

Interim Management Report of Fund Performance

For the Period Ended September 30, 2022

Fund Manager

Counsel Portfolio Services Inc.

Sub-advisor

Putnam Investments Canada ULC

This Interim Management Report of Fund Performance contains financial highlights but does not contain either the annual or interim financial statements of the investment fund. If you have not received a copy of the financial statements with this report, you may obtain a copy at no cost, by calling toll-free at 1-877-216-4979, by writing to us at Counsel Portfolio Services Inc., 5015 Spectrum Way, Suite 300, Mississauga, Ontario, L4W 0E4, by visiting our website at www.counsel-services.com or by visiting the SEDAR website at www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure. For more information, please refer to the Fund's Simplified Prospectus and Annual Information Form, which may also be obtained, at no cost, using any of the methods outlined above.

Every effort has been made to ensure that the information contained in this report is accurate as of September 30, 2022; however, the Fund cannot guarantee the accuracy or the completeness of this material. Please refer to the Fund's Simplified Prospectus and audited annual financial statements for more information.

A NOTE ON FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements which reflect our current expectations or forecasts of future events. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as: "expects", "anticipates", "intends", "plans", "believes", "estimates", "preliminary", "typical" and other similar expressions. In addition, these statements may relate to future corporate actions, future financial performance of a fund or a security and their future investment strategies and prospects. Forward-looking statements are inherently subject to, among other things, risks, uncertainties and assumptions which could cause actual events, results, performance or prospects to differ materially from those expressed in, or implied by, these forward-looking statements. These risks, uncertainties and assumptions include, without limitation, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, the volatility of global equity and capital markets, business competition, technological change, changes in securities legislation, changes in government regulations, changes in tax law, unexpected judicial or regulatory proceedings, catastrophic events, outbreaks of disease or pandemics (such as COVID-19), and the ability of Counsel Portfolio Services Inc. to attract or retain key employees. The foregoing list of important risks, uncertainties and assumptions is not exhaustive. Please consider these and other factors carefully and do not place undue reliance on forward-looking statements.

The forward-looking information contained in this report is current only as of the date of this report. There should not be an expectation that such information will in all circumstances be updated, supplemented or revised whether as a result of new information, changing circumstances, future events or otherwise.

COUNSEL NORTH AMERICAN HIGH YIELD BOND

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE | September 30, 2022

Management Discussion of Fund Performance

November 11, 2022

This Management Discussion of Fund Performance presents the views of Counsel Portfolio Services Inc. (“Counsel”) on the significant factors and developments during the period ended September 30, 2022 that have affected the Fund’s performance and outlook. For information on the Fund’s longer-term performance, please refer to the *Past Performance* section of the report.

In addition, net asset value (NAV) refers to the value of the Fund or a series, as calculated for transaction purposes, on which the discussion of Fund performance is based.

Results of Operations

Investment Performance

The performance of the Fund’s Series O securities is discussed below. The performance of all other series offered by the Fund is shown in the *Past Performance* section of this report. Where series returns differ, it is primarily because different levels of fees and expenses were charged to each series, or because securities of a series were not issued and outstanding for the entire reporting period. Please refer to the *Series Information* section of this report for the varying management and administration fees payable by series.

During the period, the Fund’s Series O securities returned –1.51%. This compares with a –1.63% return of the mandate-specific index Bank of America Merrill Lynch High Yield Total Return Index and a –5.17% return of the FTSE Canada Bond Universe Total Return. All index and series returns are calculated on a total return basis in Canadian dollar terms. Investors cannot invest in an index without incurring fees, expenses, and commissions, none of which are reflected in the index returns.

The high-yield bond market faced heightened volatility over the period. Government bond yields continued to rise in response to less accommodative central bank policies, which affected fixed-rate securities such as high-yield bonds. Credit spreads (the difference in yield between corporate and government bonds of similar maturities) widened significantly in response to uncertain prospects for economic growth. The unprecedented magnitude of central bank policy rate increases clouded the outlook for corporate profitability and, in turn, for corporate bonds.

The Fund outperformed the broad-based FTSE Canada Bond Universe Total Return Index. The broad-based index is comprised of Canadian fixed-income securities and has no exposure to high-yield fixed income, whereas the Fund invests in both Canadian and U.S high-yield fixed-income securities which outperformed investment grade securities in the period. Given the Fund’s composition, the mandate-specific index provides a more meaningful comparison. The Fund slightly outperformed the mandate-specific index primarily due to being underweight and security selection within the Financials and Consumer Discretionary sectors.

During the period, the U.S. dollar (“USD”) appreciated 10.59% against the CAD contributing to the Fund’s performance as it was generally unhedged against the USD. Target hedges against of 25% and 12.5%, in place in early April 2022 and late September respectively, served to slightly offset this contribution against the unhedged indices.

Net Assets

The Fund’s NAV declined by \$17.1 million, or 16.1%, to \$88.8 million as at September 30, 2022, from \$105.9 million at March 31, 2022. Of this decrease, \$15.1 million was attributable to net redemptions and \$2.0 million to investment performance.

Fees and Expenses

The annualized management expense ratio (“MER”) for each series during the period ended September 30, 2022, was generally similar to the MER for the year ended March 31, 2022. Total expenses paid vary from period to period mainly as a result of changes in average assets in each series. Please note that no management fees are charged to the Fund; see the *Series Information* section of this report for further details. The MERs for all series (before and after waivers or absorptions, if any) are presented in the *Financial Highlights* section of this report.

Recent Developments

The sub-advisor notes that it has a moderately cautious outlook for the high-yield market. Valuation is substantially more attractive than at the start of the year. Corporate fundamentals remain solid overall, but likely will weaken in the face of slower growth and margin pressure. Macroeconomic forces of high inflation, central bank tightening, and geopolitical impacts on energy supplies remain considerable headwinds. The sub-advisor remains focused on industry and company fundamentals, the health of balance sheets, the generation and use of free cash flow, and the resiliency of companies to slower economic growth. From a valuation standpoint, there has been volatility in credit spreads as markets react to the developments of U.S. Federal Reserve rate hikes and geopolitical concerns. Valuations have become more attractive for investment during the year, with spreads having widened in 2022. High yield bonds may also present an attractive overall yield proposition in the face of lower global rates. Risks to this moderate outlook include policy missteps from global central banks, a more severe slowdown or recession, ongoing supply chain disruptions, commodity price volatility, heightened geopolitical tension, and/or surges in COVID-19 cases.

Effective October 21, 2022, Counsel removed its period-end 12.5% hedge against the USD. Currency hedging is dynamic and may vary between 0-100% at our discretion based on our assessment of currency market conditions.

Related Party Transactions

Management and Administration Services

Top Funds represent nearly all of the Fund’s investors. As a result, Counsel pays all costs and expenses (other than certain specified fund costs) required to operate the Fund. No management or administration fees are paid by the Fund.

Other Related Party Transactions

Other investment funds managed by Counsel (“Top Funds”) invest in Series O securities offered by the Fund on a prospectus-exempt basis in accordance with the investment objectives of those funds. As a result of these investments, the Fund is subject to large transaction risk as discussed in the Counsel Funds’ Simplified Prospectus. Counsel manages this risk to reduce the possibility of any adverse effect on the Fund or on its investors, through such processes as requiring advance notice of large redemptions. At September 30, 2022, Top Funds owned nearly 100% of the Fund’s NAV. As of September 30, 2022, Counsel had not received any additional notice of large redemptions. All related party transactions are based on the NAV per security on each transaction day.

During the period, the Fund did not rely on an approval, positive recommendation, or standing instruction from the Counsel Funds’ Independent Review Committee (“IRC”) with respect to any related party transactions.

COUNSEL NORTH AMERICAN HIGH YIELD BOND

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE | September 30, 2022

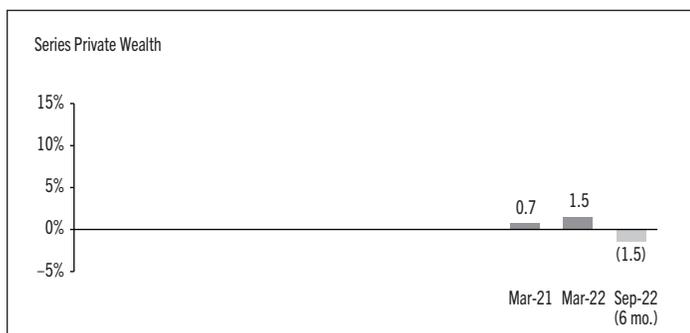
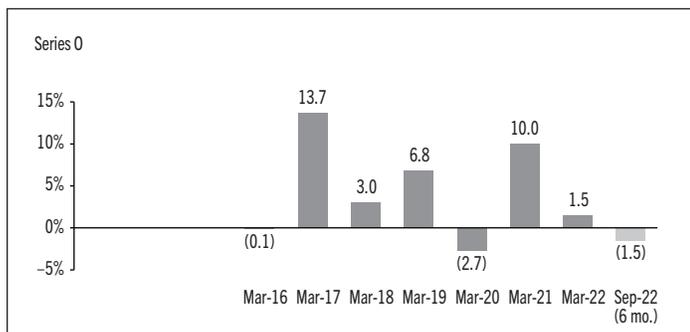
Past Performance

The indicated rates of return are the historical annual compound total returns, including changes in NAV per security and assuming reinvestment of all distributions. They do not take into account sales, redemption, distribution or optional sales charges, management fees directly payable by investors or income taxes payable by any investor that would have reduced returns. Returns for each series primarily differ because fees and expenses vary for each series. Please refer to *Series Information* for further information. The past performance of the Fund is not necessarily an indication of how it will perform in the future.

If you hold this Fund outside of a registered plan, income and capital gains distributions paid to you increase your income for tax purposes, whether paid in cash or reinvested in additional securities. The amount of reinvested taxable distributions is added to the adjusted cost base of the securities that you own. This would decrease your capital gain or increase your capital loss when you later redeem from the Fund, thereby ensuring that you are not taxed on this amount again. Please consult your tax advisor regarding your personal tax situation.

Year-by-Year Returns

The bar charts show how much an investment made on the first day of each financial year would have increased or decreased by the end of the respective periods. For the first year of a series, the percentage shown will be the actual return of the series from its inception date, which can be found under *Series Information*. The charts illustrate how the Fund's performance has changed over time.



COUNSEL NORTH AMERICAN HIGH YIELD BOND

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE | September 30, 2022

Summary of Investment Portfolio

at September 30, 2022

The largest holdings of the Fund (up to 25) as at the end of the period and the major asset classes in which the Fund was invested are indicated below. The investments and percentages may have changed by the time you purchase securities of this Fund. The top 25 holdings are made available quarterly, 60 days after quarter-end, except for March 31, which is the fiscal year-end for the Fund, when they are available after 90 days. Please see the front page for information about how they can be obtained.

Summary of Top 25 Holdings	% OF NAV
Cash and cash equivalents	4.5
Occidental Petroleum Corp. 6.45% 09-15-2036	0.8
Centene Corp. 4.63% 12-15-2029 Callable 2024	0.8
Altice France 5.50% 01-15-2028 Callable 2022 144A	0.7
CCO Holdings LLC 5.38% 06-01-2029 Callable 2024 144A	0.7
Teva Pharmaceutical Finance Netherlands III BV 5.13% 05-09-2029	0.7
Endeavor Energy Resources LP 5.75% 01-30-2028 Callable 2023 144A	0.6
Sprint Corp. 7.63% 03-01-2026 Callable 2025	0.6
Ford Motor Credit Co. LLC 11-13-2030	0.6
HCA Healthcare Inc. 5.38% 09-01-2026 Callable 2026	0.6
ZoomInfo Technologies LLC 3.88% 02-01-2029 144A	0.6
Southwestern Energy Co. 5.38% 02-01-2029	0.6
Staples Inc. 7.50% 04-15-2026 Callable 2022 144A	0.6
Sirius XM Radio Inc. 4.00% 07-15-2028 144A	0.6
Sprint Capital Corp. 6.88% 11-15-2028	0.5
iStar Inc. 5.50% 02-15-2026	0.5
Occidental Petroleum Corp. 6.20% 03-15-2040	0.5
Watco Cos LLC 6.50% 06-15-2027 144A	0.5
Rocket Software Inc. 6.50% 02-15-2029 144A	0.5
Netflix Inc. 5.88% 11-15-2028	0.5
Caesars Resort Collection LLC 5.75% 07-01-2025 144A	0.5
Ally Financial Inc. 8.00% 11-01-2031	0.4
Brand Energy & Infrastructure Services Inc. Term Loan 1st Lien F/R 06-21-2024	0.4
Frontier Communications Corp. 6.75% 05-01-2029 144A	0.4
Gray Television Inc. 5.38% 11-15-2031 144A	0.4
	18.1

Summary of Composition of the Portfolio

BY ASSET TYPE	% OF NAV
Corporate Bonds	86.0
Loans	6.0
Equities	1.7
Cash and cash equivalents	4.5
Other	1.8
Total	100.0

BY REGION	% OF NAV
United States	85.2
Canada	4.6
Europe ex U.K.	2.9
Middle East and Africa	1.8
United Kingdom	1.0
Cash and cash equivalents	4.5
	100.0

CURRENCY EXPOSURE	% OF NAV
United States dollars	84.5
Canadian dollars	15.2
Euro	0.3
	100.0

FIXED INCOME BY CREDIT RATING	% OF NAV
BBB	6.5
BB	38.8
B	32.1
CCC	10.3
Unrated	4.3
	92.0

COUNSEL NORTH AMERICAN HIGH YIELD BOND

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE | September 30, 2022

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for each of the fiscal periods presented below. If during the period a fund or series was established or reinstated, "period" represents the period from inception to the end of that fiscal period. Series inception dates can be found under *Series Information*.

NET ASSETS PER SECURITY (\$)¹

Series O	6 mo		Year ended			
	Sep. 30 2022	Mar. 31 2022	Mar. 31 2021	Mar. 31 2020	Mar. 31 2019	Mar. 31 2018
Net assets, beginning of period	9.08	9.43	9.05	9.87	9.81	10.46
Increase (decrease) from operations:						
Total revenue	0.27	0.50	0.51	0.57	0.61	0.61
Total expenses	-	-	-	-	-	-
Realized gains (losses) for the period	(0.22)	0.02	(0.14)	0.03	(0.41)	0.41
Unrealized gains (losses) for the period	(0.23)	(0.36)	0.52	(0.86)	0.44	(0.72)
Total increase (decrease) from operations²	(0.18)	0.16	0.89	(0.26)	0.64	0.30
Distributions:						
From income (excluding Canadian dividends)	(0.27)	(0.50)	(0.52)	(0.57)	(0.59)	(0.61)
From Canadian dividends	-	-	-	-	-	-
From capital gains	-	-	-	-	-	(0.35)
Return of capital	-	-	-	-	-	-
Total annual distributions³	(0.27)	(0.50)	(0.52)	(0.57)	(0.59)	(0.96)
Net assets at period end	8.67	9.08	9.43	9.05	9.87	9.81

Series Private Wealth	6 mo		Year ended			
	Sep. 30 2022	Mar. 31 2022	Mar. 31 2021	Mar. 31 2020	Mar. 31 2019	Mar. 31 2018
Net assets, beginning of period	9.51	9.86	10.00	n/a	n/a	n/a
Increase (decrease) from operations:						
Total revenue	0.29	0.53	0.25	n/a	n/a	n/a
Total expenses	-	-	-	n/a	n/a	n/a
Realized gains (losses) for the period	(0.18)	(0.02)	(0.43)	n/a	n/a	n/a
Unrealized gains (losses) for the period	(0.25)	(0.37)	0.25	n/a	n/a	n/a
Total increase (decrease) from operations²	(0.14)	0.14	0.07	n/a	n/a	n/a
Distributions:						
From income (excluding Canadian dividends)	(0.28)	(0.51)	(0.21)	n/a	n/a	n/a
From Canadian dividends	-	-	-	n/a	n/a	n/a
From capital gains	-	-	-	n/a	n/a	n/a
Return of capital	-	-	-	n/a	n/a	n/a
Total annual distributions³	(0.28)	(0.51)	(0.21)	n/a	n/a	n/a
Net assets at period end	9.09	9.51	9.86	n/a	n/a	n/a

(1) These calculations are prescribed by securities regulations and are not intended to be a reconciliation between opening and closing net assets per security. The information presented is derived from the Fund's financial statements prepared in accordance with IFRS. The net assets presented here in this table and in the financial statements may differ from the NAV; an explanation of these differences can be found in Note 2 of the Fund's Financial Statements.

(2) NAV and distributions per security figures are based on the actual number of securities outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of securities outstanding over the financial period.

(3) Distributions were paid in cash, reinvested in additional securities of the Fund, or both.

RATIOS AND SUPPLEMENTAL DATA

Series O	6 mo		Year ended			
	Sep. 30 2022	Mar. 31 2022	Mar. 31 2021	Mar. 31 2020	Mar. 31 2019	Mar. 31 2018
Total net asset value (\$000's) ¹	88,839	105,903	107,150	87,402	81,315	82,669
Securities Outstanding (000's) ¹	10,251	11,668	11,367	9,654	8,242	8,431
Management expense ratio (%) ²	-	-	-	-	-	-
Management expense ratio before waivers or absorptions (%) ²	-	-	-	-	-	-
Trading expense ratio (%) ³	-	-	-	0.01	0.01	0.02
Portfolio turnover rate (%) ⁴	14.48	43.30	54.16	-	30.36	86.34

Series Private Wealth	6 mo		Year ended			
	Sep. 30 2022	Mar. 31 2022	Mar. 31 2021	Mar. 31 2020	Mar. 31 2019	Mar. 31 2018
Total net asset value (\$000's) ¹	1	1	1	n/a	n/a	n/a
Securities Outstanding (000's) ¹	-	-	-	n/a	n/a	n/a
Management expense ratio (%) ²	0.17	0.17	0.17	n/a	n/a	n/a
Management expense ratio before waivers or absorptions (%) ²	0.17	0.17	0.17	n/a	n/a	n/a
Trading expense ratio (%) ³	-	-	-	n/a	n/a	n/a
Portfolio turnover rate (%) ⁴	14.48	43.30	54.16	n/a	n/a	n/a

(1) This information is provided as at the end of the fiscal period shown.

(2) MER and MER before waivers or absorptions ("Gross MER") are based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of average daily NAV during the period. In the period a series is established, the MERs and Gross MERs are annualized from the date of inception to the end of the period. MER and Gross MER may be impacted by decreases and/or increases in management fees and/or administration fees as discussed under Series Information. Where the Fund invests in securities of an Underlying Fund, the MERs and Gross MERs presented for the Fund include the portion of MERs of the Underlying Fund(s) attributable to this investment.

(3) The trading expense ratio ("TER") represents total commissions and other portfolio transaction costs incurred as an annualized percentage of the daily average NAV during the period. Where the Fund invests in securities of an Underlying Fund, the TERs presented for the Fund include the portion of TERs of its Underlying Fund(s) attributable to this investment.

(4) The portfolio turnover rate ("PTR") indicates how actively the portfolio advisor manages the investments. A PTR of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher PTR in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high PTR and the performance of the Fund. Costs incurred to realign the Fund's portfolio after a fund merger, if any, are excluded from the PTR.

COUNSEL NORTH AMERICAN HIGH YIELD BOND

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE | September 30, 2022

Series Information

The Fund may issue an unlimited number of securities for each series. The number of issued and outstanding securities of each series is disclosed in *Financial Highlights*. A 10-year history of the major changes affecting the Fund can be found in the Fund's Annual Information Form, available at www.counselservices.com.

Series	Date of Inception	Minimum Investment (\$)	Management fee (%)	Administration fee ³ (%)
Series 0 ¹	October 29, 2015	–	–	–
Series Private Wealth ²	October 19, 2020	–	–	0.15

- (1) There are no management or administration fees for this series since these securities are designed to facilitate fund-of-fund investing where duplication of management fees is prohibited.
- (2) There are no management fees for Series Private Wealth. An investor must enter into an agreement to participate in a discretionary managed program offered by IPC Securities Corporation and agree to pay certain asset-based fees.
- (3) Counsel may, at its discretion, waive or lower the administration fee payable by investors.