securities
Claudia Reich Floyd, Portfolio Manager, Global Real Estate Securities	Counsel Global Real Estate	Since 2012	Portfolio Manager, Global Real Estate Securities of Timbercreek
Samuel Sahn, Portfolio Manager, Global Real Estate Securities	Counsel Global Real Estate	Since 2012	Portfolio Manager, Global Real Estate Securities of Timbercreek

Name and Title	Fund	Length of Service with Timbercreek	Principal occupation in the last 5 years
Peter Bridgman, Portfolio Manager, Global Real Estate Securities	Counsel Global Real Estate	Since 2011	Portfolio Manager, Global Real Estate Securities of Timbercreek

Brokerage Arrangements

Investment portfolio brokerage transactions for the Counsel Funds are arranged by us, or where applicable, by sub-advisors retained by us through a number of brokerage firms. Brokerage fees for the Counsel Funds are usually paid at the most favourable rates available to us and the sub-advisors, based on their respective entire volumes of Fund trading as manager and/or investment advisors of significant mutual fund and other assets and subject to the rules of the appropriate stock exchange. Many of the brokerage firms who carry out brokerage transactions for the Counsel Funds also sell securities of those Counsel Funds to their clients. Investment portfolio brokerage transactions carried out by the Counsel Funds for which we have appointed a sub-advisor will be allocated by those sub-advisors in accordance with their existing brokerage policies.

From time to time, we and certain sub-advisors may also allocate brokerage transactions to compensate brokerage firms for general investment research, including provision of industry and company analysis, economic reports, statistical data pertaining to the capital markets, portfolio reports and portfolio analytics, trading data and other services that assist the portfolio manager in carrying out investment decision-making services to the Counsel Funds for which they provide portfolio management services. The portfolio managers will allocate those transactions with appropriate regard to the principles of a reasonable brokerage fee, benefit to the Counsel Funds and best execution of the brokerage transactions. We attempt to allocate the Counsel Funds’ brokerage business on an equitable basis, bearing in mind the above principles. We and the Counsel Funds are not under a contractual obligation to allocate brokerage transactions to any specific brokerage firm. Other than fund-on-fund investments for certain Counsel Funds, forward currency contracts and cash management activities, we do not carry out brokerage transactions nor do any companies that are affiliated with us.

Since the date of the last annual information form, certain third party companies provided certain services to us and our sub-advisors on behalf of the Counsel Funds and paid for by the Counsel Funds (also known as “**soft dollars**”), including the provision of industry and company analysis, economic reports, statistical data pertaining to the capital markets, portfolio reports and portfolio analytics. For more information and to obtain the name of these companies, you can contact us at 1-877-625-9885 or by email at info@counselervices.com. Please note that we and our sub-advisors face a potential conflict of interest by obtaining services using soft dollars. This conflict exists because we and our sub-advisors are able to use these services to manage the Counsel Funds without paying cash for these services. This reduces our and our sub-advisor’s expenses

to the extent that we or our sub-advisors would have paid for these services directly had they not been paid for using soft dollars. Certain Counsel Funds may generate soft dollars used to purchase services that ultimately benefit other Counsel Funds, effectively cross-subsidizing the other Counsel Funds that benefit directly from the service. For instance, fixed-income funds normally do not generate soft dollars to pay for products. Therefore, where services used to manage fixed-income Counsel Funds are paid for using soft dollars, the soft dollars have been generated entirely by equity Counsel Funds. In other words, the fixed-income Counsel Funds receive the benefit of these services even though they have been paid for by the equity Counsel Funds.

Principal Distributor

IPC Investment Corporation (“**IPC Investments**”) and IPC Securities Corporation (“**IPC Securities**”) are the principal distributors of Series Private Wealth I securities of Counsel Monthly Income Portfolio described in this annual information form.

IPC Investments is located at 5015 Spectrum Way Suite 300 Mississauga, Ontario L4W 0E4 (toll-free telephone number 1-877-625-9885).

IPC Securities is located at 5015 Spectrum Way Suite 300 Mississauga, Ontario L4W 0E4 (toll-free telephone number 1-877-625-9885). Details of the principal distributor agreement are set out in Section 14 “**Material Contracts**”: “**Principal Distributor Agreement**”.

Trustee

Pursuant to the Master Declaration of Trust, as amended and restated, we act as trustee of each Fund.

Directors and Officers of the Trustee

Our directors and officers are set out under “**Directors and Executive Officers of Counsel**”.

Custodian

Pursuant to a master custodian agreement entered into with Canadian Imperial Bank of Commerce (“**CIBC**”) Toronto, Ontario, (“**Master Custodian Agreement**”) CIBC acts as custodian for the Counsel Funds. The details of the Master Custodian Agreement are set out in Section 14, “**Material Contracts**”.

The custodian receives and holds all cash, portfolio securities and other assets of each Fund for safekeeping and will act upon our instructions with respect to the investment and reinvestment of each Fund’s assets from time to time. Under the terms of the custodian agreement and subject to the requirements of the Canadian Securities

Administrators, the custodian may appoint one or more sub-custodians to facilitate effecting portfolio transactions outside of Canada. We pay the fees for custodial safekeeping services out of the administration fee we receive from the Fund. The fees for portfolio securities transactions are calculated on an individual Fund basis according to the portfolio security transactions undertaken for the Fund, and are paid by the Funds.

Other than cash or portfolio securities that may be deposited as margin, CIBC will hold all of the Funds' Canadian cash and portfolio securities in Toronto. Foreign securities and related cash accounts will be held either at an office of CIBC or by its sub-custodians.

Securities Lending Agent

We, on behalf of the Funds, have entered into a securities lending authorization agreement dated May 10, 2010, as amended with CIBC (the "**Securities Lending Agreement**") of Toronto, Ontario, the custodian of the Funds (the "**Securities Lending Agent**"). The Securities Lending Agreement appoints and authorizes the Securities Lending Agent to act as agent for securities lending transactions for those Counsel Funds that engage in securities lending and to execute in the applicable Fund's name, and on its behalf, securities lending agreements with borrowers in accordance with NI 81-102. The Securities Lending Agreement stipulates that the collateral received by a Counsel Fund in a securities lending transaction must generally have a market value of 105%, but never less than 102%, of the value of the securities loaned. Under the Securities Lending Agreement, the Securities Lending Agent indemnifies us from certain losses incurred in connection with the Securities Lending Agent's failure to perform any obligations under the Securities Lending Agreement. The Securities Lending Agreement may be terminated at any time at the option of either party upon 30 days' prior written notice to the other party. The Securities Lending Agent is not our affiliate or associate.

Auditor

The auditor of the Funds is Deloitte LLP, Chartered Professional Accountants, Toronto, Ontario.

Registrar and Transfer Agent

Mackenzie acts as the registrar and transfer agent of the Funds at its office in Toronto, Ontario. The register of investors of each of the Funds is maintained at Mackenzie's office in Toronto.

Fund Administration

Investors Group Financial Services Inc. ("**IGFS**") acts as fund administrator for the Counsel Funds. In this capacity, IGFS provides us with fund accounting, securities valuation, and other administrative services on behalf of the Funds.

9. CONFLICTS OF INTEREST

Principal Holders of Securities

Shares of Counsel: IGM Financial Inc., Winnipeg, Canada indirectly owns all of the outstanding voting shares of Counsel. As at May 31, 2019, Power Financial Corporation (“Power”) beneficially owned, directly or indirectly, 157,132,080 common shares of IGM Financial Inc., representing 65.950% of the outstanding voting shares of IGM Financial Inc. (excluding 0.015% held by The Great-West Life Assurance Company in its segregated funds or for similar purposes). Power Corporation of Canada owned, directly or indirectly, 425,402,926 common shares of Power, representing 64.057% of the outstanding voting shares of Power. The Desmarais Family Residuary Trust, a trust for the benefit of the members of the family of the late Mr. Paul G. Desmarais, has voting control, directly and indirectly, of Power Corporation of Canada.

Directors and Executive Officers of Counsel: As of May 31, 2019, the directors and executive officers of Counsel beneficially owned, directly or indirectly, in aggregate, less than 1% of (a) the common shares of IGM; and (b) the common shares of any service provider to Counsel or the Funds.

Independent Review Committee: As of May 31, 2019, the members of the IRC beneficially owned, directly or indirectly, in aggregate less than 1% of (a) the common shares of IGM; and (b) the common shares of any service provider to Counsel or the Funds.

Securities of the Funds: As of May 31, 2019, the only persons known by us to own, beneficially or of record, directly or indirectly, more than 10% of the outstanding securities of any series of the Funds were the following registered owners:

Fund Name	Series	Number of Units	% of Series	Investor
Counsel Global Dividend	O	3,079,690	91.41%	Counsel Monthly Income Portfolio
Counsel Global Fixed Income	O	3,477,729	74.85%	Counsel Monthly Income Portfolio
Counsel Global Real Estate	I	40,562	65.23%	Individual Investor 1
	I	8,693	13.98%	The Douglas Waxman Family Trust
	O	6,107,962	48.18%	Counsel Balanced Portfolio
	O	2,203,882	17.38%	Counsel Monthly Income Portfolio
	O	1,665,761	13.14%	Counsel Growth Portfolio
Counsel Monthly Income Portfolio	F5	72	100.00%	Counsel Portfolio Services Inc.
	IB	135,931	14.38%	Individual Investor 2
	IB	99,481	10.53%	Individual Investor 3
Counsel North American High Yield Bond	O	3,600,325	43.57%	Counsel High Yield Fixed Income
	O	2,369,287	28.67%	Counsel Monthly Income Portfolio
	O	925,325	11.20%	Counsel Retirement Foundation Portfolio
Counsel Retirement Income Portfolio	I	52,773	14.02%	Individual Investor 4
	O	4,640,939	80.79%	Counsel Monthly Income Portfolio
	O	777,765	13.54%	Counsel High Income Portfolio
	Private Wealth	33,108	26.47%	Individual Investor 7
	Private Wealth	29,242	23.38%	Individual Investor 8
	Private Wealth	28,728	22.97%	Individual Investor 9
	Private Wealth I	56,015	54.96%	Individual Investor 5
	Private Wealth I	40,328	39.57%	Individual Investor 6

Investments by Mutual Funds Managed by Counsel and its Affiliates

Mutual funds managed by us and our affiliates may invest in Series O securities. As these series are intended solely for investment by these funds, as a means to ensure that there is no duplication of fees payable to us, they do not pay sales charges, redemption fees or management fees. Up to 100% of the Series O securities of a Fund

may be owned by one or more of these investors. Therefore, these investors may own (individually or collectively) more than 10% of all the outstanding securities of a Fund.

Affiliated Entities

As of the date of this annual information form, each of the following companies is an “affiliated entity” to us (as this term is defined in the form requirement under NI 81-101) and provides services to the Funds or to us in relation to the Funds’ operations:

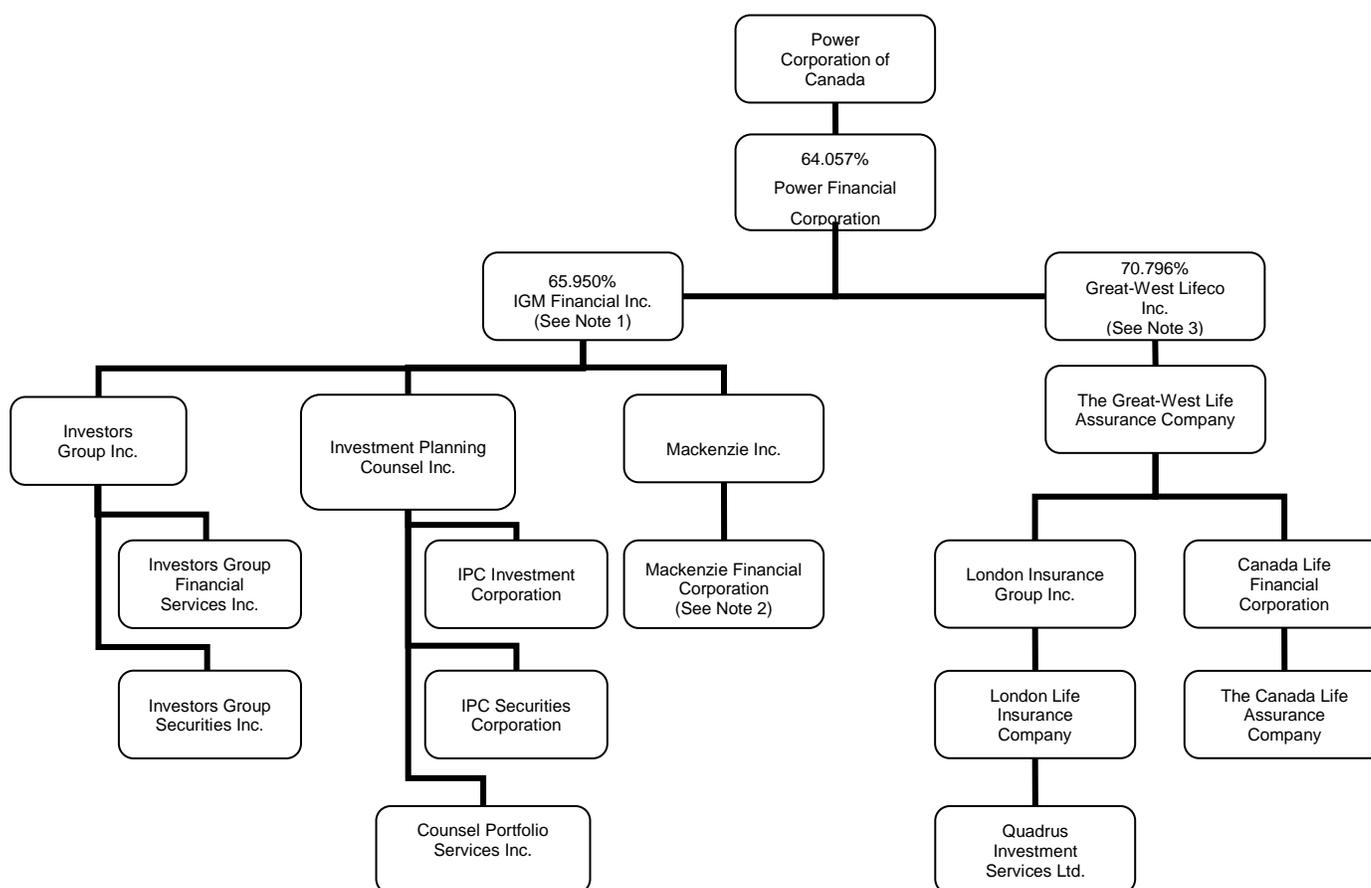
- IPC Investments, a mutual fund dealer, and IPC Securities, a securities dealer, are majority-owned subsidiaries of Investment Planning Counsel Inc. (“**IPCI**”) and act as participating dealers with respect to the distribution of securities of the Funds. In addition, IPC Investments provides brokerage services to Counsel Monthly Income Portfolio when it invests in securities of underlying mutual funds that are not managed by us. The Funds pay no brokerage commissions on these investment transactions.
- Other indirect, wholly owned or majority-owned subsidiaries of IGM, who are therefore affiliated with us and who may act as participating dealers with respect to the distribution of securities of the Funds, include Investors Group Securities Inc. (an investment dealer) and Investors Group Financial Services Inc. (“**IGFS**”) (a mutual fund dealer). Great-West Lifeco Inc. (“**GWL**”) is also a majority-owned subsidiary of Power. GWL’s activities are principally carried out through its subsidiaries, The Great-West Life Assurance Company, London Life Insurance Company and The Canada Life Assurance Company. Other indirectly, wholly owned subsidiaries of GWL who are therefore affiliated with us and who, as participating dealers, may hold, sell, and/or recommend securities of the Funds include Quadrus Investment Services Ltd. (a mutual fund dealer). We do not have any special agreements or arrangements with respect to these participating dealers listed in this paragraph. All of these dealers will receive applicable commissions and charge fees to investors who purchase securities of the Funds through them in the same manner as any unrelated dealer.
- IGFS provides fund administration services to the Funds. The fees for these fund administration services are paid by the Funds as a fund cost.
- Mackenzie provides portfolio sub-advisory, registrar and transfer agency services for Counsel Canadian Core Fixed Income. The fees for these services are paid by us and not the Funds.
- Certain of the Funds may invest in Mackenzie-managed mutual funds as Underlying Funds from time to time.
- We offer our employees the opportunity to purchase securities of the Counsel Funds through accounts held at IPC Investments. IPC Investments receives any applicable trailing commissions in the same manner as any unrelated dealer.

Details of the amount of fees, if any, payable by the Funds to any of those service providers are contained in the audited financial statements of the Funds.

The following Directors and/or Executive Officers of Counsel are also directors and/or Executive Officers of IPC Investments and IPC Securities:

- Christopher S. Reynolds, Director of Counsel, and Director and Chairman of IPC Investments.

The following diagram describes the relevant corporate relationships within the Power Group of Companies, as at May 31, 2019, where ownership is 100%, unless otherwise indicated:



Note 1:

Power directly and indirectly owns 65.950% (excluding 0.015% held by The Great-West Life Assurance Company in its segregated funds or for similar purposes).

Note 2:

Non-voting common shares have also been issued.

Note 3:

Power directly and indirectly owns 70.796% (including 4.020% held by IGM).

10. FUND GOVERNANCE

Our Duty to the Counsel Funds

Counsel

As the manager of the Counsel Funds, we are under a statutory duty imposed by the *Securities Act* (Ontario) to act honestly, in good faith and in the best interests of all of our managed Counsel Funds, and to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the same circumstances.

Our Board of Directors is responsible for overseeing our compliance with that statutory duty owed to the Counsel Funds. To assist with its duties, the Board has appointed an Audit Committee and a Fund Oversight Committee, as further described below.

The Board operates in accordance with the provisions of a Unanimous Shareholders Agreement (the “**USA**”) entered into by our shareholders. Pursuant to the USA, the Board generally supervises our functions as the manager of the Counsel Funds. IPCI, the sole voting shareholder, has oversight responsibilities for all other matters related to us, including corporate governance, operating results, financial and strategic planning, product strategy, compensation and personnel decisions and overall corporate level risk management.

In addition, we have appointed an IRC, which reviews potential conflicts of interest matters referred to it by our management.

Board of Directors of Counsel

Our Board is currently comprised of eight directors, six of whom are independent of us and our affiliates; one of whom is a senior officer and director of IPCI and one of whom is a senior officer and director of Mackenzie. The Board’s mandate, for the most part, is limited to fund governance matters through the operation of the USA.

The Board reviews and makes decisions with respect to our mutual fund operations through the following activities:

- reviewing and approving all financial disclosure of the Counsel Funds, including interim and annual financial statements and management reports of fund performance. The Board considers the recommendations of the Audit Committee in making these determinations;
- discussing new fund proposals with management and approving the offering documents;
- receiving reports from management and others (including the Audit Committee, the Fund Oversight Committee and the IRC) relating to the compliance by the

Counsel Funds with securities laws and administrative practices, and tax and financial reporting laws and regulations applicable to the Counsel Funds; and

- reviewing management reports on conflicts of interest to which we are subject to as manager and trustee of the Counsel Funds (where applicable). The Board receives and reviews reports on the activities and recommendations of the IRC and the Fund Oversight Committee in determining how to manage those conflicts.

Members of the Board (who are not directors and/or officers of IPCI or officers of Mackenzie) are compensated for their participation on the Board through the payment of an annual retainer and meeting fees. The Board may, from time to time, engage consultants (legal, financial, or otherwise) to assist it in fulfilling its duties. We generally pay for these expenses.

Audit Committee of the Board

Our Board has established an Audit Committee to oversee the financial reporting and controls of the Counsel Funds. The Audit Committee consists of three of our independent directors.

The Audit Committee:

- reviews all financial reporting by the Counsel Funds, including the interim and annual financial statements and management reports of fund performance;
- meets with the Counsel Funds' auditors regularly to discuss the financial reporting of the Counsel Funds and specific accounting issues that may arise and the effect of specific events on our and the Counsel Funds' financial position. The Audit Committee also reviews with management and with the Counsel Funds' auditors the adoption of specific accounting policies;
- receives reports from management with respect to our compliance with laws and regulations that affect us as a manager of mutual funds and that could have a material impact on fund financial reporting, including tax and financial reporting laws and obligations. The Audit Committee also reviews our income tax status, as well as the status of the Counsel Funds;
- reviews policies relating to financial risks established by our management, as well as compliance with those policies and reviews, and assesses the insurance coverage we maintain as it relates to our role of managing the Counsel Funds;
- reviews internal financial controls with management on a regular basis. The Audit Committee meets with our Internal Audit Department, outside the presence of management, to review and gain assurance that reasonable financial controls are in place and are effective;

- reviews the annual plan of our Internal Audit Department with respect to the Counsel Funds and their reports;
- oversees all aspects of the relationship between us and the external auditor of the Counsel Funds. In addition to recommending their appointment to the Board, the Audit Committee reviews and approves the terms of auditor engagements, the audit and non-audit services provided by the auditors, sets its remuneration and reviews its performance annually or more frequently. The Audit Committee regularly meets with the external auditors outside the presence of our management; and
- reviews its mandate on a regular basis.

Members of the Audit Committee are compensated for their participation on the Audit Committee, which is in addition to the fees they receive for serving as members of the Board of Directors. The Audit Committee may, from time to time, engage consultants (legal, financial, or otherwise) to assist it in fulfilling its duties. We generally pay for these expenses.

Fund Oversight Committee of the Board

Our Board has established the Fund Oversight Committee to assist the Board and us in fulfilling our obligations in our role as the manager and/or trustee of the Counsel Funds. The Fund Oversight Committee consists of all members of the Board of Directors, and the Chair of the Fund Oversight Committee is a member of the Board that is independent of management.

The Fund Oversight Committee:

- supervises our activities in respect of our obligations in managing the Counsel Funds, which are based on laws and regulation, the constating documents of the Counsel Funds and the continuous disclosure documents of the Counsel Funds (such as prospectuses, annual information forms, Fund Facts documents, annual and interim management reports of fund performance, etc.). The Fund Oversight Committee has also created sub-committees to review prospectuses, information circulars and other continuous disclosure documents prepared for investors and potential investors;
- meets several times a year and reviews policies we have adopted and reports relating to our compliance with those policies, including policies relating to conflicts of interest as required by NI 81-107. The principal policies include valuation of portfolio securities for the Counsel Funds, the use of derivative instruments by the Counsel Funds, the use of securities lending by the Counsel Funds, proxy-voting policies for the Counsel Funds, the allocation of trades on behalf of the Counsel Funds and the restrictions imposed on personal trading by officers and others with access to the Counsel Funds' trading activities (which are contained in the Personal Trading Policy for Access Persons). The restrictions on personal trading

comply with the standards for the mutual fund industry set by The Investment Funds Institute of Canada. Our President and Chief Executive Officer and Chief Compliance Officer oversee compliance monitoring with respect to these and other policies, which is carried out on an ongoing basis, and these senior officers report to the Fund Oversight Committee on a regular basis;

- receives reports regarding the compliance of the Counsel Funds with their investment objectives and strategies, and securities legislation generally;
- reviews performance of the Counsel Funds. In this capacity, it receives regular reports from management with respect to the performance of the Counsel Funds and reviews with management the performance of specific portfolio managers and sub-advisors. However, the ultimate decisions regarding appointing or replacing specific portfolio managers or sub-advisors are the responsibility of management and overseen by IPCI;
- reviews proposals regarding material changes to the Counsel Funds and any continuous disclosure in respect of those changes;
- receives regular reports on, and reviews with management, the operations of the Counsel Funds. This includes oversight of outsourced services, including fund valuation processes, the transfer agency function, the information systems used to support these operations, banking arrangements and investor services; and
- reviews its mandate on a regular basis.

Independent members of the Fund Oversight Committee are compensated for their participation on the Fund Oversight Committee, which is in addition to the fees they receive for serving as members of the Board of Directors. The Fund Oversight Committee may, from time to time, engage consultants (legal, financial, or otherwise) to assist it in fulfilling its duties. We generally pay for these expenses.

Counsel Funds IRC

Under NI 81-107, mutual funds are required to form an independent review committee to review, among other things, conflict-of-interest matters and to provide impartial judgment on these matters to us in our role as manager of the Counsel Funds. We have created the IRC, which consists of four members: Robert Hines (Chair), George Hucal, Martin Taylor and Scott Edmonds.

The IRC reviews potential conflicts of interest referred to it by us, as manager of the Counsel Funds, and makes recommendations on whether a course of action achieves a fair and reasonable result for the Counsel Funds, and only upon making that determination does it recommend to us that the transaction proceed. This includes potential transactions, as well as regular review of our policies and procedures relating to conflicts of interest.

NI 81-107 specifically permits us to submit proposals to the IRC to cause a Counsel Fund to directly purchase or sell portfolio securities to or from another Counsel Fund without using a broker, although, to date, we have not taken advantage of this provision.

Also, as stated under “**Approval of the Independent Review Committee**”, the IRC has approved standing instructions to permit the Counsel Funds to invest in the securities of issuers related to us. To date, certain Counsel Funds have relied on standing instructions from the IRC in order to invest in securities of issuers related to us.

NI 81-107 also permits the IRC, upon referral by us, to consider proposals to change the auditor of a Counsel Fund or to approve mergers between Counsel Funds. In most cases, if the IRC approves these changes, a vote of investors would not be required; rather, you would be given 60 days’ prior notice of the change.

Supervision of Securities Lending, Repurchase and Reverse Repurchase Transactions

The Funds are permitted to engage in securities lending, repurchase and reverse repurchase transactions consistent with their respective investment objective and in compliance with the applicable provisions of NI 81-102. We have appointed the Funds’ Custodian as the Funds’ agent and have entered into a written agreement with that agent to administer any securities lending and repurchase transactions for a Fund (a “**Securities Lending Agreement**”). Those Funds may also enter into reverse repurchase transactions directly or through an agent.

The Securities Lending Agreement complies with, and the agent is bound to comply with, the applicable provisions of NI 81-102.

The Funds are subject to the following general risks associated with securities lending repurchase and reverse repurchase transactions:

- When entering into securities lending, repurchase and reverse repurchase transactions, the Funds are subject to the credit risk that the counterparty may default under the agreement and the Funds would be forced to make a claim in order to recover its investment.
- When recovering its investment on a default, the Funds could incur a loss if the value of the portfolio securities loaned (in a securities lending transaction) or sold (in a repurchase transaction) has increased in value relative to the value of the collateral held by the Funds.
- Similarly, the Funds could incur a loss if the value of the portfolio securities it has purchased (in a reverse repurchase transaction) decreases below the amount of cash paid by the Funds to the other party.

We will manage the risks associated with securities lending, repurchase and reverse repurchase transactions by requiring the agent to:

- maintain internal controls, procedures and records, including a list of approved counterparties based on generally accepted creditworthiness standards, transaction and credit limits for each counterparty and collateral diversification standards;
- establish daily the market value of both the securities loaned by a Fund under a securities lending transaction or sold by a Fund under a repurchase transaction and the cash or collateral held by a Fund. If, on any day, the market value of the cash or collateral is less than 102% of the market value of the borrowed or sold securities, the agent will request that the counterparty provide additional cash or collateral to the Fund to make up the shortfall; and
- ensure that a Fund does not loan or sell more than 50% of the total assets of that Fund through securities lending or repurchase transactions (without including the collateral for loaned securities and cash for sold securities).

Securities lending and reverse repurchase transactions are entered into by the agent on behalf of the Funds, and we monitor the risks of these transactions. To facilitate monitoring, the agent provides us with regular and comprehensive reports summarizing the transactions involving securities lending, repurchase and reverse repurchases. At present, we do not simulate stress conditions to measure risk in connection with securities lending, repurchase or reverse repurchase transactions. Risk measurement procedures or simulations are conducted by the agent in respect of loans outstanding and the collateral lodged by each borrower and across all borrowers in the agents' overall securities lending and repurchase portfolios. These procedures and simulations include the Funds' securities, but are not specific to the Funds.

Supervision of Derivatives Trading

The Funds may use derivatives for hedging purposes such as protecting the Fund's investment portfolio against market volatility or changes in interest rates. In addition, many of the Funds may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets or to gain exposure to other currencies.

We have adopted various policies and internal procedures to supervise the use of derivatives within our Fund portfolios. All policies and procedures comply with the derivative rules set out in NI 81-102 or as modified by any exemptions to NI 81-102 granted by the Canadian Securities Administrators. These policies are reviewed at least annually by senior management.

We have established an approval process for the use of derivatives before derivatives can be used in the Funds to ensure compliance with NI 81-102 or any granted exemptions to NI 81-102 and to ensure that the derivative is suitable for that particular Fund within the context of that Fund's objectives and investment strategies.

IGFS provides fund administration services to the Counsel Funds, including valuation, recording, monitoring and reporting on the derivative transactions that are entered into the Counsel Funds' portfolio records.

Our Portfolio Management Department also executes derivatives transactions. Each transaction is entered and valuations are recorded at the time of initial entry by a qualified staff member who has met threshold education and experience requirements. Valuations of derivative securities are carried out according to the procedures described under "**Valuation of Portfolio Securities**".

Periodic reporting identifying Counsel Fund derivative activity on a fund-by-fund basis, counterparty risk analysis, concentration levels and compliance with regulatory requirements is conducted by management. Any exceptions are identified and applicable corrective action is undertaken.

Under NI 81-102, mutual funds may engage in derivative transactions for both hedging and non-hedging purposes. Where we engage an external advisory firm to provide portfolio sub-advisory services to the Counsel Funds and that firm trades in derivative securities (or other instruments) for the Counsel Funds, under NI 81-102, we will be responsible for ensuring that all trading for the Counsel Funds by the sub-advisors is suitable to the Counsel Funds' objectives and strategies. When derivatives are acquired for hedging purposes, our internal policies require that the derivatives have at least a high degree of negative correlation to the position being hedged, as required by NI 81-102. Derivatives will not be used to create leverage within the Counsel Fund's portfolio unless permitted under NI 81-102. We do not simulate stress conditions to measure risk in connection with the Counsel Funds' use of derivatives.

The CIO is responsible for overseeing compliance with the derivatives policies and procedures by the Portfolio Management Department and/or the sub-advisors. Any non-compliance is escalated immediately to the portfolio manager and CIO. The compliance department reports any identified exceptions to the derivatives policies and procedures described above. This reporting is provided to our Fund Oversight Committee of the Board of Directors on a quarterly basis.

Proxy-Voting Policies and Procedures

The following is a description of our proxy-voting policies and procedures for voting the securities of companies. Each Fund is required under securities laws to establish policies and procedures that it will follow to determine whether, and how, to vote on any matter for which it receives, in its capacity as securityholder, proxy materials for a meeting of securityholders.

Voting Practices

Our objective is to vote the portfolio securities of companies in a manner most consistent with the long-term economic interest of Fund investors. We and the sub-advisors take reasonable steps to vote all proxies received. However, we and the sub-advisors cannot guarantee that we, or they, will vote in all circumstances. We and the sub-advisors may refrain from voting where administrative or other procedures result in the costs of voting outweighing the benefits. We and the sub-advisors may also refrain from voting if, in our or their opinion, abstaining or otherwise withholding our or their vote is in the best interests of Fund investors. We and the sub-advisors are not restricted from trading in a security due to an upcoming securityholder meeting.

We may engage a third party to consult and provide recommendations, or to vote proxies on behalf of the Funds in a manner that is consistent with our policy. Counsel may also delegate to the sub-advisors, the authority to make all voting decisions concerning the securities held in the Counsel Funds they sub-advise on a discretionary basis in accordance with the applicable sub-advisory agreement.

Fund-of-Fund Voting

Under NI 81-102, a mutual fund may directly (or indirectly, by using derivative instruments) invest some or all of its assets in an Underlying Fund. We may vote the securities of any Underlying Fund owned by a Fund when the Underlying Fund is not managed by us. If an Underlying Fund is managed by us or one of our associates or affiliates, we will not vote the securities of the Underlying Fund, but will decide if it is in your best interests for you to vote individually on the matter. Generally, for routine matters, we will decide that it is not in your best interests to vote individually. However, if we decide that it is in your best interests, then we will ask you for instructions on how to vote your proportionate interest of the Underlying Fund securities owned by the Fund, and we will vote accordingly. We will only vote the proportion of the Underlying Fund securities for which we have received instructions.

Summary of Proxy-Voting Policies

Below is a statement of principles that generally describe how we may vote on some commonly raised issues. We may elect to vote contrary to these guidelines provided the vote is in the best economic interest of the Counsel Fund.

- We generally vote in favour of proposals that (i) support a majority of Board members being independent of management; (ii) the appointment of outside directors to an issuer Board or Audit Committee; as well as (iii) requirements that the Chair of the Board be separate from the office of the Chief Executive Officer.
- Proxies related to executive compensation are voted on a case-by-case basis. Generally, we will vote in favour of stock options and other forms of compensation that (i) do not result in a potential dilution of more than 10% of the issued and

outstanding shares; (ii) are granted under clearly defined and reasonable terms; (iii) are commensurate with the duties of plan participants; and (iv) are tied to the achievement of corporate objectives.

- We will generally not support (i) options with a strike price of less than 100% of the fair market value of the underlying common shares at the time it is granted; (ii) the repricing of options; (iii) plans that give the Board broad discretion in setting the terms of the granting of options; or (iv) plans that authorize allocation of 20% or more of the available options to any individual in any single year.
- We will generally vote in favour of shareholder rights plans designed to provide sufficient time to undertake a fair and complete shareholder value maximization process and that do not merely seek to entrench management or deter a public bidding process. In addition, we will generally support plans that promote the interests and equal treatment of all investors, and that allow for periodic shareholder ratification.
- We will evaluate and vote on securityholder proposals on a case-by-case basis. All proposals on financial matters will be given consideration. Generally, proposals that place arbitrary or artificial constraints on the company will not be supported.
- Proposals relating to social, governance and environmental issues will be considered on a case-by-case basis. We will generally not support proposals that are unduly burdensome or result in unnecessary and excessive costs to the company. We will also generally vote for proposals that encourage responsible policies and practices, such as disclosure of risks arising from, and assessments of the impact of, social, governance, and environmental issues.

Conflicts of Interest

Circumstances may occur where a Counsel Fund has a potential conflict of interest relative to its proxy-voting activities. Where a portfolio manager has a conflict or potential conflict, he or she will notify the CIO or Chief Compliance Officer (“**CCO**”). Should the CIO or CCO conclude that a conflict exists, the CCO will document the conflict and inform our Proxy Administrator (“**Administrator**”).

The Administrator will maintain a Proxy Voting Watch List (“**Watch List**”) that records the names of issuers that may be in conflict and will notify the CIO or CCO of any meeting circulars and proxies received from an issuer on the Watch List. The CIO or CCO will discuss the voting matter(s) with the portfolio manager and ensure that the proxy voting decision is based on our proxy-voting policy and is in the best interests of the Counsel Fund.

All voting decisions made under the procedure described in this section are documented and filed by the Administrator.

Information Requests

The policies and procedures that the Counsel Funds follow when voting proxies relating to portfolio securities are available upon request at any time, at no cost, by calling toll-free 1-877-625-9885 or by writing to Counsel Portfolio Services Inc., 5015 Spectrum Way Suite 300 Mississauga, Ontario L4W 0E4 or through www.counselervices.com.

Each Counsel Fund's proxy-voting record for the most recent 12-month period ending June 30 is available, free of charge, to any investor of that Fund upon request at any time after August 31 of the same year, by calling 1-877-625-9885 and is also available on our website at www.counselervices.com.

Short-Term Trading

We have adopted policies and procedures to detect and deter inappropriate short-term trading and excessive short-term trading.

We define an **inappropriate short-term trade** as a combination of a purchase and redemption (including switches between Counsel Funds) made within 90 days that we believe is detrimental to Counsel Fund investors and that may take advantage of certain Counsel Funds with portfolio securities priced in other time zones or illiquid investments that trade infrequently.

We define **excessive short-term trading** as a combination of purchases and redemptions (including switches between Counsel Funds) that occurs with such frequency within a 30-day period that we believe the trading is detrimental to Counsel Fund investors.

Inappropriate short-term trading may harm Counsel Fund investors who do not engage in these activities by diluting the NAV of their Fund securities as a result of the market timing activities of other investors. Inappropriate and excessive short-term trading may cause a Counsel Fund to carry an abnormally high cash balance and/or high portfolio turnover rate, both of which may reduce a Counsel Fund's returns.

All trades that we determine to be inappropriate short-term trades may be subject to a 2% fee. All trades that we determine to be part of a pattern of excessive short-term trading may be subject to a 1% fee. The fees charged will be paid to the applicable Counsel Fund(s).

We may take such additional action as we consider appropriate to prevent further similar activity by you. These actions may include the delivery of a warning to you, placing you/your account on a watch list to monitor your trading activity and the subsequent rejection of further purchases by you if you continue to attempt such trading activity and/or closure of your account.

In determining whether a short-term trade is inappropriate or excessive, we will consider relevant criteria including the following:

- *bona fide* changes in investor circumstances or intentions;
- unanticipated financial emergencies;
- the nature of the Counsel Fund;
- past trading patterns;
- unusual market circumstances; and
- an assessment of harm to the Counsel Fund or to us.

The following types of redemptions will be exempt from short-term trading fees:

- from an Underlying Fund by a Top Fund in a Fund-of-Funds program;
- for systematic withdrawal plans; and
- redemptions of securities received on the reinvestment of income or other distributions; and
- redemptions of securities where the proceeds are used to pay asset-based fees to your dealer for Series F securities.

We, the Counsel Funds and any other parties to the circumstances above do not receive any compensation or other consideration for the above arrangements. Other than as listed above, we have not entered into any arrangements with any other entity (including other funds) which would permit for short-term trading by that entity.

In making these judgments, we seek to act in a manner that we believe is consistent with your best interests. Your interests and the Counsel Fund's ability to manage its investments may be adversely affected by inappropriate or excessive short-term trading because, among other things, these types of trading activities can dilute the value of Counsel Fund securities, can interfere with the efficient management of the Counsel Funds' portfolios and can result in increased brokerage and administrative costs.

While we will actively take steps to monitor, detect and deter inappropriate and excessive short-term trading, we cannot ensure that such trading activity will be completely eliminated.

For example, certain financial institutions may offer alternative investment products to the public that are comprised, in whole or in part, of securities of Counsel Funds. These institutions may open accounts with us on behalf of multiple investors whose identity and trading activity is not normally recorded on our transfer agent system.

WE RESERVE THE RIGHT TO RESTRICT, REJECT OR CANCEL, WITHOUT ANY PRIOR NOTICE, ANY PURCHASE OR SWITCH ORDER, INCLUDING TRANSACTIONS THAT WE DEEM TO REPRESENT INAPPROPRIATE OR EXCESSIVE SHORT-TERM TRADING.

Short Selling Policies and Procedures

The Funds may engage in short selling, where such short selling will be done in accordance with securities regulations. We have adopted written policies and procedures that set out the objectives and goals for short selling and the risk management procedures applicable to short selling. These policies and procedures (which include trading limits and controls) are developed by our compliance department and the CIO, and are reviewed annually. The Board of Directors also reviews and approves the policies each year. The CIO is responsible for approving whether a Fund may use short selling and for overseeing the Fund's short selling activities. Short selling activities are monitored by our compliance department. Risk measurement procedures or simulations generally are not used to test the portfolio of the Fund under stress conditions.

11. FEES AND EXPENSES

There are fees and expenses that you may have to pay on your investment in a Fund. You may have to pay some of these fees and expenses directly. Alternatively, a Fund may have to pay some of these fees and expenses directly which will therefore reduce the value of your investment in the Fund.

Included in the fees and expenses associated with investing in the Funds are management fees and "fund costs" (see below). The management fee and "Administration Fee" (see below) are paid by the Funds to us as manager of the Funds. Management fees are subject to applicable taxes, including G.S.T./H.S.T. and Q.S.T.

Management fees are paid to us by the Funds to pay for (i) costs of managing the investment portfolio; (ii) providing investment analysis and recommendations; (iii) making investment decisions; (iv) the purchase and sale of the investment portfolio; and (iv) providing other services. We also use management fees to fund commission payments and other compensation paid to the dealers and brokers for securities of the Fund bought and held by investors.

Fees and Expenses Payable by the Funds

	Annual Management Fee Rate by Series (%)	
Management Fees	A	F
Counsel Monthly Income Portfolio	1.95%	0.95%

We pay all operating expenses other than “**Fund Costs**” (see below), in respect of each series of a Fund in exchange for a fixed-rate annual administration fee (the “**Administration Fee**”). Administration fees are paid by each series of a Fund. Administrative Fees are subject to applicable taxes, such as G.S.T./H.S.T. and Q.S.T. We provide the majority of services for the Funds to operate although we retain third parties to provide certain services.

In exchange for the Administration Fee, the expenses borne by us on behalf of the Funds include (i) recordkeeping, accounting and fund valuation costs; (ii) custody safekeeping fees (except as noted below); (iii) audit and legal fees, and (iv) the costs of preparing and distributing Fund financial reports, simplified prospectuses, and other investor communications we are required to prepare to comply with applicable laws (other than the costs of complying with any new regulatory requirements, as described in “Fund Costs” below).

The Administration Fee is charged separately from the management fee to each series of a Fund and is calculated as a fixed annual percentage of the daily average NAV of each series of Counsel Monthly Income Portfolio as follows:

FUND	SERIES A SECURITIES	SERIES F SECURITIES
Counsel Monthly Income Portfolio	0.25%	0.15%

Each series for each Fund pays “**Fund Costs**”, which include interest and borrowing costs, taxes (including, but not limited to, G.S.T., H.S.T., income tax and withholding tax), all fees and expenses of the Counsel Funds’ IRC, costs of complying with the regulatory requirement to produce Fund Facts, new fees related to external services that were not commonly charged in the Canadian mutual fund industry and introduced after June 28, 2019, fees and expenses of holding or transacting in securities directly or indirectly in foreign markets and the costs of complying with any new regulatory requirements, including, without limitation, any new fees introduced after June 28, 2019. Interest and borrowing costs and taxes will be charged to each series directly based on

usage. Costs of complying with new regulatory requirements will be assessed based on the extent and nature of these requirements. The remaining Fund Costs will be allocated to each series of each Fund based on their net assets relative to the net assets of all series of the Funds. We may allocate Fund Costs among each series of a Fund based on such other method of allocation as we consider fair and reasonable to the Fund.

A proposal to change the basis of calculating the management fees or other fees and expenses, which could result in an increase in the charges payable by a Fund, would require that the change first be approved by a majority of the votes cast at a meeting of investors of that Fund unless (i) the party receiving the fees and expenses operates at arm's length to that Fund and us and any of our associates or affiliates, and (ii) investors are given at least 60 days' notice before the effective date of the proposed change or unless (i) the mutual fund is permitted to be described as "no-load", and (ii) the investors are given at least 60 days' written notice of the effective date of the proposed change. Similarly, the introduction of certain new fees by us for a Fund that may be payable by investors of that Fund would also require the approval of a majority of the votes cast at a meeting of investors of that Fund.

Management Fee and Expense Reductions

We may authorize a reduction in the management fee that we charge to the Funds with respect to any particular investor's securities of the Fund. We will make a payment, equal to the reduction, directly to the Fund in which you have securities, or we will reduce the amount charged to the Fund. The Fund will then make a special distribution to you, equal to the amount of the reduction (the "**Fee Distribution**"), by issuing additional securities of the same series of the Fund or, at your request, by cash payment. The Fee Distributions paid by Funds will be paid first out of the Fund's income and capital gains and then, if necessary, out of capital. The tax consequences of Fee Distributions will generally be borne by the qualifying investors receiving these distributions.

For all series, the level of reduction is typically negotiable between you and us and usually will be based on the size of your account and the extent of Fund services required by you. Reductions will not necessarily be based upon purchases over a specified period of time or on the value of your account at a particular point in time.

12. INCOME TAX CONSIDERATIONS

This is a general summary of certain Canadian federal income tax considerations applicable to you as an investor in the Funds. This summary assumes that you are an individual (other than a trust) resident in Canada and that you hold your securities directly as capital property or within a registered plan. This summary is not intended to be legal advice or tax advice. We have tried to make this discussion easy to understand. As a result, it may not be technically precise or cover all the tax consequences that may be relevant to you. Accordingly, you should consult your own tax advisor, having regard to your own particular circumstances when you consider redeeming securities of a Fund.

This summary is based on the current provisions of the Tax Act, the regulations under the Tax Act, all proposals for specific amendments to the Tax Act or the regulations that have been publicly announced by the Minister of Finance (Canada) before the date hereof, and our understanding of the current published administrative practices and assessing policies of the Canada Revenue Agency. Except for the foregoing, this summary does not take into account or anticipate any change in law, whether by legislative, regulatory, administrative or judicial action. Furthermore, this summary does not take into account provincial, territorial or foreign income tax legislation or considerations.

Each of Counsel Monthly Income Portfolio, Counsel Global Real Estate, Counsel Global Dividend and Counsel Global Fixed Income qualifies as a “mutual fund trust” under the Tax Act and is expected to continue to so qualify at all material times.

How the Funds are Taxed

The following paragraphs describe some of the ways in which mutual funds can earn income:

- Mutual funds will earn income in the form of interest, dividends or income from the investments they make, including in other mutual funds, and can be deemed to earn income from investments in certain foreign entities. All income must be computed in Canadian dollars, even if earned in a foreign currency.
- Mutual funds will realize a capital gain by selling an investment for more than its ACB. They can also realize a capital loss by selling an investment for less than its ACB. A mutual fund that invests in foreign-denominated securities must calculate its ACB and proceeds of disposition in Canadian dollars based on the conversion rate on the date the securities were purchased and sold, as applicable. As a result, a mutual fund may realize capital gains and losses due to changes in the value of the foreign currency relative to the Canadian dollar.
- Mutual funds can realize gains and losses from using derivatives or engaging in short selling. Generally, gains and losses from derivatives are added to or subtracted from the mutual fund’s income. However, if derivatives are used by a mutual fund as a hedge to limit its gain or loss on a specific capital asset or group of capital assets and there is sufficient linkage, then the gains and losses from holding these derivatives are generally capital gains or capital losses. Generally, gains and losses from short selling Canadian securities are treated as capital, and gains and losses from short selling foreign securities are treated as income. The derivative forward agreement rules in the Tax Act (the “**DFA Rules**”) target certain financial arrangements (described in the DFA Rules as “derivative forward agreements”) that seek to reduce tax by converting, through the use of derivative contracts, the return on investments that would have the character of ordinary income to capital gains. The DFA Rules will generally not apply to derivatives used to closely hedge gains or losses due to currency fluctuations on underlying capital

investments of a Fund. Hedging, other than currency hedging on underlying capital investments, which reduces tax by converting the return on investments that would have the character of ordinary income to capital gains through the use of derivative contracts, will be treated by the DFA Rules as on income account.

- Gains and losses from trading in precious metals and bullion will be taxed on income account, rather than as capital gains and losses.

In certain circumstances, a Fund may be subject to loss restriction rules that deny or defer the deduction of certain losses. For example, a capital loss realized by a Fund will be suspended if, during the period that begins 30 days before and ends 30 days after the date on which the capital loss was realized, the Fund or an affiliated person (as defined in the Tax Act) acquires property that is, or is identical to, the property on which the loss was realized and owns that property at the end of the period.

Each Fund computes its income or loss separately. All of a Fund's deductible expenses, including management fees, will be deducted in calculating the Fund's income for each taxation year. The Fund will be subject to tax on its net income, including net taxable capital gains, not paid or payable to its investors for the taxation year, after taking into consideration any loss carry forwards and any capital gains refunds. Each Fund intends to pay to investors enough of its income and capital gains for each taxation year so that it will not be liable for ordinary income tax under Part I of the Tax Act; however, the Funds may still be required to pay refundable income taxes.

The losses of a Fund may be restricted when a person or partnership becomes a "majority-interest beneficiary" of the Fund (generally by holding units representing more than 50% of the NAV of the Fund) unless the Fund qualifies as an "investment fund" by satisfying certain investment diversification and other conditions.

Funds that do not Qualify as "mutual fund trusts"

A Fund that does not qualify as a "mutual fund trust" under the Tax Act, throughout a taxation year is not eligible for the capital gains refund and could be subject to alternative minimum tax for the year, as well as other taxes under the Tax Act. In addition, if one or more "financial institutions," as defined in the Tax Act, owns more than 50% of the fair market value of the units of such a Fund, that Fund will be a "financial institution" for the purposes of the "mark-to-market" tax rules. In this case, most of the Fund's investments would be considered mark-to-market property, with the result that

- it will be deemed to have disposed of and re-acquired its mark-to-market property at the end of each taxation year, as well as at such time as it becomes, or ceases to be, a financial institution; and
- the gains and losses from these deemed dispositions will be on income account, not capital account.

We intend to take steps to mitigate any adverse tax consequences that might arise for Funds that do not qualify as “mutual fund trusts”.

The following funds do not qualify as mutual fund trusts, but are unit trusts under the Tax Act:

- Counsel Canadian Core Fixed Income, and
- Counsel North American High Yield Bond.

Taxation of the Fund if Investing in Foreign-Domiciled Underlying Trusts

Section 94.2

The Fund may invest in foreign-domiciled underlying investment funds that qualify as “exempt foreign trusts” (the “Underlying Trust Funds”) for purposes of the non-resident trust rules in sections 94 and 94.2 of the Tax Act.

If the total fair market value at any time of all fixed interests of a particular class in an Underlying Trust Fund held by the Fund, persons or partnerships not dealing at arm’s length with the Fund, or persons or partnerships that acquired their interests in the Underlying Trust Fund in exchange for consideration given to the Underlying Trust Fund by the Fund, is at least 10% of the total fair market value at the time of all fixed interests of the particular class of the Underlying Trust Fund, the Underlying Trust Fund will be a “foreign affiliate” of the Fund and will be deemed by section 94.2 of the Tax Act to be at the time a “controlled foreign affiliate” (“**CFA**”) of the Fund.

If the Underlying Trust Fund is deemed to be a CFA of the Fund at the end of the particular taxation year of the Underlying Trust Fund and earns income that is characterized as “foreign accrual property income” as defined in the Tax Act (“**FAPI**”) in that taxation year of the Underlying Trust Fund, the Fund’s proportionate share of the FAPI (subject to deduction for grossed up “foreign accrual tax” as discussed below) must be included in computing its income for Canadian federal income tax purposes for the taxation year of the Fund in which that taxation year of the Underlying Trust Fund ends, whether or not the Fund actually receives a distribution of that FAPI. It is expected that the full amount of the income, as determined for Canadian federal income tax purposes, allocated or distributed to an Underlying Trust Fund by the issuers that it holds securities of will be FAPI. FAPI will also include any net realized taxable capital gains, as determined for Canadian federal income tax purposes, of the Underlying Trust Fund from the disposition of those securities.

To the extent an amount of FAPI will be required to be included in computing the income of the Fund for Canadian federal income tax purposes, a grossed-up amount may be deductible in respect of the “foreign accrual tax” as defined in the Tax Act (“**FAT**”), if any, applicable to the FAPI. Any amount of FAPI included in income (net the amount of any FAT deduction) will increase the adjusted cost base to the Fund of its units of the Underlying Trust Fund in respect of which the FAPI was included.

How You are Taxed on a Fund Investment

How you are taxed on an investment in the Funds depends on whether you hold the investment inside or outside a registered plan.

If You Own the Funds Outside a Registered Plan

Distributions

You must include in your income for a taxation year the taxable portion of all distributions (including management expense distributions) paid or payable (collectively, “paid”) to you from a Fund during the year, whether these amounts were paid to you in cash or reinvested in additional securities. The amount of reinvested distributions is added to the ACB of your securities to reduce your capital gain or increase your capital loss when you later redeem. This ensures that you do not pay tax on the amount again at a later date.

Distributions paid by a Fund may consist of capital gains, ordinary taxable Canadian dividends, foreign source income, other income and/or return of capital.

Ordinary taxable Canadian dividends are included in your income subject to the gross-up and dividend tax credit rules. Capital gains distributions will be treated as capital gains realized by you, one-half of which will generally be included in calculating your income as a taxable capital gain. A Fund may make designations in respect of its foreign-source income so that you may be able to claim any foreign tax credits allocated to you by that Fund.

You may receive a return of capital from your Fund. You will not be taxed on a return of capital, but it will reduce the ACB of your securities of that Fund such that when you redeem your securities, you will realize a greater capital gain (or smaller capital loss) than if you had not received the return of capital. If the ACB of your securities is reduced to less than zero, the ACB of your securities will be deemed to be increased to zero and you will be deemed to realize a capital gain equal to the amount of this increase.

The higher the portfolio turnover rate of any Fund in a year, the greater the chance that you will receive a capital gains distribution. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

Sales and Redemption Charges and Fees

A sales charge paid on the purchase of securities is not deductible in computing your income, but is added to the ACB of your securities. A redemption charge paid on the redemption of securities is not deductible in computing your income, but effectively reduces the proceeds of disposition of your securities.

The fees that you pay for Series F securities (“Unbundled Fees”) consist of advisory fees that you pay to your dealer. To the extent that such fees are collected by

redemption of securities, you will realize gains or losses in non-registered accounts. The deductibility of Unbundled Fees, for income tax purposes, will depend on the exact nature of services provided to you and the type of investment held. Fees relating to services provided to registered accounts are not deductible for income tax purposes, regardless of whether such fees were charged to the registered account. **You should consult with your tax advisor regarding the deductibility of Unbundled Fees paid in your particular circumstance.**

Redemptions

You will realize a capital gain (capital loss) if any of your securities in a Fund are redeemed. Generally your capital gain (capital loss) will be the amount by which the NAV of the redeemed securities are greater (less) than the ACB of those securities. You may deduct redemption charges and other expenses of redemption when calculating your capital gain (capital loss). Generally, one-half of your capital gain is included in your income for tax purposes as a taxable capital gain and one-half of your capital loss can be deducted against your taxable capital gains, subject to the provisions of the Tax Act.

Calculating Your ACB

Your ACB must be calculated separately for each series of securities that you own in each Fund. The total ACB of your securities of a particular series of a Fund is generally equal to:

- the total of all amounts you paid to purchase those securities, including any sales charges paid by you at the time of purchase,
- plus**
- the total amount of all your distributions reinvested in securities of the series,
- less**
- the return of capital component of distributions on that series,
- less**
- the ACB of any of your securities of that series that have been redeemed.

The ACB of a single security is the total ACB divided by the number of securities owned.

For example, suppose you own 500 securities of a particular series of a Fund with an ACB of \$10 each (a total of \$5,000). Suppose you then purchase another 100 securities of the same series of that Fund for an additional \$1,200, including a sales

charge. Your total ACB is \$6,200 for 600 securities so that your new ACB of each security of the series of the Fund is \$6,200 divided by 600 securities, or \$10.33 per security.

Alternative Minimum Tax

Amounts included in your income as distributions of ordinary taxable dividends, or capital gains, as well as any capital gains realized by you on the disposition of securities, may increase your liability for alternative minimum tax.

Tax Statements and Reporting

If applicable, we will send statements to you annually identifying the taxable portion of your distributions, the return of capital component of distributions and redemption proceeds paid to you for each year. Tax statements will not be sent to you if you did not receive distributions or redemption proceeds, or if securities are held in your registered plan. You should keep detailed records of your purchase cost, sales charges, distributions, redemption proceeds and redemption charges in order to calculate the ACB of your securities. You may wish to consult a tax advisor to help you with these calculations.

Generally, you will be required to provide your financial advisor with information related to your citizenship, tax residence and, if applicable, your foreign tax identification number. If you are identified as a U.S. citizen (including a U.S. citizen living in Canada) or a U.S. resident or a foreign-tax resident, details of your investment in a Fund will generally be reported to the Canada Revenue Agency, unless securities are held inside a registered plan. The Canada Revenue Agency may provide the information to the relevant foreign tax authorities under exchange-of-information treaties.

If You Own the Funds Inside a Registered Plan

Registered plans are not permitted to purchase securities of Counsel Canadian Core Fixed Income and Counsel North American High Yield Bond. The securities of Counsel Monthly Income Portfolio, Counsel Global Dividend, Counsel Global Real Estate, Counsel Retirement Income Portfolio and Counsel Global Fixed Income are qualified investments and are expected to be qualified investments at all times for RRSPs, RRIFs, TFSAs, RESPs, RDSPs and other types of registered plans.

A security of a Fund may be a prohibited investment for your registered plan (other than a DPSP) even though it is a qualified investment. If your registered plan holds a prohibited investment, you become liable to a 50% potentially refundable tax on the value of the prohibited investment and a 100% tax on income and capital gains attributable to, and capital gains realized on, the disposition of the prohibited investment.

When securities of a Fund are held in your registered plan, generally neither you nor your registered plan will be taxed on distributions received from the Fund or capital gains realized on the disposition of the securities of the Fund, provided the securities are

a qualified investment and are not a prohibited investment for the registered plan. However, a withdrawal from a registered plan may be subject to tax.

You should consult with your own tax advisor regarding the special rules that apply to each type of registered plan, including whether or not a particular security of a Fund would be a prohibited investment for your registered plan. It is your responsibility to determine the tax consequences to you and your registered plan or establishing the registered plan and causing it to invest in the Funds. Neither we nor the Funds assume any liability to you as a result of making the securities of the Funds available for investment within registered plans.

13. REMUNERATION OF DIRECTORS, OFFICERS AND TRUSTEES

The Funds do not directly employ any directors, officers or trustees to carry out Fund operations.

Each member of the IRC is currently entitled to receive an annual retainer of \$7,500 (\$11,000 for the Chair) and a \$1,500 fee for each IRC meeting attended. Members are also entitled to be reimbursed for all reasonable expenses incurred in the performance of their duties, including travel and accommodation expenses. We also purchase and maintain insurance liability coverage for the benefit of the IRC members. For the period ended March 31, 2019, the total amount we expensed in this regard for all Counsel Funds was \$100,559. All fees and expenses were allocated among the Counsel Funds in a manner that was fair and reasonable.

The individual IRC members were compensated from all funds managed by Counsel over the same period as follows:

IRC Member	Total individual compensation, including expense reimbursement
Robert Hines (Chair)	\$23,000
George Hucal	\$21,893
Martin Taylor	\$22,282
Scott Edmonds	\$21,738

For a description of the role of the IRC, please see “**Fund Governance– Counsel Funds IRC**”.

14. MATERIAL CONTRACTS

Set out below are particulars of the material contracts entered into by the Funds as of the date of this annual information form, as well as a description of any sub-advisor agreements that we have entered into with certain firms for certain of the Funds. Minor contracts entered into by the Funds in the ordinary course of their business have been excluded.

You may inspect copies of the contracts listed below during normal business hours at our Mississauga office at 5015 Spectrum Way Suite 300 Mississauga, Ontario L4W 0E4.

Master Declaration of Trust

We have executed the Master Declaration of Trust, in our capacity as trustee of each of the Funds, as of the dates set out in Section 1, “**Name, Formation and History of the Funds**” The Master Declaration of Trust sets out the powers and duties of the manager and the trustee of the Funds, the attributes of securities of the Funds, procedures for purchase, exchange and redemption of securities, recordkeeping, calculation of the Funds’ income and other administrative procedures. It also contains provisions for the selection of a successor trustee if we should resign and for termination of the Funds if no successor trustee can be found. We are not paid a fee in our capacity as trustee (as would be required if an outside trustee were hired) but are entitled to be reimbursed for any costs incurred on the Funds’ behalf. The Master Declaration of Trust is amended each time a new fund is added.

The Master Declaration of Trust may be terminated with respect to any of the Funds upon 90 days’ notice to applicable securityholders. Under the Master Declaration of Trust, the trustee may resign upon 180 days’ notice to us and investors. We may remove the trustee upon 90 days’ notice. If a successor trustee is not appointed by investors, the Fund will be terminated by the distribution of the Fund’s net assets to its investors.

Counsel Master Management Agreement

We have entered into the Management Agreement, for all of the Funds, to provide the management and administrative services to the Funds necessary to enable them to carry out their business operations.

Under the Management Agreement, we are responsible for directly providing, or for arranging other persons or companies to provide, administration services to the Funds, portfolio management services, distribution services for the promotion and sale of the Funds’ securities and other operational services. See “**Responsibility for Fund Operations – Management Services for Counsel Funds**” in Section 8. The Management Agreement contains schedules of the management fee rate and any administration fee rate reimbursement arrangements payable to us by each Counsel

Fund, and the schedules are amended each time a new fund is added to the Management Agreement.

The Management Agreement provides that the Manager may terminate the agreement on 90 days' prior written notice. The agreement may be terminated immediately if any party to the agreement ceases to carry on business, becomes bankrupt or insolvent, resolves to wind up, or if any party to the agreement is in breach of the terms of the agreement and the breach has continued for at least 30 days without being remedied.

Master Custodian Agreement

We have entered into a master custodian agreement with CIBC dated as of November 10, 2005, as amended, on behalf of all of the Counsel Funds to obtain custodial services for the Counsel Funds' assets ("**Master Custodian Agreement**").

The Master Custodian Agreement complies with the applicable provisions of NI 81-102 regarding custodial services and requires the custodian to hold the Counsel Funds' assets in trust and to separately identify each Counsel Fund's account assets. The Master Custodian Agreement contains a schedule as to which of the Counsel Funds the Master Custodian Agreement applies, and the schedule will be amended each time a new fund is added. The Master Custodian Agreement also contains a schedule of fees payable to the custodian for the range of services provided to the Counsel Funds. The agreement can be terminated by the Counsel Funds or by the custodian on 120 days' prior written notice.

Principal Distributor Agreement

IPC Investments and IPC Securities are the principal distributors of Series Private Wealth I securities of certain Funds under the terms of the principal distributor agreement dated May 9, 2017, as amended between IPC Investment, IPC Securities and us (the "**Principal Distributor Agreement**").

As principal distributors, IPC Investments and IPC Securities will arrange for the distribution of Series Private Wealth I securities of the Funds through its registered representatives. Series Private Wealth I securities are only available to investors who participate in private wealth programs operated by IPC Investments and IPC Securities. We also provide marketing support and assistance in connection with the distribution and sale of Series Private Wealth I securities of the Funds.

The Principal Distributor Agreement may be terminated on 180 days' prior written notice to the other party or immediately by a party in the event of (i) a breach of the agreement that has not been remedied within 30 days' of receipt of written notice requiring the breach to be cured; or (ii) a party's bankruptcy.

Portfolio Management Agreements

We are the portfolio manager for each of the Funds under the terms of the Master Management Agreement with the Funds. We have entered into sub-advisory agreements with each of the firms listed in Section 8 under “**Responsibility for Fund Operations – Portfolio Management Services**” to provide portfolio management services to Counsel Global Dividend, Counsel Global Fixed Income, Counsel Canadian Core Fixed Income, Counsel Retirement Income Portfolio, Counsel North American High Yield Bond and Counsel Global Real Estate.

Under each of these agreements, the sub-advisor firms will designate a lead portfolio manager to make all portfolio decisions concerning each Fund (or the portion of each Fund) they advise, all necessary brokerage arrangements and to issue appropriate instructions to the custodian (or the sub-custodian) of the Funds to facilitate delivery and settlement of portfolio transactions. These firms are required to adhere to the investment objectives and investment strategies adopted by the Fund. They have each agreed to act honestly, in good faith and in the best interests of the Fund, and to use the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances. We pay the sub-advisor fees out of the management fees we receive from each of the Funds.

Each of the agreements listed below may be terminated by either party on 90 days’ prior written notice to the other party (unless otherwise indicated in the chart below), or earlier in the event of (i) a breach of the agreement which has not been corrected; or (ii) immediately in the event that the sub-advisor is subject to a material regulatory issue that would affect the sub-advisor’s ability to fulfil its obligations under the agreement; or (iii) immediately in the event of our, the advisor’s or the sub-advisor’s bankruptcy.

Sub-Advisor	Date of Agreement
Acadian Asset Management LLC	July 13, 2012
Franklin Advisers Inc.	December 20, 2012
Mackenzie Financial Corporation	May 30, 2012
Mount Lucas Management LP	May 30, 2012
Putnam Investments Canada ULC	October 1, 2012
Timbercreek Asset Management Ltd.	July 7, 2014

COUNSEL PORTFOLIO SERVICES INC.

ANNUAL INFORMATION FORM

COUNSEL CANADIAN STRATEGIC PORTFOLIO	COUNSEL PORTFOLIO COMPONENTS
COUNSEL MONTHLY INCOME PORTFOLIO	COUNSEL GLOBAL DIVIDEND
	COUNSEL GLOBAL REAL ESTATE
	COUNSEL CANADIAN CORE FIXED INCOME
	COUNSEL RETIREMENT INCOME PORTFOLIO
	COUNSEL GLOBAL FIXED INCOME
	COUNSEL NORTH AMERICAN HIGH YIELD BOND

Additional information about the Funds described in this annual information form is available in the Funds' management reports of fund performance and financial statements.

You can get a copy of these documents at no cost by calling toll-free 1-877-625-9885, or from your dealer or by email at info@counselservices.com

These documents and other information about the Funds, such as information circulars and material contracts, are also available on Counsel's Internet site at www.counselservices.com and on SEDAR at www.sedar.com.

MANAGER OF THE COUNSEL FUNDS:

Counsel Portfolio Services Inc.
5015 Spectrum Way
Suite 300
Mississauga, Ontario L4W 0E4