



**FINANCIAL STATEMENTS**  
FOR PERIOD ENDED **SEPTEMBER 30 | 2017**





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## MANAGEMENT'S RESPONSIBILITY FOR CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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### **For the third periods ended September 30, 2017 and September 30, 2016**

The accompanying unaudited condensed interim financial statements and all of the data included in this report have been prepared by and are the responsibility of the Board of Directors and management of Olympia Financial Group Inc. ("Olympia").

The unaudited condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards as set out in the Handbook of the Chartered Professional Accountants of Canada and reflect management's best estimates and judgments based on currently available information. In the opinion of management, the unaudited condensed consolidated interim financial statements have been prepared within acceptable limits of materiality and are in accordance with International Financial Reporting Standards appropriate in the circumstances.

The Board of Directors has reviewed and approved the accompanying unaudited condensed consolidated interim financial statements for the periods ended September 30, 2017, and September 30, 2016.

The Audit Committee, comprised of non-management directors, acts on behalf of the Board of Directors to ensure that management fulfills its financial reporting and internal control responsibilities. Management maintains appropriate systems of internal control. Policies and procedures are designed to give reasonable assurance that transactions are properly authorized, assets are safeguarded and financial records properly maintained to provide reliable information for the preparation of the unaudited condensed consolidated interim financial statements.

Internal controls are further supported by an internal audit function which conducts periodic audits of Olympia's financial reporting and internal controls. The internal audit function reports to the Audit Committee. In performing its duties, the Audit Committee acts only in an oversight capacity and necessarily relies on the work and assurances of Olympia's management.

Olympia's independent auditor, PricewaterhouseCoopers LLP, has not performed a review on these financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada.

*Signed Rick Skauge*

*Signed Gerhard Barnard*

Rick Skauge  
PRESIDENT & CHIEF EXECUTIVE OFFICER  
Calgary, Canada, November 9, 2017

Gerhard Barnard, CPA, CMA  
CHIEF FINANCIAL OFFICER

## CONDENSED CONSOLIDATED INTERIM BALANCE SHEET (UNAUDITED)

	September 30, 2017	December 31, 2016
<b>ASSETS</b>		
<b>Current assets</b>		
Cash & cash equivalents (note 8)	\$ 11,735,719	\$ 5,350,154
Restricted cash in circulation (note 9)	3,417,185	5,119,920
Trade & other receivables (note 5)	1,463,216	1,061,513
Inventory	262,086	455,973
Prepaid expenses	732,335	840,563
Current taxes receivable	-	117,683
Derivative financial instruments (notes 5 and 11)	9,133,963	1,264,644
<b>Total current assets</b>	<b>26,744,504</b>	<b>14,210,450</b>
<b>Non-current assets</b>		
Restricted cash & investments (note 7)	500,000	2,430,000
Equipment & other	2,179,811	2,342,644
Intangible assets (note 12)	2,019,107	2,140,497
Available for sale investment	59,063	108,517
Prepaid expenses	7,987	73,432
Derivative financial instruments (notes 5 and 11)	2,118,390	5,478,746
Deferred tax assets (note 16)	1,351,833	983,750
<b>Total non-current assets</b>	<b>8,236,191</b>	<b>13,557,586</b>
<b>Total assets</b>	<b>\$ 34,980,695</b>	<b>\$ 27,768,036</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Trade & other payables (note 5 and 13)	\$ 1,405,769	\$ 969,106
Deferred revenue (note 14)	3,187,731	221,912
Other liabilities & charges	1,886,641	1,540,538
Cash in circulation due to bank (note 9)	3,417,185	5,119,920
Revolving credit facility (note 10)	3,962,347	3,935,045
Derivative financial instruments (notes 5 and 11)	7,733,163	870,403
Current tax liability	39,304	-
<b>Total current liabilities</b>	<b>21,632,140</b>	<b>12,656,924</b>
Other liabilities	1,271,106	194,110
Derivative financial instruments (notes 5 and 11)	1,667,532	4,271,471
<b>Total liabilities</b>	<b>\$ 24,570,778</b>	<b>\$ 17,122,505</b>
<b>EQUITY</b>		
Share capital (note 15)	\$ 7,886,989	\$ 7,886,989
Contributed surplus (note 15)	86,373	86,373
Retained earnings	2,436,555	2,672,169
<b>Total equity</b>	<b>10,409,917</b>	<b>10,645,531</b>
<b>Total equity &amp; liabilities</b>	<b>\$ 34,980,695</b>	<b>\$ 27,768,036</b>

Contingencies (note 21)

Approved on behalf of the Board of Directors

*Signed Rick Skauge*

*Signed Brian Newman*

Rick Skauge  
DIRECTOR

Brian Newman, CPA, CA  
DIRECTOR

November 9, 2017

See accompanying notes to the unaudited condensed consolidated interim financial statements.

## CONDENSED CONSOLIDATED INTERIM STATEMENTS OF NET EARNINGS AND COMPREHENSIVE INCOME (UNAUDITED)

	NINE MONTHS ENDED		THREE MONTHS ENDED	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
<b>Revenue</b>				
Service revenue (note 6)	\$ 26,882,967	\$ 26,213,331	\$ 8,916,051	\$ 8,648,544
Interest earned as trustee (note 6)	5,508,020	4,471,329	1,955,451	1,573,724
Interest (note 6)	445,241	453,453	214,444	161,588
	<b>32,836,228</b>	31,138,113	<b>11,085,946</b>	10,383,856
<b>Expenses</b>				
Direct expenses (note 6)	4,383,044	4,210,184	1,503,801	1,526,951
Administrative expenses (note 6)	22,019,559	21,472,907	7,222,212	6,948,276
Depreciation and amortization (note 6)	925,260	1,000,178	300,614	382,724
Other gains, net (notes 6 and 17)	(363,260)	(917,901)	(7,372)	(531,823)
	<b>26,964,603</b>	25,765,368	<b>9,019,255</b>	8,326,128
<b>Earnings before income tax</b>	<b>5,871,625</b>	5,372,745	<b>2,066,691</b>	2,057,728
Income tax expense (notes 6 and 16)				
Current	1,999,538	1,579,382	755,972	766,481
Deferred tax recovery	(368,083)	(264,639)	(132,328)	(147,983)
<b>Total income tax expense</b>	<b>1,631,455</b>	1,314,743	<b>623,644</b>	618,498
<b>Net earnings and comprehensive income</b>	<b>\$ 4,240,170</b>	\$ 4,058,002	<b>\$ 1,443,047</b>	\$ 1,439,230
<b>Earnings per share</b>				
Basic and diluted (note 18)	\$ 1.76	\$ 1.69	\$ 0.60	\$ 0.60

See accompanying notes to the unaudited condensed consolidated interim financial statements.

## CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

	Attributable to owners of Olympia			Total Equity
	Share Capital	Contributed Surplus	Retained Earnings	
<b>Balances as at January 1, 2016</b>	\$ 7,886,989	\$ 86,373	\$ 690,679	\$ 8,664,041
Net earnings and comprehensive income	-	-	4,058,002	4,058,002
Dividends (note 19)	-	-	(2,406,336)	(2,406,336)
<b>Balance as at September 30, 2016</b>	<b>\$ 7,886,989</b>	<b>\$ 86,373</b>	<b>\$ 2,342,345</b>	<b>\$ 10,315,707</b>
<b>Balance as at January 1, 2017</b>	\$ 7,886,989	\$ 86,373	\$ 2,672,169	\$ 10,645,531
Net earnings and comprehensive income	-	-	4,240,170	4,240,170
Dividends (note 19)	-	-	(4,475,784)	(4,475,784)
<b>Balance as at September 30, 2017</b>	<b>\$ 7,886,989</b>	<b>\$ 86,373</b>	<b>\$ 2,436,555</b>	<b>\$ 10,409,917</b>

See accompanying notes to the unaudited condensed consolidated interim financial statements.

## CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS (UNAUDITED)

NINE MONTHS ENDED SEPTEMBER 30	2017	2016
<b>Cash flows from financing activities</b>		
Net earnings	\$ 4,240,170	\$ 4,058,002
Items not affecting cash		
Depreciation of equipment & other	639,786	731,231
Amortization of intangible assets (note 12)	285,474	268,948
Other	4,483	829
Fair value change in investments	45,000	35,000
Deferred income taxes recovery (note 16)	(368,083)	(264,639)
Foreign exchange gain (note 17)	(250,142)	(669,707)
Changes in non-cash working capital balances (note 20)	4,948,426	1,674,715
Net cash from operating activities	9,545,114	5,834,379
<b>Cash flows from investing activities</b>		
Purchase of equipment & other	(543,584)	(845,983)
Proceeds from sale of equipment & other	66,601	-
Purchase of intangible assets (note 12)	(164,084)	(371,502)
Release/(purchase) of restricted investment for collateral, net (note 7)	1,930,000	(1,300,000)
Net cash from /(used) in investing activities	1,288,933	(2,517,485)
<b>Cash flows from financing activities</b>		
Revolving credit facility (note 10)	27,302	(50,000)
Cash in circulation due to bank (note 9)	(1,702,735)	3,388,805
Dividends (note 19)	(4,475,784)	(3,970,455)
Net cash used in financing activities	(6,151,217)	(631,650)
<b>Net change in cash position</b>	<b>4,682,830</b>	<b>2,685,244</b>
<b>Cash, beginning of period</b>	<b>10,470,074</b>	<b>9,572,593</b>
<b>Cash, end of period</b>	<b>\$ 15,152,904</b>	<b>\$ 12,257,837</b>
<b>Cash is represented by:</b>		
Cash & cash equivalents (note 8)	\$ 11,735,719	\$ 8,225,497
Restricted cash & restricted cash in circulation (note 9)	3,417,185	4,032,340
	<b>\$ 15,152,904</b>	<b>\$ 12,257,837</b>
<b>Other information for operations</b>		
Interest earned and received as trustee	\$ 4,994,374	\$ 2,912,938
Interest received	\$ 389,462	\$ 390,159
Income taxes paid	\$ 2,008,200	\$ 1,746,000

See accompanying notes to the unaudited condensed consolidated interim financial statements.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

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## 1. NATURE OF BUSINESS

Olympia Financial Group Inc. (“Olympia”) is governed by the *Business Corporations Act* (Alberta). Olympia is a reporting issuer in British Columbia, Alberta and Ontario, and its common shares are listed on the Toronto Stock Exchange (“TSX”). Olympia’s registered and head office is 2300, 125 - 9th Avenue SE, Calgary, Alberta T2G 0P6.

The majority of Olympia’s business is conducted through its wholly owned subsidiary Olympia Trust Company (“Olympia Trust”), a non-deposit taking trust corporation.

Olympia Trust received its letters patent on September 6, 1995, authorizing the formation of a trust company to be registered under the *Loan and Trust Corporations Act* (Alberta). Olympia Trust acts as a trustee for self-directed registered plans and also provides foreign currency exchange services. Olympia Trust is licensed to conduct trust activities in Alberta, British Columbia, Saskatchewan, Manitoba, Quebec, Newfoundland and Labrador, Prince Edward Island, New Brunswick and Nova Scotia. The Private Health Services Plan division conducts its business through Olympia Benefits Inc. (“OBI”), a wholly owned subsidiary of Olympia. Olympia ATM Inc. (“Olympia ATM”) was incorporated under the *Business Corporations Act* (Alberta) as a wholly owned subsidiary of Olympia, and is focused on building an automated teller machine (“ATM”) distribution network and on growing its portfolio of ATMs. Olympia ATM incorporated ATM1SOURCE Inc. (“ATM1SOURCE”) under the *Business Corporations Act* (Alberta). This wholly owned subsidiary of Olympia ATM focuses on the repair and maintenance of ATMs. Exempt Edge Inc. (“EEI”) was incorporated under the *Business Corporations Act* (Alberta) on November 28, 2016, as a subsidiary of Olympia. EEI will focus on the provision of information technology services to exempt market dealers, registrants and issuers.

## 2. BASIS OF PREPARATION

These unaudited condensed consolidated interim financial statements for the three and nine months ended September 30, 2017, have been prepared in accordance with IAS 34 “Interim Financial Reporting” as issued by the International Accounting Standards Board (“IASB”). The unaudited condensed consolidated interim financial statements (“condensed consolidated financial statements”) should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2016, which have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the IASB. The policies applied in these condensed consolidated financial statements are consistent with accounting policies and methods of computation used for the audited annual consolidated financial statements for the year ended December 31, 2016. Income taxes on earnings in the interim periods are accrued using the income tax rate that would be applicable to the expected total annual earnings.

These condensed consolidated financial statements were approved for issuance by the Board of Directors on November 9, 2017.

These condensed consolidated financial statements are presented in Canadian dollars, Olympia’s primary operating currency. All references to \$ are in Canadian dollars and references to US\$ are in United States dollars.

The preparation of these condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

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the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

### 3. CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year.

#### Future accounting pronouncements

In May 2014, the IASB published IFRS 15, "*Revenue from Contracts with Customers*" ("IFRS 15") replacing IAS 11, "*Construction Contracts*" and IAS 18, "*Revenue*" and several revenue-related interpretations. IFRS 15 establishes a single revenue recognition framework that applies to contracts with customers. The standard requires an entity to recognize revenue to reflect the transfer of goods and services for the amount it expects to receive when control is transferred to the purchaser. Disclosure requirements have also been expanded. The new standard is effective for annual periods beginning on or after January 1, 2018, with earlier adoption permitted. The standard may be applied retrospectively or using a modified retrospective approach. It is expected that the standard will have an impact on the amounts and timing of revenue recognized, as it relates to up-front fees and collectability. Olympia has done a preliminary assessment and does not expect that the standard will have a material impact on the consolidated financial statements.

IFRS 9, "*Financial Instruments*," addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured at fair value and those measured at amortized cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than on the income statement, unless this creates an accounting mismatch. This standard is effective for first interim periods within years beginning on or after January 1, 2018. Olympia has done a preliminary assessment and does not expect that the standard will have a material impact on the consolidated financial statements.

### 4. FUNDS IN TRUST

#### Self-Directed Registered Plans division ("RRSP")

At September 30, 2017, RRSP administered self-directed registered plans consisting of private company securities and mortgages with a cost value of \$4.07 billion (December 31, 2016 - \$3.79 billion) plus cash, public securities, term deposits and outstanding cheques with an estimated fair value of \$535.07 million (December 31, 2016 - \$518.46 million). These assets are the property of the account holders and Olympia Trust does not maintain effective control over the assets. Therefore, the assets are not reflected in these condensed consolidated financial statements. Olympia earned interest income from funds held in trust of \$5.51 million for the nine months ended September 30, 2017 (September 30, 2016 - \$4.47 million).

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

### Private Health Services Plans division (“Health”)

At September 30, 2017, Health held funds in trust of \$9.43 million (December 31, 2016 - \$9.53 million) on behalf of its self-insured private health clients. These assets are the property of the plan holders and OBI does not maintain effective control over the assets. Therefore, the assets are not reflected in these condensed consolidated financial statements.

### Foreign Exchange division (“FX”)

At September 30, 2017, FX held funds in trust of \$6.67 million (December 31, 2016 - \$6.38 million) for clients who have paid margin requirements on forward foreign exchange contracts and \$9.56 million (December 31, 2016 - \$6.74 million) of outstanding payments. These assets are the property of the contract holders and Olympia Trust does not maintain effective control over the assets. Therefore, the assets are not reflected in these condensed consolidated financial statements.

## 5. FINANCIAL INSTRUMENTS AND FINANCIAL RISK FACTORS

### Fair value of financial instruments

The fair value of cash and cash equivalents, restricted cash and investments, restricted cash in circulation and cash in circulation due to the bank, trade and other receivables, trade and other payables, revolving credit facility and other liabilities and charges approximate their carrying amounts due to the short-term maturity of these instruments. Derivative financial instruments are measured at fair value through profit or loss. The fair value of all forward foreign exchange contracts is based on current bid prices for their respective terms to maturity in an active market.

### Risks associated with financial instruments

Olympia is exposed to financial risks arising from normal course business operations and its financial assets and liabilities. The financial risks include liquidity risk and market risk relating to foreign currency exchange rates, interest rates and credit risk.

#### (i) Liquidity risk

Liquidity risk is the risk that Olympia will encounter difficulties in meeting its financial obligations. Olympia manages its liquidity risk by keeping surplus cash in liquid investments and fixed term deposits with highly rated financial institutions. This allows Olympia to earn interest on surplus cash while having access to it within a very short time.

The timing of cash outflows is outlined in the following tables:

At September 30, 2017	Current	31 to 60 days	61 to 90 days	Over 90 days	Total
Trade and other payables	\$ 1,369,085	\$ -	\$ 4,009	\$ 32,675	\$ 1,405,769
Other liabilities and charges	1,705,862	-	-	-	1,705,862
Cash in circulation due to bank	3,417,185	-	-	-	3,417,185
<b>Total</b>	<b>\$ 6,492,132</b>	<b>\$ -</b>	<b>\$ 4,009</b>	<b>\$ 32,675</b>	<b>\$ 6,528,816</b>

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

At December 31, 2016	Current	31 to 60 days	61 to 90 days	Over 90 days	Total
Trade and other payables	\$ 857,210	\$ 79,082	\$ -	\$ 32,814	\$ 969,106
Other liabilities and charges	1,170,968	-	-	-	1,170,968
Cash in circulation due to bank	5,119,920	-	-	-	5,119,920
Total	\$ 7,148,098	\$ 79,082	\$ -	\$ 32,814	\$ 7,259,994

At September 30, 2017, trade and other payables totaled \$1.41 million (December 31, 2016 - \$0.97 million). Olympia continues to meet all of the obligations associated with its financial liabilities. Other liabilities and charges excludes leasehold inducements and straight-line rent as they do not have a cash outflow.

The liquidity risk relating to derivative financial instruments payable is outlined in the table below:

	September 30, 2017	December 31, 2016
Current	\$ 301,158	\$ 15,821
31 to 60 days	368,626	130,803
61 to 90 days	540,782	54,728
Over 90 days	6,522,597	669,051
	\$ 7,733,163	\$ 870,403
Non-current (1-3 years)	\$ 1,667,532	\$ 4,271,471

The previous table presents the expected maturity dates of the foreign exchange contracts.

Liquidity risk is associated with Olympia's credit facility. The credit facility is available to finance day-to-day operations to a maximum principal amount of \$8.50 million (December 31, 2016 - \$8.50 million), and bears interest at the Canadian prime rate plus 0.25%. For the nine months ended September 30, 2017, a balance of \$3.96 million remains outstanding (December 31, 2016 - \$3.94 million). Olympia has determined the principal and interest to be current.

Security for the credit facility includes a general security agreement providing a first security interest in all present and after acquired property.

### (ii) Market risk

Market risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in market prices and is composed of the following:

#### Foreign currency exchange risk

Olympia is exposed to changes in foreign exchange rates when, and if, revenues or financial instruments fluctuate because of changing rates. Transactions in the applicable financial market are executed consistent with established risk management policies. Olympia purchases forward contracts whenever it enters into a transaction to buy or sell foreign currency in the future. These contracts are short term in nature and in the normal course of business.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

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Management understands that the currency markets are volatile and therefore subject to higher risk. Olympia applies the following policy to mitigate the currency risk.

- For forward contracts, a margin of 5% is payable on signature of the contract.
- Olympia sets up a corresponding position with its currency supplier.
- If market rates vary by 4% or more, the client is required to adjust their margin to match the variance by the end of the trading day.

Olympia's FX division maintains various foreign currency bank accounts of which Canadian dollar and United States dollar bank accounts are the most significant. It is Olympia's FX division's policy to limit the amount of foreign currencies on hand to \$1.25 million to reduce exposure to foreign currency risk.

### Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. Olympia is exposed to interest rate risk as the cash flows generated from interest bearing instruments fluctuate in response to changes in market interest rates. The primary exposure is related to cash balances and fixed term deposits.

If the interest rates were to have increased by 1%, it is estimated that Olympia's after-tax earnings for the period ended September 30, 2017, would have increased by approximately \$2.94 million (September 30, 2016 - \$2.51 million). A 1% decrease in interest rates would have had an equal but opposite effect. This sensitivity analysis assumes that all other variables remain constant.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

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### Credit risk

Credit risk is the risk that the counterparty to a financial asset will default, resulting in Olympia incurring a financial loss. Before material transactions begin with a new counterparty, the counterparty's creditworthiness is assessed by the FX division. The assessment practice considers both quantitative and qualitative factors. Olympia constantly monitors the exposure to any single customer or counterparty along with the financial position of the customer or counterparty. If it is deemed that a customer or counterparty has become materially weaker, Olympia will work to reduce the credit exposure and lower the credit limit allocated. Olympia is exposed to credit risk on its cash and cash equivalents, restricted cash and investments, restricted cash in circulation, trade and other receivables and derivative financial instruments receivable. The maximum exposure to credit risk of Olympia at the end of the period is the carrying value of cash and cash equivalents, restricted cash and investments, restricted cash in circulation, trade and other receivables and derivative financial instruments receivable.

- *Cash and cash equivalents*

Olympia mitigates its exposure to credit risk by maintaining its bank accounts with a highly rated financial institution.

- *Restricted cash and investments and restricted cash in circulation*

Olympia limits its counterparty credit risk on these assets by dealing with reputable counterparties and assessing their credit ratings via the services of an independent ratings agency. The Treasury bonds are "AAA" rated.

- *Trade and other receivables*

Olympia has policies and procedures in place to govern the credit risk it will assume. Trade receivables over 90 days are considered past due. As of September 30, 2017, net trade receivables of \$1.13 million (December 31, 2016 - \$0.95 million) were past due but deemed not impaired.

Included in trade and other receivables at December 31, 2016, was a \$0.50 million demand loan to Tarman Inc., a company controlled by the president and CEO of Olympia. This loan was fully repaid, including accrued interest, in the first quarter of 2017.

The balance relates to a number of independent RRSP clients which Olympia is actively pursuing through its internal collection process. Olympia is undertaking an extensive exercise of assessing the value of customer assets which could potentially be applied against outstanding fees. Management considers the outstanding amounts to be recoverable.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

The aging of these receivables is as follows:

	<b>September 30, 2017</b>	December 31, 2016
Current	<b>\$ 319,628</b>	\$ 89,210
31 to 60 days	-	8,207
61 to 90 days	<b>18,288</b>	14,191
Over 90 days	<b>1,427,406</b>	1,194,059
Allowance for doubtful accounts	<b>(302,106)</b>	(244,154)
	<b>\$ 1,463,216</b>	\$ 1,061,513

The allowance for doubtful accounts is based on an account portfolio analysis.

Movements on Olympia's provision for impairment of trade receivables are as follows:

	<b>September 30, 2017</b>	December 31, 2016
At January 1	<b>\$ 244,154</b>	\$ 373,423
Increase in provision	<b>233,309</b>	519,322
Receivables written off	<b>(175,357)</b>	(648,591)
Allowance for doubtful accounts	<b>\$ 302,106</b>	\$ 244,154

The provision for impaired receivables has been included in administrative expenses in the consolidated statements of net earnings and comprehensive income. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

### ▪ *Derivative financial instruments receivable*

The expected maturity relating to derivative financial instruments receivable and foreign exchange contracts is outlined in the table below. The receivables can all be offset with one counterparty:

	<b>September 30, 2017</b>	December 31, 2016
Current	<b>\$ 340,504</b>	\$ 24,643
31 to 60 days	<b>442,462</b>	199,847
61 to 90 days	<b>736,166</b>	78,120
Over 90 days	<b>7,614,831</b>	962,034
	<b>\$ 9,133,963</b>	\$ 1,264,644
Non-current (1-3 years)	<b>\$ 2,118,390</b>	\$ 5,478,746

### (iii) Capital risk management

Olympia's objectives when managing capital are to safeguard Olympia's ability to continue as a going concern in order to provide returns and benefits to shareholders and to maintain an optimal capital structure to reduce the cost of capital and to meet minimum regulatory capital requirements. In order to maintain or adjust the capital structure, Olympia may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, repurchase shares, sell assets or make further use of its credit facility.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

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Olympia includes shareholders' equity (September 30, 2017 - \$10.41 million; December 31, 2016 - \$10.65 million) in the definition of capital. Shareholders' equity comprises share capital, contributed surplus and retained earnings.

Olympia's main objectives when managing its capital structure are to:

- Maintain sufficient cash and cash equivalents over the short and medium term in order to finance its growth and development, including capital expenditures;
- Maintain investor and creditor confidence to sustain future development of the business. Olympia's objective when managing capital is to maintain adequate financial flexibility to preserve its ability to meet financial obligations. In managing capital, Olympia estimates its future dividend payments and capital expenditures, which is compared to planned business growth for purposes of sustainability;
- Maintain regulatory capital for Olympia Trust as required by the *Loan and Trust Corporations Act* (Alberta) (\$2.00 million). Similar regulatory capital is required by legislation in Nova Scotia (\$5.00 million). Regulatory capital is defined as share capital and retained earnings. Olympia Trust has maintained these minimum capital requirements throughout the period ended September 30, 2017; and
- Maintain compliance with financial covenants. The financial covenants are reviewed regularly and controls are in place to maintain compliance with the covenants. Olympia complied with its financial covenants for the year ended December 31, 2016, and for the period ended September 30, 2017.

The capital structure of Olympia is managed and adjusted to reflect changes in economic conditions. Capital structure adjustments could include adjusting the level of dividends and/or issuance or repurchase of common shares. In support thereof, management reviews the financial position of Olympia on a monthly and cumulative basis. Financing decisions are set based on the timing and extent of expected operating and capital cash outlays. Factors considered when determining capital and the amount of operational cash requirements are weighed against the costs associated with excess cash, its terms and availability and whether to issue equity. Olympia works towards managing its capital objectives to the extent possible while facing the challenges of market conditions and the public's assessment of Olympia's risk profile. Olympia's capital management objectives have remained substantively unchanged over the periods presented.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

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### 6. OPERATING SEGMENTS

Olympia has six operating segments, of which five are business segments and offer different products and services and are managed separately because they require different technology and marketing strategies. The Corporate division is a cost centre and earns incidental revenue. For each of the divisions, Olympia's president, chief financial officer and other executive management review internal management reports on a monthly basis.

Segment profit/(loss) is used to measure performance. Olympia's president and other executive management believe that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segmental transactions consist mainly of cost recoveries, which are recognized at cost. In addition, reportable segments are managed on a functional basis through regular reporting to the president and other executive management.

Olympia does not disclose a measure of segment assets, because the president and other executive management do not use this information to assess performance and allocate resources. Olympia reports net earnings/(loss) information for all operating segments to the president and other executive management. All other assets and liabilities are reported on a consolidated basis. Costs are allocated to divisions based on usage.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

### Net operations for the nine months ended September 30, 2017

	Health	RRSP	FX	ATM	EEL	Corporate	Total
Service revenue	\$ 6,006,170	\$ 13,663,546	\$ 4,750,906	\$ 2,328,365	\$ 132,922	\$ 1,058	\$26,882,967
Interest revenue	108,763	5,689,598	76,044	4,204	543	74,109	5,953,261
Direct expenses	(1,757,032)	(70,406)	(628,596)	(1,819,897)	(107,113)	-	(4,383,044)
	4,357,901	19,282,738	4,198,354	512,672	26,352	75,167	28,453,184
Administrative expenses	(2,928,387)	(13,571,906)	(4,004,495)	(1,195,299)	(197,138)	(122,334)	(22,019,559)
Depreciation & amortization	(94,592)	(392,137)	(103,821)	(302,048)	(28,966)	(3,696)	(925,260)
Other gains & (losses), net (note 17)	-	(586)	250,154	113,692	-	-	363,260
Earnings/(loss) before income taxes	1,334,922	5,318,109	340,192	(870,983)	(199,752)	(50,863)	5,871,625
Income taxes (expense)/recovery	(365,929)	(1,478,911)	(94,604)	257,090	52,245	(1,346)	(1,631,455)
Net earnings/(loss)	\$ 968,993	\$ 3,839,198	\$ 245,588	\$ (613,893)	\$ (147,507)	\$ (52,209)	\$ 4,240,170

### Net operations for the nine months ended September 30, 2016

	Health	RRSP	FX	ATM	Corporate	Total
Service revenue	\$ 5,923,308	\$ 12,756,462	\$ 5,465,566	\$ 2,025,218	\$ 42,777	\$ 26,213,331
Interest revenue	99,159	4,561,947	50,662	3,096	209,918	4,924,782
Direct expenses	(1,711,084)	(67,801)	(887,415)	(1,543,884)	-	(4,210,184)
	4,311,383	17,250,608	4,628,813	484,430	252,695	26,927,929
Administrative expenses	(3,181,899)	(12,391,222)	(4,265,169)	(1,336,552)	(298,065)	(21,472,907)
Depreciation & amortization	(172,727)	(365,965)	(163,301)	(270,516)	(27,669)	(1,000,178)
Other gains & (losses), net (note 17)	-	782,419	669,707	(18,969)	(515,256)	917,901
Earnings/(loss) before income taxes	956,757	5,275,840	870,050	(1,141,607)	(588,295)	5,372,745
Income taxes (expense)/recovery	(292,140)	(1,285,282)	(211,959)	282,074	192,564	(1,314,743)
Net earnings/(loss)	\$ 664,617	\$ 3,990,558	\$ 658,091	\$ (859,533)	\$ (395,731)	\$ 4,058,002

No one client contributed more than 10% of any segment's revenue for the nine months ended September 30, 2017, or September 30, 2016.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

### Net operations for the three months ended September 30, 2017

	Health	RRSP	FX	ATM	EEL	Corporate	Total
Service revenue	\$ 1,892,673	\$ 4,425,858	\$ 1,699,653	\$ 858,497	\$ 39,312	\$ 58	\$ 8,916,051
Interest revenue	41,173	2,061,969	34,687	2,850	298	28,918	2,169,895
Direct expenses	(567,319)	(25,357)	(233,373)	(651,598)	(26,154)	-	(1,503,801)
	1,366,527	6,462,470	1,500,967	209,749	13,456	28,976	9,582,145
Administrative expenses	(919,178)	(4,414,350)	(1,361,001)	(411,455)	(75,345)	(40,883)	(7,222,212)
Depreciation & amortization	(26,448)	(123,348)	(30,472)	(105,751)	(13,428)	(1,167)	(300,614)
Other gains & (losses), net (note 17)	-	(280)	8,180	(498)	-	(30)	7,372
Earnings/(loss) before income taxes	420,901	1,924,492	117,674	(307,955)	(75,317)	(13,104)	2,066,691
Income taxes (expense)/recovery	(124,123)	(576,195)	(35,413)	92,420	21,403	(1,736)	(623,644)
Net earnings/(loss)	\$ 296,778	\$ 1,348,297	\$ 82,261	\$ (215,535)	\$ (53,914)	\$ (14,840)	\$ 1,443,047

### Net operations for the three months ended September 30, 2016

	Health	RRSP	FX	ATM	Corporate	Total
Service revenue	\$ 1,835,060	\$ 4,112,929	\$ 1,919,279	\$ 777,250	\$ 4,026	\$ 8,648,544
Interest revenue	33,589	1,607,554	18,981	1,535	73,653	1,735,312
Direct expenses	(536,838)	(18,968)	(359,344)	(611,801)	-	(1,526,951)
	1,331,811	5,701,515	1,578,916	166,984	77,679	8,856,905
Administrative expenses	(1,010,879)	(4,033,941)	(1,540,944)	(551,020)	188,508	(6,948,276)
Depreciation & amortization	(57,243)	(152,354)	(51,991)	(112,432)	(8,704)	(382,724)
Other gains & (losses), net (note 17)	-	2,439	548,327	(3,687)	(15,256)	531,823
Earnings/(loss) before income taxes	263,689	1,517,659	534,308	(500,155)	242,227	2,057,728
Income taxes (expense)/recovery	(92,158)	(500,207)	(141,823)	114,885	805	(618,498)
Net earnings/(loss)	\$ 171,531	\$ 1,017,452	\$ 392,485	\$ (385,270)	\$ 243,032	\$ 1,439,230

Revenue earned from one customer in the FX division represents approximately 11% of the FX division's total revenue earned for the three month ended September 30, 2017. No one client contributed more the 10% of any division's revenue for the three month period ended September 30, 2016.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

### 7. RESTRICTED CASH AND INVESTMENTS

	September 30, 2017	December 31, 2016
Foreign exchange trading deposit paid to a financial institution	\$ 500,000	\$ 2,430,000
	\$ 500,000	\$ 2,430,000

Restricted cash and investments comprise collateral provided to a financial institution securing Olympia Trust's foreign exchange trading platform. During the period, at the request of a financial institution, the collateral requirements were decreased by \$1.93 million, resulting in Olympia having a collateral Treasury bond investment of \$0.50 million at September 30, 2017 (December 31, 2016 - \$2.43 million). The Treasury bond has a term of one year from issuance and earns interest at a rate of 0.59% (December 31, 2016 - 1.43%). Restricted cash and investments are not readily accessible for use in operations and are therefore reported separately from cash and cash equivalents.

### 8. CASH AND CASH EQUIVALENTS

	September 30, 2017	December 31, 2016
Cash at bank and on hand	\$ 11,152,103	\$ 5,003,336
Non-restricted cash in circulation	583,616	346,818
	\$ 11,735,719	\$ 5,350,154

Cash at bank and on hand is readily convertible to known amounts of cash which are subject to an insignificant risk of changes in value.

Non-restricted cash in circulation refers to Olympia's cash in ATM cassettes and cash in transit from armoured car carriers.

### 9. RESTRICTED CASH IN CIRCULATION

Olympia ATM has entered into a bailment agreement with a financial institution to provide the ATM division with cash that can only be used in ATMs. Olympia ATM pays a fee for using the cash based on the total amount of cash outstanding at any given time, as well as paying fees related to the bundling and preparation of such cash prior to it being loaded in the ATMs. Olympia ATM has access and rights to the cash and bears the risk in the case of loss. Olympia ATM has obtained the required insurance coverage in the event of loss of cash while in circulation.

Olympia ATM's cash bailment agreement is for a term of five years, through to November 2020, and bears interest at the Canadian prime rate. In December 2016, Olympia ATM obtained an increase to the available bailment cash limit from \$5.00 million to \$20.00 million.

Based on the foregoing, the cash in circulation and the related obligation due to the bank are reflected separately on the balance sheet. Restricted cash in circulation for the period ended September 30, 2017, was \$3.42 million (December 31, 2016 - \$5.12 million).

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

### 10. REVOLVING CREDIT FACILITY

As at September 30, 2017, Olympia has drawn \$3.96 million (December 31, 2016 - \$3.94 million) on its established credit facility. The credit facility in place has a maximum amount of \$8.50 million (December 31, 2016 - \$8.50 million) which can be drawn, and bears interest at the Canadian prime rate plus 0.25%. The credit facility is subject to review at any time, and in any event will be reviewed annually based on Olympia's audited consolidated financial statements for the year ended December 31, 2017.

The credit facility is subject to certain covenants and other limitations that, if breached, could cause a default, which might result in a requirement for immediate repayment of all amounts outstanding. Olympia considers that it has one significant covenant that is monitored on an ongoing basis, being the cash flow coverage ratio. As at September 30, 2017, Olympia remains in compliance with all covenants.

Security for the credit facility includes a general security agreement providing a first security charge over all present and after acquired property.

Credit facility	September 30, 2017	December 31, 2016
Available balance at January 1	\$ 8,500,000	\$ 8,500,000
Drawn	(3,962,347)	(3,935,045)
Available at the end of the period/year	\$ 4,537,653	\$ 4,564,955

### 11. DERIVATIVE FINANCIAL INSTRUMENTS

	Fair value as at September 30, 2017	Notional amount as at September 30, 2017	Fair value as at December 31, 2016	Notional amount as at December 31, 2016
Current assets	\$ 9,133,963	\$ 126,005,026	\$ 1,264,644	\$ 59,913,330
Non-current assets (1-3 years)	\$ 2,118,390	\$ 17,998,854	\$ 5,478,746	\$ 87,763,144
Current liabilities	\$ 7,733,163	\$ 124,345,070	\$ 870,403	\$ 49,279,562
Non-current liabilities (1-3 years)	\$ 1,667,532	\$ 17,537,306	\$ 4,271,471	\$ 77,362,822

Olympia Trust has entered into foreign exchange contracts with its customers and currency suppliers. The expiry dates of the above derivatives vary between October 3, 2017, and April 26, 2019. As a result, a portion of the foreign exchange contracts are classified as non-current.

Forward foreign exchange contracts are measured at fair value through profit or loss based on contractual maturities and are presented at their fair value on the balance sheet. Changes in fair values of forward foreign exchange contracts at fair value through profit or loss are recorded in "other gains, net" in the condensed consolidated statement of net earnings and comprehensive income. The fair value of all forward foreign exchange contracts is based on current bid prices for their respective remaining terms to maturity in an active market. As at September 30, 2017, Olympia has margins held in Canadian dollars of \$6.67 million (December 31, 2016 - \$6.38 million).

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

For the nine months ended September 30, 2017, there were no transfers between Level 1 and Level 2 fair value measurements and no transfers into or out of Level 3 fair value measurements.

The following table presents Olympia's derivative financial assets and liabilities measured at fair value and categorized by level according to the significance of the inputs used in making these measurements:

	September 30, 2017	Level 1	Level 2	Level 3
Recurring measurements				
Financial assets - derivative financial instruments	\$ 11,252,353	-	\$ 11,252,353	-
Financial liabilities - derivative financial instruments	(9,400,695)	-	(9,400,695)	-
	<b>\$ 1,851,658</b>	-	<b>\$ 1,851,658</b>	-
	December 31, 2016	Level 1	Level 2	Level 3
Recurring measurements				
Financial assets - derivative financial instruments	\$ 6,743,390	-	\$ 6,743,390	-
Financial liabilities - derivative financial instruments	(5,141,874)	-	(5,141,874)	-
	<b>\$ 1,601,516</b>	-	<b>\$ 1,601,516</b>	-

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

### 12. INTANGIBLE ASSETS

	Internally generated software	Computer software	ATM processing contracts	Other	Total
<b>September 30, 2017</b>					
Cost					
At beginning of period	\$ 1,763,813	\$ 1,335,020	\$ 1,082,968	\$ 41,032	\$ 4,222,833
Additions	164,084	-	-	-	164,084
Disposals	(286,200)	-	-	-	(286,200)
Reclassification	125,000	(125,000)	-	-	-
<b>At end of period</b>	<b>\$ 1,766,697</b>	<b>\$ 1,210,020</b>	<b>\$ 1,082,968</b>	<b>\$ 41,032</b>	<b>\$ 4,100,717</b>
Accumulated depreciation					
At beginning of year	\$ 419,139	\$ 856,930	\$ 797,512	\$ 8,755	\$ 2,082,336
Amortization charge for the period	159,719	65,198	50,327	10,230	285,474
Disposals	(286,200)	-	-	-	(286,200)
<b>At end of period</b>	<b>\$ 292,658</b>	<b>\$ 922,128</b>	<b>\$ 847,839</b>	<b>\$ 18,985</b>	<b>\$ 2,081,610</b>
<b>Closing net book value</b>	<b>\$ 1,474,039</b>	<b>\$ 287,892</b>	<b>\$ 235,129</b>	<b>\$ 22,047</b>	<b>\$ 2,019,107</b>
<b>December 31, 2016</b>					
Cost					
At beginning of year	\$ 1,359,318	\$ 1,069,669	\$ 1,082,968	\$ 16,032	\$ 3,527,987
Additions	404,495	265,351	-	25,000	694,846
<b>At end of year</b>	<b>\$ 1,763,813</b>	<b>\$ 1,335,020</b>	<b>\$ 1,082,968</b>	<b>\$ 41,032</b>	<b>\$ 4,222,833</b>
Accumulated depreciation					
At beginning of year	\$ 268,400	\$ 811,270	\$ 117,017	\$ 3,411	\$ 1,200,098
Amortization charge for the year	150,739	45,660	180,495	5,344	382,238
Impairment	-	-	500,000	-	500,000
<b>At end of year</b>	<b>\$ 419,139</b>	<b>\$ 856,930</b>	<b>\$ 797,512</b>	<b>\$ 8,755</b>	<b>\$ 2,082,336</b>
<b>Closing net book value</b>	<b>\$ 1,344,674</b>	<b>\$ 478,090</b>	<b>\$ 285,456</b>	<b>\$ 32,277</b>	<b>\$ 2,140,497</b>

#### Additions

The capital additions of \$0.16 million in internally generated software relates to the continued development and enhancement of cloud based online systems in the EEL division. Olympia intends to offer exempt market dealers access to the systems in order to facilitate their compliance with certain regulatory requirements.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

### 13. TRADE AND OTHER PAYABLES

	September 30, 2017	December 31, 2016
Trade payables	\$ 332,563	\$ 483,695
Agents and commissions payable	242,669	233,589
Amounts due to related parties	105,675	88,649
Government taxes and other payables	724,862	163,173
	<b>\$ 1,405,769</b>	<b>\$ 969,106</b>

### 14. DEFERRED REVENUE

	September 30, 2017	December 31, 2016
Annual registered plan services administration fees	\$ 2,926,100	\$ -
Annual health spending account fees	261,631	221,912
	<b>\$ 3,187,731</b>	<b>\$ 221,912</b>

At September 30, 2017, deferred revenue totaled \$3.19 million (December 31, 2016 - \$0.22 million). Deferred revenue is comprised of annual RRSP administration fees and the Health division's annual fees for maintaining customers' health saving accounts. The unearned portion of these annual fees is recognized as deferred revenue at the time of billing and revenue is recognized on a straight-line basis in relation to Olympia rendering these services.

### 15. SHARE CAPITAL AND CONTRIBUTED SURPLUS

	Number of common shares	Share capital	Contributed surplus	Total
At January 1, 2016 and January 1, 2017	2,406,352	\$ 7,886,989	\$ 86,373	\$ 7,973,362
<b>Balance at September 30, 2016 and 2017</b>	<b>2,406,352</b>	<b>\$ 7,886,989</b>	<b>\$ 86,373</b>	<b>\$ 7,973,362</b>

The total authorized number of common shares is unlimited (December 31, 2016 - unlimited common shares). All issued shares are fully paid.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

### 16. INCOME TAXES

a) The significant components which give rise to deferred income tax assets and liabilities are as follows:

	<b>September 30, 2017</b>	December 31, 2016
Bad debts provision	<b>\$ 84,885</b>	\$ 65,922
Non-capital losses	<b>1,381,173</b>	1,009,797
Carrying amount of equipment higher than the tax basis	<b>(114,225)</b>	(226,418)
Cumulative eligible capital available for tax purposes	-	134,449
	<b>\$ 1,351,833</b>	\$ 983,750

b) Income tax expense is recognized based on management's best estimate of the weighted average annual income tax rate expected for the full financial period. The average annual rate used for the nine months ended September 30, 2017, was 27% (September 30, 2016 - 27%).

	<b>September 30, 2017</b>	September 30, 2016
Earnings before income tax	<b>\$ 5,871,625</b>	\$ 5,372,745
Anticipated income tax expense	<b>1,585,339</b>	1,450,641
Non-deductible expenses	<b>25,615</b>	34,937
Non-taxable income	-	(232,470)
Tax losses for which no deferred tax asset is recognized	-	114,018
Adjustment in respect of prior years	<b>20,501</b>	(71,727)
Other	-	19,344
	<b>\$ 1,631,455</b>	\$ 1,314,743
Current tax expense	<b>\$ 1,999,538</b>	\$ 1,579,382
Deferred tax recovery	<b>(368,083)</b>	(264,639)
	<b>\$ 1,631,455</b>	\$ 1,314,743

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

### 17. OTHER GAINS, NET

	September 30, 2017	September 30, 2016
Unrealized foreign exchange gain	\$ 250,142	\$ 669,707
CRA lawsuit settlement refund	-	782,438
Settlement loss	-	(515,256)
Restraint of trade income	114,918	-
Other	(1,800)	(18,988)
	<b>\$ 363,260</b>	<b>\$ 917,901</b>

Restraint of trade income relates to monies received from a consultant for the release from a restraint of trade agreement in the ATM division.

### 18. EARNINGS PER SHARE

#### Basic and diluted

Basic earnings per share is calculated by dividing the profit attributable to equity holders of Olympia by the weighted average number of common shares in issue during the period.

Nine months ended	September 30, 2017	September 30, 2016
Net earnings	\$ 4,240,170	\$ 4,058,002
Weighted average number of shares (basic and diluted)	2,406,352	2,406,352
Basic and diluted earnings per share	\$ 1.76	\$ 1.69

Three months ended	September 30, 2017	September 30, 2016
Net earnings	\$ 1,443,047	\$ 1,439,230
Weighted average number of shares (basic and diluted)	2,406,352	2,406,352
Basic and diluted earnings per share	\$ 0.60	\$ 0.60

### 19. DIVIDENDS PER SHARE

The dividends declared and paid amounted to \$4.48 million (September 30, 2016 - \$3.97 million).

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

### 20. CHANGES IN NON CASH WORKING CAPITAL

	September 30, 2017	September 30, 2016
Trade & other receivables	\$ (401,703)	\$ (1,150,479)
Current taxes receivable	117,683	185,757
Current taxes payable	39,304	-
Prepaid expenses	173,673	(129,496)
Inventory	193,887	(118,341)
Trade & other payables	436,664	(80,277)
Deferred revenue	2,965,819	2,890,725
Other liabilities & charges	346,103	291,046
Other liabilities	1,076,996	(214,220)
	<b>\$ 4,948,426</b>	<b>\$ 1,674,715</b>

### 21. CONTINGENCIES

Olympia is not a money lender nor does it guarantee or participate in loans or mortgages of any type, except in its capacity as trustee of mortgages held on behalf of its clients. Olympia is defendant and plaintiff in a number of legal actions that arise in the normal course of business, the losses or gains from which, if any, are not anticipated to have a material effect on the condensed consolidated financial statements.

### 22. RELATED PARTY TRANSACTIONS

Olympia's chief executive officer ("CEO") and president owns and controls 29.10% of Olympia's shares. During the year, Olympia entered into transactions with the following related parties:

- Companies and businesses controlled by the president and CEO of Olympia;
- Companies and businesses associated with the directors of Olympia;
- Companies and businesses controlled by management of Olympia;
- Family members of the president, management and directors; and
- Key management and director compensation.

The following transactions with related parties were measured at the exchange amount, which is the amount of consideration agreed to by the parties:

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

### Service revenue

	<b>September 30, 2017</b>	September 30, 2016
Companies and businesses controlled by the president and CEO	<b>\$ 10,317</b>	\$ 5,674
	<b>\$ 10,317</b>	\$ 5,674

### Administrative expenses

	<b>September 30, 2017</b>	September 30, 2016
Companies and businesses controlled by the president and CEO	<b>\$ 1,847,456</b>	\$ 1,585,146
Olympia Charitable Foundation	<b>45,171</b>	50,311
	<b>\$ 1,892,627</b>	\$ 1,635,457

Administrative expenses paid to associated entities totaled \$1.89 million for the nine months ended September 30, 2017 (September 30, 2016 - \$1.64 million), and consisted of the following:

- The Olympia Charitable Foundation is funded by Olympia and the employees of Olympia. Olympia donated a total of \$45,171 for the nine months ended September 30, 2017 (September 30, 2016 - \$50,311).
- Management fees are paid to Tarman Inc., a company controlled by Olympia's president and CEO, based on a percentage of pre-tax profits of Olympia's divisions, except for OBI, where the management fee is based on a percentage of health claims administered. These fees are for services provided as CEO of Olympia. For the nine months ended September 30, 2017, this amounted to \$1.85 million (September 30, 2016 - \$1.59 million).

### Share capital

On March 24, 2017, Target Capital Inc. ("Target"), of which Olympia's president and CEO is the controlling stakeholder, sold an aggregate of 55,200 common shares of Olympia to several arm's-length private parties, through a private sale. The shares were sold at a price of \$29.00 per Olympia common share (the "Disposition"). After giving effect to the Disposition, the president and CEO of Olympia owns and controls 700,233 common shares of Olympia, representing 29.10% of the issued and outstanding common shares of Olympia on a non-diluted and fully diluted basis.

### Trade and other receivables include amounts receivable from related parties

	<b>September 30, 2017</b>	December 31, 2016
Companies and businesses controlled by the president and CEO	<b>\$ 197,534</b>	\$ 611,408
Companies and businesses controlled by directors	<b>1,614</b>	17,268
	<b>\$ 199,148</b>	\$ 628,676

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

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Trade and other payables and provision for other liabilities and charges include amounts payable to related parties

	<b>September 30, 2017</b>	December 31, 2016
Companies and businesses controlled by the president and CEO	<b>\$ 123,727</b>	\$ 107,890
Directors' fees	<b>57,594</b>	28,204
Management	-	924
Olympia Charitable Foundation	<b>39,119</b>	3,100
	<b>\$ 220,440</b>	\$ 140,118

## CORPORATE INFORMATION

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### Directors

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Rick Skauge  
Gerard Janssen<sup>12345</sup>  
Brian Newman<sup>12345</sup>  
Craig Skauge  
Diana Wolfe<sup>12345</sup>  
Dennis Nerland  
Tony Lanzl

### Board Committees

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- <sup>1</sup> Audit Committee
- <sup>2</sup> Corporate Governance Committee
- <sup>3</sup> Executive Compensation Committee
- <sup>4</sup> Investment Committee
- <sup>5</sup> Conduct Review Committee

### Head Office

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2300, 125 - 9th Avenue SE  
Calgary, AB T2G 0P6  
Tel: 403-261-0900  
Fax: 403-265-1455  
[www.olympiatruster.com](http://www.olympiatruster.com)  
[info@olympiatruster.com](mailto:info@olympiatruster.com)

### Transfer Agent

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AST Trust Company  
600, 333 - 7th Avenue SW  
Calgary, AB T2P 2Z1  
Tel: 403-776-3900  
Fax: 403-776-3916

### Auditors

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PricewaterhouseCoopers LLP  
Chartered Professional Accountants  
Suite 3100, 111 - 5th Avenue SW  
Calgary, AB T2P 5L3

## EXECUTIVE TEAM

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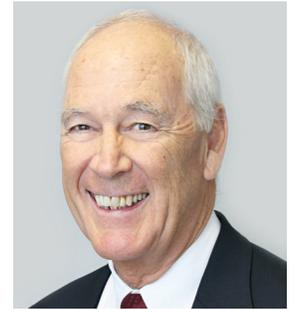
**RICK SKAUGE**  
*President and Chief  
Executive Officer*



**CRAIG SKAUGE**  
*Executive Vice President  
and President, Olympia  
Trust Company*



**GERHARD BARNARD**  
*Chief Financial Officer and  
Vice President, Finance*



**ROBIN FRY**  
*President, Olympia  
Benefits Inc.*



**JIM WILSON**  
*President, Olympia ATM Inc.*



**DERICK KACHUIIK**  
*Vice President,  
Foreign Exchange*



**ANDREA GILLIS**  
*Vice President, Client Services  
Registered Plans*



**KELLY REVOL**  
*Vice President, Operations  
Registered Plans*



**JONATHAN BAHNUIK**  
*General Counsel*

2300, 125 - 9th Avenue SE Calgary, Alberta T2G 0P6  
Tel: 403-261-0900 • Fax: 403-265-1455  
[www.olympiafinancial.com](http://www.olympiafinancial.com) [info@olympiafinancial.com](mailto:info@olympiafinancial.com)