

# ScotiaFunds®

## Annual Report

December 31, 2017

1832 AM Canadian Dividend LP  
1832 AM Canadian Growth LP  
1832 AM Canadian Preferred Share LP  
1832 AM Global Completion LP  
1832 AM North American Preferred Share LP  
1832 AM Tactical Asset Allocation LP  
Scotia Global Low Volatility Equity LP  
Scotia Total Return Bond LP  
Scotia U.S. Dividend Growers LP  
Scotia U.S. Low Volatility Equity LP

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# 1832 AM Canadian Dividend LP

## STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2017	December 31, 2016
<b>ASSETS</b>		
Current assets		
Investments		
Non-derivative financial assets	580,313,799	527,294,737
Unrealized gain on currency forward contracts	1,002,964	13,820
Unrealized gain on currency spot contracts	—	9,426
Cash	19,283,701	37,369,682
Receivable for securities sold	—	10,263,600
Accrued investment income and other	1,637,978	1,114,015
	<u>602,238,442</u>	<u>576,065,280</u>
<b>LIABILITIES</b>		
Current liabilities		
Payable for securities purchased	—	977,803
Redemptions payable	74,300	—
Accrued expenses	44	710
Unrealized loss on currency forward contracts	—	94,027
	<u>74,344</u>	<u>1,072,540</u>
Net assets attributable to holders of redeemable units	<u>602,164,098</u>	<u>574,992,740</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES</b>		
Series I	<u>602,164,098</u>	<u>574,992,740</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT</b>		
Series I	<u>10.61</u>	<u>10.29</u>

## STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2017	2016
<b>INCOME</b>		
Net gain (loss) on investments		
Dividends	15,213,601	14,911,102
Interest for distribution purposes	366,429	331,539
Net realized gain (loss) on non-derivative financial assets	(25,461,148)	(422,804)
Net realized gain (loss) on currency forward contracts	(513,147)	1,411,662
Change in unrealized gain (loss) on non-derivative financial assets	29,634,506	66,777,043
Change in unrealized gain (loss) on currency forward contracts	1,083,171	(80,207)
Change in unrealized gain (loss) on currency spots contracts	(9,426)	9,426
Net gain (loss) on investments	<u>20,313,986</u>	<u>82,937,761</u>
Securities lending (note 11)	3,191	—
Net realized and unrealized foreign currency translation gain (loss)	(497,155)	129,219
Total income (loss), net	<u>19,820,022</u>	<u>83,066,980</u>
<b>EXPENSES</b>		
Fixed administration fees (note 6)	233,234	214,420
Independent Review Committee fees	1,135	1,184
Interest expense and bank overdraft charges	138	32
Foreign withholding taxes/tax reclaims	113,568	131,208
Other fund costs	—	93
Harmonized Sales Tax/Goods and Services Tax	30,320	28,041
Transaction costs	1,059,819	767,288
Total expenses	<u>1,438,214</u>	<u>1,142,266</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>18,381,808</u>	<u>81,924,714</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES</b>		
Series I	<u>18,381,808</u>	<u>81,924,714</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT<sup>†</sup></b>		
Series I	<u>0.32</u>	<u>1.45</u>
<b>WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES</b>		
Series I	<u>56,878,045</u>	<u>56,572,488</u>

<sup>†</sup> The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2017	2016
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD</b>		
Series I	574,992,740	492,061,042
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS</b>		
Series I	18,381,808	81,924,714
<b>REDEEMABLE UNIT TRANSACTIONS</b>		
Proceeds from issue		
Series I	31,370,050	31,269,001
Payments on redemption		
Series I	(22,580,500)	(30,262,017)
	<u>8,789,550</u>	<u>1,006,984</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		
Series I	27,171,358	82,931,698
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD</b>		
Series I	<u>602,164,098</u>	<u>574,992,740</u>

## STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2017	2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	18,381,808	81,924,714
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	25,461,148	422,804
Unrealized foreign currency translation (gain) loss	(38,282)	42,270
Change in unrealized (gain) loss on non-derivative financial assets	(29,634,506)	(66,777,043)
Change in unrealized (gain) loss on currency forward contracts	(1,083,171)	80,207
Change in unrealized (gain) loss on currency spot contracts	9,426	(9,426)
Purchases of portfolio investments	(599,944,530)	(503,517,503)
Proceeds from sale of portfolio investments	560,384,623	456,566,436
Accrued investment income and other	(523,963)	(282,517)
Accrued expenses and other payables	(666)	710
Net cash provided by (used in) operating activities	<u>(26,988,113)</u>	<u>(31,549,348)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of redeemable units	31,370,050	31,428,001
Amounts paid on redemption of redeemable units	<u>(22,506,200)</u>	<u>(30,262,017)</u>
Net cash provided by (used in) financing activities	8,863,850	1,165,984
Unrealized foreign currency translation gain (loss)	38,282	(42,270)
Net increase (decrease) in cash	<u>(18,124,263)</u>	<u>(30,383,364)</u>
Cash (bank overdraft), beginning of period	37,369,682	67,795,316
CASH (BANK OVERDRAFT), END OF PERIOD	<u>19,283,701</u>	<u>37,369,682</u>
Interest paid <sup>(1)</sup>	138	32
Interest received <sup>(1)</sup>	380,593	341,101
Dividends received, net of withholding taxes <sup>(1)</sup>	14,561,904	14,487,816

<sup>(1)</sup> Classified as operating items.

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

# 1832 AM Canadian Dividend LP (Continued)

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2017

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)	Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 96.5%				EQUITIES (cont'd)			
Consumer Discretionary – 15.4%				Industrials – 12.5%			
Cineplex, Inc.	501,100	24,643,191	18,706,063	Canadian National Railway Company	176,900	16,520,548	18,335,685
Restaurant Brands International Inc.	148,200	12,061,945	11,451,414	Canadian Pacific Railway Limited	52,936	10,596,971	12,157,282
Shaw Communications, Inc., Class B	591,600	16,420,264	16,973,004	K-Bro Linen Inc.	347,500	15,956,004	14,358,700
Starbucks Corporation	171,600	12,025,995	12,376,906	Morneau Shepell, Inc.	772,200	13,328,118	17,220,060
Thomson Reuters Corporation	255,400	14,862,910	13,993,366	United Parcel Service, Inc., Class B	87,900	13,245,512	13,153,427
Uni-Select Inc.	386,100	11,850,410	10,969,101			69,647,153	75,225,154
Walt Disney Company, The	59,200	7,262,037	7,993,309				
		99,126,752	92,463,163	Information Technology – 3.7%			
Consumer Staples – 9.4%				Microsoft Corporation			
Alimentation Couche-Tard Inc., Class B	188,900	11,163,883	12,389,951	Oracle Corporation	121,200	11,557,857	13,020,506
Costco Wholesale Corporation	57,300	11,301,647	13,393,796		160,200	9,707,171	9,512,529
Loblaws Companies Limited	214,300	15,020,086	14,619,546			21,265,028	22,533,035
Molson Coors Brewing Company, Class B	101,400	10,513,177	10,451,495	Materials – 5.9%			
Unilever NV – ADR	77,100	5,543,192	5,453,471	Agrium Inc.			
		53,541,985	56,308,259		84,400	11,634,426	12,202,552
Energy – 10.5%				Chemtrade Logistics Income Fund			
ARC Resources Ltd.	566,100	8,334,215	8,349,975	Franco-Nevada Corporation	360,100	6,774,660	6,985,940
Canadian Natural Resources Ltd.	273,700	10,089,026	12,294,604	Teck Resources Ltd., Class B	88,100	7,936,611	8,850,526
CES Energy Solutions Corporation	1,164,100	6,529,331	7,601,573		223,900	6,149,180	7,359,593
Enbridge Inc.	345,300	18,258,509	16,974,948			32,494,877	35,398,611
PrairieSky Royalty Ltd.	378,100	12,113,385	12,121,886	Real Estate – 1.3%			
TransCanada Corporation	96,900	4,541,564	5,928,342	Granite Real Estate Investment Trust			
		59,866,030	63,271,328		157,700	7,903,011	7,766,725
Financials – 28.7%				Telecommunication Services – 3.6%			
Bank of America Corporation	277,100	9,978,427	10,273,274	BCE Inc.			
Bank of Montreal	204,300	19,145,527	20,550,538		247,900	14,626,075	14,968,202
Bank of Nova Scotia, The	298,600	21,190,356	24,222,432		105,400	4,985,710	6,750,870
Canadian Imperial Bank of Commerce	141,668	15,036,964	17,359,997			19,611,785	21,719,072
Intact Financial Corporation	188,585	17,306,077	19,799,539	Utilities – 1.0%			
Manulife Financial Corporation	451,800	9,711,656	11,846,196	Northland Power Inc.			
Power Financial Corporation	292,400	10,492,635	10,099,496		250,800	5,911,801	5,856,180
Royal Bank of Canada	286,300	25,031,198	29,388,695	Transaction Costs			
Toronto-Dominion Bank, The	399,400	24,758,420	29,415,810			(359,134)	
		152,651,260	172,955,977	TOTAL INVESTMENT PORTFOLIO			
Health Care – 4.5%				Unrealized Gain (Loss) on Derivatives – 0.2%			
Jamieson Wellness Inc.	238,500	3,756,375	5,328,090	OTHER ASSETS, LESS LIABILITIES – 3.3%			
Johnson & Johnson	52,700	9,475,975	9,247,518	NET ASSETS – 100.0%			
Medtronic PLC	120,700	11,820,681	12,240,687				
		25,053,031	26,816,295				

## SCHEDULE OF DERIVATIVE INSTRUMENTS

### UNREALIZED GAIN ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Gain (\$)
Royal Bank of Canada	A-1+	Jan. 24, 2018	Canadian Dollar	16,443,432	US Dollar	12,880,000	0.783	0.795	251,543
Canadian Imperial Bank of Commerce	A-1	Jan. 24, 2018	Canadian Dollar	4,571,660	US Dollar	3,580,000	0.783	0.795	71,119
Toronto-Dominion Bank, The	A-1+	Jan. 24, 2018	Canadian Dollar	22,334,375	US Dollar	17,500,000	0.784	0.795	334,527
Bank of Montreal	A-1	Jan. 24, 2018	Canadian Dollar	1,026,999	US Dollar	800,000	0.779	0.795	21,292
Bank of Montreal	A-1	Feb. 21, 2018	Canadian Dollar	7,369,468	US Dollar	5,730,000	0.778	0.796	166,813
Bank of Montreal	A-1	Feb. 21, 2018	Canadian Dollar	7,511,166	US Dollar	5,850,000	0.779	0.796	157,670
									1,002,964

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

# 1832 AM Canadian Dividend LP (Continued)

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

### The Fund (note 1)

The Fund seeks to provide income and long-term capital growth by investing primarily in equity securities of Canadian business that pay dividend or distribution. The Fund can invest up to 49% of its assets in foreign securities.

### Risks associated with financial instruments (note 4)

#### Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at December 31, 2017 and December 31, 2016. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

#### Currency risk

The Fund's exposure to currency risk is summarized in the tables below. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund, net of currency contracts, as applicable.

Currency	December 31, 2017			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	119,535,761	(58,254,137)	61,281,624	10.2
	119,535,761	(58,254,137)	61,281,624	10.2

Currency	December 31, 2016			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	24,865,576	(15,892,208)	8,973,368	1.6
	24,865,576	(15,892,208)	8,973,368	1.6

If the Canadian dollar strengthened or weakened by 10% in relation to all other currencies, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by \$6,128,162 or 1.0% of net assets (December 31, 2016 – \$897,337 or 0.2%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2017, approximately 96.5% (December 31, 2016 – 91.7%) of the Fund's net assets were exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$58,031,380 (December 31, 2016 – \$52,729,474). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

### Credit risk

The Fund had no significant exposure to bonds and debentures, money market instruments or preferred shares as at December 31, 2017 or December 31, 2016.

### Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets:

	Percentage of net assets (%)	
	December 31, 2017	December 31, 2016
Consumer Discretionary	15.4	13.0
Consumer Staples	9.4	5.5
Energy	10.5	24.9
Financials	28.7	16.6
Health Care	4.5	1.8
Industrials	12.5	12.0
Information Technology	3.7	3.9
Materials	5.9	3.6
Real Estate	1.3	1.7
Telecommunication Services	3.6	2.9
Utilities	1.0	5.8

### Fair Value Classification (note 2)

The tables below illustrate the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2017	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	580,313,799	–	–	580,313,799
Unrealized gain on currency forward contracts	–	1,002,964	–	1,002,964
	580,313,799	1,002,964	–	581,316,763

December 31, 2016	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	527,294,737	–	–	527,294,737
Unrealized gain on currency forward contracts	–	13,820	–	13,820
Unrealized gain on currency spot contracts	–	9,426	–	9,426
	527,294,737	23,246	–	527,317,983
Unrealized loss on currency forward contracts	–	(94,027)	–	(94,027)
	527,294,737	(70,781)	–	527,223,956

### Transfers between levels

During the periods ended December 31, 2017 and December 31, 2016, there were no significant transfers between Level 1 and Level 2.

### Offsetting of financial assets and liabilities (note 2)

The following table presents offsetting of financial assets and liabilities and collateral amounts that would occur if future events, such as

# 1832 AM Canadian Dividend LP (Continued)

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

bankruptcy or termination of contracts, were to arise. No amounts were offset in the financial statements.

December 31, 2017				
Financial assets – by type	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/ received (\$)	Net Amount (\$)
Currency forward contracts	1,002,964	–	–	1,002,964
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	1,002,964	–	–	1,002,964

December 31, 2016				
Financial liabilities – by type	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/ received (\$)	Net Amount (\$)
Currency forward contracts	–	–	–	–
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	–	–	–	–

December 31, 2016				
Financial assets – by type	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/ received (\$)	Net Amount (\$)
Currency forward contracts	13,820	(13,820)	–	–
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	13,820	(13,820)	–	–

December 31, 2016				
Financial liabilities – by type	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/ received (\$)	Net Amount (\$)
Currency forward contracts	94,027	(13,820)	–	80,207
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	94,027	(13,820)	–	80,207

### Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2017 or December 31, 2016.

### Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2017 or December 31, 2016, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

# 1832 AM Canadian Growth LP

## STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2017	December 31, 2016
<b>ASSETS</b>		
Current assets		
Investments		
Non-derivative financial assets	243,758,493	240,940,420
Unrealized gain on currency forward contracts	–	656
Cash	4,549,539	2,052,831
Subscriptions receivable	21,000	3,018,600
Accrued investment income and other	507,048	353,975
	<u>248,836,080</u>	<u>246,366,482</u>
<b>LIABILITIES</b>		
Current liabilities		
Redemptions payable	–	17,800
Accrued expenses	12	304
Unrealized loss on currency forward contracts	–	102,035
	<u>12</u>	<u>120,139</u>
Net assets attributable to holders of redeemable units	<u>248,836,068</u>	<u>246,246,343</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES</b>		
Series I	<u>248,836,068</u>	<u>246,246,343</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT</b>		
Series I	<u>10.72</u>	<u>10.31</u>

## STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2017	2016
<b>INCOME</b>		
Net gain (loss) on investments		
Dividends	5,128,214	4,051,308
Interest for distribution purposes	10,290	32,618
Net realized gain (loss) on non-derivative financial assets	3,830,744	(10,345,676)
Net realized gain (loss) on currency forward contracts	2,030,073	(1,139,623)
Change in unrealized gain (loss) on non-derivative financial assets	(511,567)	22,019,874
Change in unrealized gain (loss) on currency forward contracts	101,379	(48,845)
Net gain (loss) on investments	10,589,133	14,569,656
Securities lending (note 11)	30	–
Net realized and unrealized foreign currency translation gain (loss)	(452,251)	39,305
Total income (loss), net	<u>10,136,912</u>	<u>14,608,961</u>
<b>EXPENSES</b>		
Fixed administration fees (note 6)	97,291	86,528
Independent Review Committee fees	1,135	1,184
Interest expense and bank overdraft charges	17,793	2,771
Foreign withholding taxes/tax reclaims	118,574	94,144
Other fund costs	–	36
Harmonized Sales Tax/Goods and Services Tax	12,648	11,407
Transaction costs	549,643	315,256
Total expenses	<u>797,084</u>	<u>511,326</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>9,339,828</u>	<u>14,097,635</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES</b>		
Series I	<u>9,339,828</u>	<u>14,097,635</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT<sup>†</sup></b>		
Series I	<u>0.40</u>	<u>0.62</u>
<b>WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES</b>		
Series I	<u>23,482,009</u>	<u>22,615,426</u>

<sup>†</sup> The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2017	2016
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD</b>		
Series I	246,246,343	193,187,908
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS</b>		
Series I	9,339,828	14,097,635
<b>REDEEMABLE UNIT TRANSACTIONS</b>		
Proceeds from issue		
Series I	16,853,350	46,859,400
Payments on redemption		
Series I	(23,603,453)	(7,898,600)
	<u>(6,750,103)</u>	<u>38,960,800</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		
Series I	2,589,725	53,058,435
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD</b>		
Series I	<u>248,836,068</u>	<u>246,246,343</u>

## STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2017	2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	9,339,828	14,097,635
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(3,830,744)	10,345,676
Unrealized foreign currency translation (gain) loss	(8,174)	4,328
Change in unrealized (gain) loss on non-derivative financial assets	511,567	(22,019,874)
Change in unrealized (gain) loss on currency forward contracts	(101,379)	48,845
Purchases of portfolio investments	(285,216,586)	(171,625,566)
Proceeds from sale of portfolio investments	285,717,690	133,100,213
Accrued investment income and other	(153,073)	(1,548)
Accrued expenses and other payables	(292)	304
Net cash provided by (used in) operating activities	<u>6,258,837</u>	<u>(36,049,987)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of redeemable units	19,850,950	43,840,800
Amounts paid on redemption of redeemable units	(23,621,253)	(7,880,800)
Net cash provided by (used in) financing activities	<u>(3,770,303)</u>	<u>35,960,000</u>
Unrealized foreign currency translation gain (loss)	8,174	(4,328)
Net increase (decrease) in cash	2,488,534	(89,987)
Cash (bank overdraft), beginning of period	2,052,831	2,147,146
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<u>4,549,539</u>	<u>2,052,831</u>
Interest paid <sup>(1)</sup>	17,793	2,771
Interest received <sup>(1)</sup>	11,535	31,869
Dividends received, net of withholding taxes <sup>(1)</sup>	4,855,322	3,956,365

<sup>(1)</sup> Classified as operating items.

# 1832 AM Canadian Growth LP (Continued)

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2017

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
<b>EQUITIES – 98.0%</b>			
Consumer Discretionary – 5.9%			
Canadian Tire Corporation, Limited, Class A	22,700	3,330,858	3,720,530
Restaurant Brands International Inc.	65,600	5,442,921	5,068,912
Shaw Communications, Inc., Class B	207,100	5,196,057	5,941,699
		<u>13,969,836</u>	<u>14,731,141</u>
Consumer Staples – 4.6%			
Alimentation Couche-Tard Inc., Class B	98,800	6,215,068	6,480,292
Loblaw Companies Limited	71,900	4,773,925	4,905,018
		<u>10,988,993</u>	<u>11,385,310</u>
Energy – 12.8%			
Birchcliff Energy Ltd.	765,300	5,741,565	3,367,320
Canadian Natural Resources Ltd.	157,400	6,582,728	7,070,408
EnCana Corporation	272,700	3,922,443	4,573,179
Keyera Corporation	145,900	5,957,450	5,167,778
PrairieSky Royalty Ltd.	205,100	6,016,205	6,575,506
Suncor Energy, Inc.	107,100	4,674,681	4,942,665
		<u>32,895,072</u>	<u>31,696,856</u>
Financials – 30.6%			
Bank of America Corporation	159,300	4,585,447	5,905,928
Bank of Montreal	83,300	7,824,765	8,379,147
Bank of Nova Scotia, The	90,000	7,446,361	7,300,800
Canadian Imperial Bank of Commerce	73,700	7,275,579	9,031,198
Invesco Limited	93,400	4,434,817	4,286,190
Manulife Financial Corporation	261,100	5,951,955	6,846,042
Morgan Stanley	119,600	6,466,187	7,881,307
Onex Corporation	42,900	4,169,692	3,954,951
Sun Life Financial Inc.	150,200	7,595,792	7,792,376
TMX Group Inc.	56,900	3,820,940	4,008,036
Toronto-Dominion Bank, The	146,900	9,527,331	10,819,185
		<u>69,098,866</u>	<u>76,205,160</u>
Health Care – 6.9%			
Biogen Inc.	13,400	5,154,311	5,361,245
Celgene Corporation	40,700	6,988,776	5,334,387
Merck & Co., Inc.	90,300	7,095,415	6,381,469
		<u>19,238,502</u>	<u>17,077,101</u>
Industrials – 8.3%			
BuildDirect.com Technologies Inc., Restricted*	174,240	1,184,004	–
Canadian National Railway Company	59,900	4,904,958	6,208,635
Canadian Pacific Railway Limited	11,200	2,439,766	2,572,194
SNC-Lavalin Group Inc.	109,500	5,944,046	6,246,975
Waste Connections Inc.	63,850	5,128,428	5,692,866
		<u>19,601,202</u>	<u>20,720,670</u>
Information Technology – 13.3%			
Alphabet Inc., Class C	5,500	4,716,473	7,227,971
CGI Group Inc., Class A	100,100	5,325,997	6,836,830
Coming Incorporated	118,100	4,694,237	4,744,824
First Data Corporation	323,400	6,630,164	6,786,916
Microsoft Corporation	69,700	5,114,606	7,487,865
		<u>26,481,477</u>	<u>33,084,406</u>
Materials – 10.8%			
Agnico-Eagle Mines Limited	59,200	3,382,928	3,435,968
Agrium Inc.	30,200	4,160,143	4,366,316
CCL Industries Inc., Class B	84,500	2,569,562	4,907,760
Ecolab Inc.	21,500	3,671,623	3,623,116
First Quantum Minerals Ltd.	220,900	3,501,833	3,890,049
Franco-Nevada Corporation	32,100	2,898,733	3,224,766
Teck Resources Ltd., Class B	104,300	3,018,811	3,428,341
		<u>23,203,633</u>	<u>26,876,316</u>

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
<b>EQUITIES (cont'd)</b>			
Telecommunication Services – 4.8%			
Rogers Communications, Inc., Class B	71,900	4,899,034	4,605,195
TELUS Corporation	154,900	6,823,058	7,376,338
		<u>11,722,092</u>	<u>11,981,533</u>
Transaction Costs			
		<u>(188,725)</u>	
<b>TOTAL INVESTMENT PORTFOLIO</b>			
		<u>227,010,948</u>	<u>243,758,493</u>
<b>OTHER ASSETS, LESS LIABILITIES – 2.0%</b>			
			<u>5,077,575</u>
<b>NET ASSETS – 100.0%</b>			
			<u>248,836,068</u>

\* These securities have no quoted values and are classified as Level 3 securities.

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



# 1832 AM Canadian Growth LP (Continued)

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

### The Fund (note 1)

The Fund's objective is to provide long-term capital growth. It invests primarily in a broad range of Canadian equity securities. The Fund can invest up to 49% of its assets in foreign securities.

### Risks associated with financial instruments (note 4)

#### Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at December 31, 2017 and December 31, 2016. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

#### Currency risk

The Fund's exposure to currency risk is summarized in the tables below. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund, net of currency contracts, as applicable.

Currency	December 31, 2017			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	65,569,385	–	65,569,385	26.4
	65,569,385	–	65,569,385	26.4

Currency	December 31, 2016			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	44,450,726	(22,152,198)	22,298,528	9.1
	44,450,726	(22,152,198)	22,298,528	9.1

If the Canadian dollar strengthened or weakened by 10% in relation to all other currencies, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by \$6,556,939 or 2.64% of net assets (December 31, 2016 – \$2,229,853 or 0.9%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2017, approximately 98.0% (December 31, 2016 – 97.8%) of the Fund's net assets were exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$24,375,849 (December 31, 2016 – \$24,094,042). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

### Credit risk

The Fund had no significant exposure to bonds and debentures, money market instruments or preferred shares as at December 31, 2017 or December 31, 2016.

### Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets:

	Percentage of net assets (%)	
	December 31, 2017	December 31, 2016
Consumer Discretionary	5.9	13.4
Consumer Staples	4.6	4.7
Energy	12.8	19.2
Financials	30.6	21.6
Health Care	6.9	2.3
Industrials	8.3	9.7
Information Technology	13.3	15.8
Materials	10.8	6.4
Telecommunication Services	4.8	4.7

### Fair Value Classification (note 2)

The tables below illustrate the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2017	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	243,758,493	–	–	243,758,493
	243,758,493	–	–	243,758,493

December 31, 2016	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	240,512,845	–	409,629	240,922,474
Warrants, rights and options	17,946	–	–	17,946
Unrealized gain on currency forward contracts	–	656	–	656
	240,530,791	656	409,629	240,941,076
Unrealized loss on currency forward contracts	–	(102,035)	–	(102,035)
	240,530,791	(101,379)	409,629	240,839,041

### Transfers between levels

During the periods ended December 31, 2017 and December 31, 2016, there were no significant transfers between Level 1 and Level 2.

# 1832 AM Canadian Growth LP (Continued)

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

### Reconciliation of Level 3 financial instruments

The following table presents the movement in the Fund's Level 3 financial instruments for the periods ended:

	December 31, 2017 (\$)	December 31, 2016 (\$)
Beginning of period	409,629	1,314,396
Purchases	-	-
Sales	-	-
Transfers into Level 3	-	-
Transfers out of Level 3	-	-
Net realized gains (losses)	-	-
Net changes in unrealized gain (loss)*	(409,629)	(904,767)
End of period	-	409,629

\* Net change in unrealized gain (loss) for Level 3 financial instruments held as at December 31, 2017 and December 31, 2016 was \$(409,629) and \$(904,767), respectively.

### Level 3 valuation techniques

The tables below summarize the significant unobservable inputs used in the fair value measurement of Level 3 financial instruments. The significant unobservable inputs in the valuation techniques to estimate the fair values of level 3 investments can vary considerably over time to time depending on company specific factors and economic or market conditions. The tables also illustrate the potential impact on the Fund if the significant unobservable inputs used in the valuation techniques had increased or decreased by 5%, with all other variables held constant. Certain significant unobservable inputs used in the valuation techniques are not reasonably expected to shift and are indicated in the tables below as "n/a". Securities where the reasonable possible shift in the significant unobservable input did not result in a material impact on the Fund are indicated in the table below as nil.

Security	Valuation technique	Significant unobservable input	Carrying value as at December 31, 2017 (\$)	Reasonable possible shift (+/-) (\$)
Equities	Fundamental model analysis based on financial data	Discount to company NAV	-	-
			-	

Security	Valuation technique	Significant unobservable input	Carrying value as at December 31, 2016 (\$)	Reasonable possible shift (+/-) (\$)
Equities	Financing transaction price	Financing price	409,629	n/a
			409,629	

### Offsetting of financial assets and liabilities (note 2)

The following table presents offsetting of financial assets and liabilities and collateral amounts that would occur if future events, such as bankruptcy or termination of contracts, were to arise. No amounts were offset in the financial statements. As at December 31, 2017, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

Financial assets – by type	December 31, 2016			
	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	656	(656)	-	-
Options contracts – OTC	-	-	-	-
Swap contracts – OTC	-	-	-	-
	656	(656)	-	-

Financial liabilities – by type	December 31, 2016			
	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	102,035	(656)	-	101,379
Options contracts – OTC	-	-	-	-
Swap contracts – OTC	-	-	-	-
	102,035	(656)	-	101,379

### Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2017 or December 31, 2016.

### Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2017 or December 31, 2016, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

# 1832 AM Canadian Preferred Share LP

## STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2017	December 31, 2016
<b>ASSETS</b>		
Current assets		
Investments		
Non-derivative financial assets	134,188,697	134,897,517
Unrealized gain on currency forward contracts	63,479	6,235
Cash	4,324,358	4,068,386
Receivable for securities sold	40,077	2,081,163
Accrued investment income and other	308,753	449,602
	<u>138,925,364</u>	<u>141,502,903</u>
<b>LIABILITIES</b>		
Current liabilities		
Payable for securities purchased	171,096	878,217
Redemptions payable	44,600	–
Accrued expenses	11	304
Unrealized loss on currency forward contracts	9,092	36,666
	<u>224,799</u>	<u>915,187</u>
Net assets attributable to holders of redeemable units	<u>138,700,565</u>	<u>140,587,716</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES</b>		
Series I	138,700,565	140,587,716
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT</b>		
Series I	11.64	9.96

## STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2017	2016
<b>INCOME</b>		
Net gain (loss) on investments		
Dividends	6,114,135	6,421,254
Interest for distribution purposes	215,413	142,057
Net realized gain (loss) on non-derivative financial assets	(107,430)	(6,077,876)
Net realized gain (loss) on currency forward contracts	204,927	(45,255)
Change in unrealized gain (loss) on non-derivative financial assets	15,646,467	10,401,376
Change in unrealized gain (loss) on currency forward contracts	84,818	(28,975)
Net gain (loss) on investments	<u>22,158,330</u>	<u>10,812,581</u>
Securities lending (note 11)	1,579	4,556
Net realized and unrealized foreign currency translation gain (loss)	(11,613)	10,817
Total income (loss), net	<u>22,148,296</u>	<u>10,827,954</u>
<b>EXPENSES</b>		
Fixed administration fees (note 6)	97,099	86,915
Independent Review Committee fees	1,135	1,184
Interest expense and bank overdraft charges	38	850
Foreign withholding taxes/tax reclaims	–	7,596
Other fund costs	–	21
Harmonized Sales Tax/Goods and Services Tax	12,623	11,459
Transaction costs	52,112	58,569
Total expenses	<u>163,007</u>	<u>166,594</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>21,985,289</u>	<u>10,661,360</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES</b>		
Series I	21,985,289	10,661,360
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT†</b>		
Series I	1.74	0.77
<b>WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES</b>		
Series I	12,637,481	13,818,553

† The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2017	2016
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD</b>		
Series I	140,587,716	126,639,585
	<u>140,587,716</u>	<u>126,639,585</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS</b>		
Series I	21,985,289	10,661,360
	<u>21,985,289</u>	<u>10,661,360</u>
<b>REDEEMABLE UNIT TRANSACTIONS</b>		
Proceeds from issue		
Series I	1,211,000	17,931,733
Payments on redemption		
Series I	(25,083,440)	(14,644,962)
	<u>(23,872,440)</u>	<u>3,286,771</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		
Series I	(1,887,151)	13,948,131
	<u>(1,887,151)</u>	<u>13,948,131</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD</b>		
Series I	138,700,565	140,587,716
	<u>138,700,565</u>	<u>140,587,716</u>

## STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2017	2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets attributable to holders of redeemable units		
	21,985,289	10,661,360
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	107,430	6,077,876
Unrealized foreign currency translation (gain) loss	(4,655)	800
Change in unrealized (gain) loss on non-derivative financial assets	(15,646,467)	(10,401,376)
Change in unrealized (gain) loss on currency forward contracts	(84,818)	28,975
Purchases of portfolio investments	(35,127,238)	(38,927,571)
Proceeds from sale of portfolio investments	52,709,060	32,241,364
Accrued investment income and other	140,849	(287,585)
Accrued expenses and other payables	(293)	304
Net cash provided by (used in) operating activities	<u>24,079,157</u>	<u>(605,853)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of redeemable units		
	1,211,000	17,931,733
Amounts paid on redemption of redeemable units		
	(25,038,840)	(14,714,962)
Net cash provided by (used in) financing activities	<u>(23,827,840)</u>	<u>3,216,771</u>
Unrealized foreign currency translation gain (loss)		
	4,655	(800)
Net increase (decrease) in cash	251,317	2,610,918
Cash (bank overdraft), beginning of period		
	4,068,386	1,458,268
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<u>4,324,358</u>	<u>4,068,386</u>
Interest paid <sup>(1)</sup>		
	38	850
Interest received <sup>(1)</sup>		
	219,472	119,941
Dividends received, net of withholding taxes <sup>(1)</sup>		
	5,998,374	6,412,020

<sup>(1)</sup> Classified as operating items.

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

# 1832 AM Canadian Preferred Share LP (Continued)

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2017

Issuer	Face Value (\$)/ Number of Shares	Average Cost (\$)	Carrying Value (\$)	Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
<b>BONDS AND DEBENTURES – 2.8%</b>				<b>EQUITIES (cont'd)</b>			
Corporate Bonds – 2.8%				Financials (cont'd)			
TransCanada Pipelines Ltd. (Callable) 6.35% May 15, 2067	USD 1,575,000	1,424,130	1,849,672	Bank of Montreal, 3.90%, Preferred, Series 25	3,273	66,271	74,559
TransCanada Trust (Callable) 4.65% May 18, 2027	2,100,000	2,100,000	2,097,768	Bank of Montreal, 3.90%, Preferred, Series 29	19,000	472,720	442,510
		3,524,130	3,947,440	Bank of Montreal, 4.00%, Preferred, Series 27	35,200	751,382	844,800
				Bank of Montreal, 4.40%, Preferred, Series 42	2,500	62,150	63,725
<b>EQUITIES – 93.8%</b>				Bank of Nova Scotia, The, 0.79%, Preferred, Series 23	13,200	298,467	327,624
Consumer Discretionary – 0.7%				Bank of Nova Scotia, The, 1.41%, Preferred, Series 31	3,900	73,827	91,319
Shaw Communications, Inc., 4.50%, Preferred, CI2 Series A	56,900	941,746	1,000,871	Bank of Nova Scotia, The, 2.06%, Preferred, Series 30	2,400	49,324	55,920
Consumer Staples – 0.1%				Bank of Nova Scotia, The, 2.06%, Preferred, Series 32	11,500	232,622	264,730
George Weston Limited, 5.20%, Preferred, Series D	3,500	84,470	87,150	Bank of Nova Scotia, The, 2.69%, Preferred, Series 21	5,500	123,860	136,400
George Weston Limited, 5.20%, Preferred, Series III	4,400	105,908	109,384	Bank of Nova Scotia, The, 3.03%, Preferred, Series 19	9,000	207,810	224,730
		190,378	196,534	Bank of Nova Scotia, The, 3.35%, Preferred, Series 18	6,800	171,156	170,272
				Bank of Nova Scotia, The, 4.85%, Preferred, Series 38	6,500	167,895	170,430
Energy – 23.8%				Brookfield Asset Management Inc. (Floating Rate) 1.89%, Preferred, Series 13	39,300	415,401	593,430
AltaGas Ltd. (Floating Rate), Preferred, Series B	2,800	52,508	59,612	Brookfield Asset Management Inc. (Floating Rate) 1.89%, Preferred, Series 2	7,500	79,230	113,400
AltaGas Ltd., 4.40%, Preferred, Series C	23,300	733,570	756,437	Brookfield Asset Management Inc. (Floating Rate), Preferred, Series 25	3,000	57,120	59,910
AltaGas Ltd., 4.75%, Preferred, Series G	19,000	436,745	467,020	Brookfield Asset Management Inc. (Floating Rate), Preferred, Series 4	4,400	47,111	66,440
AltaGas Ltd., 5.00%, Preferred, Series A	37,600	697,477	793,360	Brookfield Asset Management Inc., 4.20%, Preferred, Series 34	61,800	1,286,701	1,483,200
AltaGas Ltd., 5.00%, Preferred, Series E	4,100	92,925	102,828	Brookfield Asset Management Inc., 4.40%, Preferred, Series 38	31,100	769,699	737,692
AltaGas Ltd., 5.00%, Preferred, Series K	10,200	255,000	262,548	Brookfield Asset Management Inc., 4.50%, Preferred, Series 26	44,500	1,036,797	925,600
Enbridge Inc., 4.00%, Preferred, Series 1	46,592	1,459,810	1,414,893	Brookfield Asset Management Inc., 4.50%, Preferred, Series 32	21,400	511,294	530,720
Enbridge Inc., 4.00%, Preferred, Series 3	91,000	1,994,047	1,797,250	Brookfield Asset Management Inc., 4.50%, Preferred, Series 40	29,300	739,963	720,780
Enbridge Inc., 4.00%, Preferred, Series B	48,700	908,114	910,690	Brookfield Asset Management Inc., 4.60%, Preferred, Series 28	36,850	762,080	647,086
Enbridge Inc., 4.00%, Preferred, Series D	54,755	1,166,868	1,080,316	Brookfield Asset Management Inc., 4.75%, Preferred, Series 17	7,300	158,463	162,863
Enbridge Inc., 4.00%, Preferred, Series F	29,200	639,871	596,264	Brookfield Asset Management Inc., 4.75%, Preferred, Series 18	13,500	290,385	299,700
Enbridge Inc., 4.00%, Preferred, Series H	31,100	653,894	587,790	Brookfield Asset Management Inc., 4.80%, Preferred, Series 30	20,201	437,765	498,763
Enbridge Inc., 4.00%, Preferred, Series J	2,900	89,752	87,010	Brookfield Asset Management Inc., 4.80%, Preferred, Series 46	50,500	1,262,447	1,329,160
Enbridge Inc., 4.00%, Preferred, Series L	13,800	429,687	414,568	Brookfield Asset Management Inc., 4.85%, Preferred, Series 36	67,400	1,470,384	1,516,500
Enbridge Inc., 4.00%, Preferred, Series N	45,600	889,903	949,848	Brookfield Asset Management Inc., 4.90%, Preferred, Series 37	13,900	290,945	315,530
Enbridge Inc., 4.00%, Preferred, Series P	105,600	2,318,830	2,146,848	Brookfield Asset Management Inc., 5.40%, Preferred, Series 24	67,800	1,262,766	1,366,170
Enbridge Inc., 4.00%, Preferred, Series R	48,800	1,058,285	985,760	Brookfield Properties Corporation, Inc., 5.10%, Preferred, Series R	61,427	1,368,763	1,368,594
Enbridge Inc., 4.40%, Preferred, Series 11	76,100	1,919,216	1,601,905	Brookfield Properties Corporation, Inc., 6.15%, Preferred, Series N	85,886	1,645,628	1,777,840
Enbridge Inc., 4.40%, Preferred, Series 13	19,600	417,499	412,776	Brookfield Renewable Power Inc., 1.10%, Preferred, Series 2	3,700	53,639	80,031
Enbridge Inc., 4.40%, Preferred, Series 5	13,800	413,995	407,289	Brookfield Renewable Power Inc., 4.40%, Preferred, Series 3	65,700	1,490,830	1,607,679
Enbridge Inc., 4.40%, Preferred, Series 9	13,450	336,981	284,199	Brookfield Renewable Power Inc., 5.00%, Preferred, Series 6	46,450	977,527	1,046,751
Husky Energy Inc., 4.45%, Preferred, Series 1	5,800	88,639	99,354	Brookfield Renewable Power Preferred Equity Inc., 5.00%, Preferred, Series 5	10,100	214,376	226,745
Husky Energy Inc., 4.50%, Preferred, Series 3	13,443	259,531	333,118	Canadian Imperial Bank of Commerce, 3.75%, Preferred, Series 41	31,250	581,512	726,563
Husky Energy Inc., 4.50%, Preferred, Series 5	2,500	47,026	62,425	Canadian Imperial Bank of Commerce, 3.90%, Preferred, Series 39	45,213	1,074,995	1,071,096
Husky Energy Inc., 4.60%, Preferred, Series G	19,700	410,673	492,500	Canadian Imperial Bank of Commerce, 4.40%, Preferred, Series 45	103,200	2,582,366	2,631,600
Kinder Morgan Canada Ltd., 5.20%, Preferred, Series 3	8,500	209,100	213,350	E-L Financial Corporation Limited, 5.30%, Preferred, Series F	4,900	122,246	123,015
Kinder Morgan Canada Ltd., Series A, 5.25%, Preferred, Series 1	20,400	510,430	525,300	E-L Financial Corporation Limited, 5.50%, Preferred, Series H	8,900	226,947	224,547
Pembina Pipeline Corporation, 4.25%, Preferred, Series A	22,000	395,904	479,160	Fairfax Financial Holdings Limited (Floating Rate), Preferred, Series F	6,400	106,668	114,240
Pembina Pipeline Corporation, 4.46%, Preferred, Series O	53,500	1,076,316	1,257,250	Fairfax Financial Holdings Limited (Floating Rate), Preferred, Series H	8,800	170,808	173,800
Pembina Pipeline Corporation, 4.50%, Preferred, Series 7	63,740	1,221,754	1,502,352	Fairfax Financial Holdings Limited, 4.75%, Preferred, Series E	38,000	722,376	688,940
Pembina Pipeline Corporation, 4.70%, Preferred, Series C	25,950	629,732	583,356	Fairfax Financial Holdings Limited, 4.75%, Preferred, Series M	28,600	661,001	715,572
Pembina Pipeline Corporation, 4.75%, Preferred, Series 9	7,600	187,120	193,268	Fairfax Financial Holdings Limited, 5.00%, Preferred, Series G	25,300	528,049	501,699
Pembina Pipeline Corporation, 4.90%, Preferred, Series 21	129,200	3,230,000	3,246,796	Fairfax Financial Holdings Limited, 5.00%, Preferred, Series I	53,750	1,027,272	1,119,075
Pembina Pipeline Corporation, 5.00%, Preferred, Series Q	22,800	542,924	546,516	Fairfax Financial Holdings Limited, 5.00%, Preferred, Series K	23,040	548,217	552,269
Pembina Pipeline Corporation, 5.00%, Preferred, Series S-19	6,000	145,335	152,640	Fairfax Financial Holdings Limited, 5.75%, Preferred, Series C	27,385	639,972	654,228
TransCanada Corporation, 1.78%, Preferred, Series 4	10,400	147,251	162,344	Great-West Lifeco Inc., 1.81%, Preferred, Series O	2,000	34,833	35,240
TransCanada Corporation, 3.43%, Preferred, Series 2	56,775	1,114,536	1,119,603	Great-West Lifeco Inc., 3.65%, Preferred, Series N	20,350	392,736	374,644
TransCanada Corporation, 3.52%, Preferred, Series 6	200	2,375	3,380	Great-West Lifeco Inc., 4.50%, Preferred, Series I	13,600	305,313	300,152
TransCanada Corporation, 3.80%, Preferred, Series 11	32,991	675,876	808,280	Great-West Lifeco Inc., 4.80%, Preferred, Series R	9,200	201,863	213,946
TransCanada Corporation, 4.00%, Preferred, Series 7	63,630	1,182,957	1,441,220	Great-West Lifeco Inc., 4.85%, Preferred, Series H	10,600	243,694	246,662
TransCanada Corporation, 4.00%, Preferred, Series B	24,150	448,381	396,785	Great-West Lifeco Inc., 5.15%, Preferred, Series Q	30,900	754,950	762,921
TransCanada Corporation, 4.25%, Preferred, Series 9	6,450	164,074	151,317	Great-West Lifeco Inc., 5.15%, Preferred, Series T	29,500	732,989	730,125
TransCanada Corporation, 4.40%, Preferred, Series 5	14,550	312,947	250,260	Great-West Lifeco Inc., 5.20%, Preferred, Series G	46,300	1,139,872	1,157,500
TransCanada Corporation, 4.60%, Preferred, Series 1	12,800	253,962	257,408	Great-West Lifeco Inc., 5.40%, Preferred, Series P	21,900	562,763	558,888
TransCanada Corporation, 4.90%, Preferred, Series 15	75,300	1,882,035	1,969,095	Great-West Lifeco Inc., 5.65%, Preferred, Series L	12,000	311,292	311,040
TransCanada Corporation, 5.50%, Preferred, Series 13	23,600	589,893	629,176	Great-West Lifeco Inc., 5.80%, Preferred, Series M	3,700	97,494	95,960
		32,693,748	32,995,464	Industrial Alliance, 4.30%, Preferred, Series G	38,000	950,772	916,560
<b>Financials – 49.4%</b>				Industrial Alliance, 4.60%, Preferred, Series A	2,000	48,975	45,420
Bank of Montreal, 4.85%, Preferred, Series 38	48,700	1,217,301	1,281,784	Intact Financial Corporation, 4.20%, Preferred, Series 1	75,525	1,596,908	1,523,717
Bank of Montreal (Floating Rate), Preferred, Series 17	14,400	342,755	360,000				
Bank of Montreal, 3.80%, Preferred, Series 31 Class B	23,600	555,302	546,340				

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

# 1832 AM Canadian Preferred Share LP (Continued)

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2017

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)	Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)				EQUITIES (cont'd)			
Financials (cont'd)				Real Estate (cont'd)			
Intact Financial Corporation, 4.20%, Preferred, Series 3	56,550	1,238,956	1,314,788	Brookfield Office Properties Inc., 5.10%, Preferred, Series EE	13,500	337,786	341,415
Intact Financial Corporation, 5.20%, Preferred, Series 5	16,900	423,165	424,190	Brookfield Office Properties Inc., 5.15%, Preferred, Series SP	40,075	982,711	835,564
Intact Financial Corporation, 5.30%, Preferred, Series 6	28,300	708,714	718,820				
Loblaws Companies Limited, 5.30%, Preferred, Series B	13,200	327,756	332,904				2,817,503
Manulife Financial Corporation, 1.95%, Preferred, Series S4	30,000	493,200	538,650	Telecommunication Services – 6.0%			
Manulife Financial Corporation, 3.80%, Preferred, Series 13	21,800	486,198	494,860	BCE Inc. (Floating Rate), Preferred, Series AL	4,100	72,834	73,103
Manulife Financial Corporation, 3.80%, Preferred, Series 19	21,800	500,401	508,158	BCE Inc. (Floating Rate), Preferred, Series AN	2,675	51,429	52,163
Manulife Financial Corporation, 3.90%, Preferred, Series 15	58,100	1,452,499	1,315,384	BCE Inc., 4.15%, Preferred, Series 19	12,900	275,719	238,134
Manulife Financial Corporation, 3.90%, Preferred, Series 17	42,700	879,616	991,921	BCE Inc., 4.15%, Preferred, Series AK	140,100	2,269,871	2,598,855
Manulife Financial Corporation, 4.00%, Preferred, Series 11	11,900	293,914	293,930	BCE Inc., 4.25%, Preferred, Series AQ	19,100	456,224	460,215
Manulife Financial Corporation, 4.40%, Preferred, Series 5	52,100	1,083,767	1,288,954	BCE Inc., 4.35%, Preferred, Series 17	19,400	261,864	362,198
Manulife Financial Corporation, 4.40%, Preferred, Series 9	24,700	590,151	619,229	BCE Inc., 4.50%, Preferred, Series T	14,600	302,270	274,480
Manulife Financial Corporation, 4.50%, Preferred, Series 3	21,750	471,316	476,760	BCE Inc., 4.54%, Preferred, Series 16	15,300	311,172	297,432
Manulife Financial Corporation, 4.60%, Preferred, Series 1-7	6,000	149,010	152,640	BCE Inc., 4.85%, Preferred, Series AM	89,600	1,627,971	1,743,616
Manulife Financial Corporation, 4.65%, Preferred, Series B	52,500	1,210,976	1,189,125	BCE Inc., 5.45%, Preferred, Series AA	52,850	986,201	1,027,404
Manulife Financial Corporation, 4.85%, Preferred, Series 23	31,400	784,615	824,564	BCE Inc., 5.54%, Preferred, Series AC	42,600	881,278	870,105
National Bank of Canada, 4.10%, Preferred, Series 30	1,800	32,780	42,750	BCE Inc., Preferred, Series 18	18,700	404,640	380,732
Power Corporation of Canada, 5.00%, Preferred, Series D	24,100	601,674	582,377				7,901,473
Power Corporation of Canada, 5.36%, Preferred, Series B	11,600	291,975	288,840	Utilities – 11.9%			
Power Corporation of Canada, 5.60%, Preferred, Series G	12,300	301,335	313,035	Brookfield Infrastructure Partners LP, 4.50%, Preferred, Series 1	20,700	428,412	515,844
Power Financial Corporation (Floating Rate), Preferred, Series Q	3,500	61,374	62,755	Brookfield Infrastructure Partners LP, 5.00%, Preferred, Series 7	5,100	129,521	130,254
Power Financial Corporation, 0.00%, Preferred, Series A	300	3,794	5,400	Brookfield Infrastructure Partners LP, 5.35%, Preferred, Series 5	27,900	706,904	720,378
Power Financial Corporation, 2.31%, Preferred, Series P	14,000	218,772	250,040	Brookfield Infrastructure Partners LP, 5.50%, Preferred, Series 3	12,700	319,093	328,930
Power Financial Corporation, 4.20%, Preferred, Series T	16,250	383,415	400,075	Brookfield Renewable Partners LP, 5.00%, Preferred, Series 11	12,400	310,000	315,456
Power Financial Corporation, 4.80%, Preferred, Series S	9,400	224,900	216,482	Brookfield Renewable Partners LP, 5.50%, Preferred, Series 7	11,500	286,387	299,460
Power Financial Corporation, 4.95%, Preferred, Series K	14,200	344,769	333,487	Brookfield Renewable Partners LP, 5.75%, Preferred, Series 9	7,600	193,344	198,664
Power Financial Corporation, 5.10%, Preferred, Series L	9,200	227,467	223,928	Brookfield Renewable Partners LP, Preferred, Series 5	72,500	1,495,151	1,746,525
Power Financial Corporation, 5.15%, Preferred, Series V	18,000	436,860	446,400	Canadian Utilities Limited, 4.00%, Preferred, Series Y	23,600	502,938	522,740
Power Financial Corporation, 5.25%, Preferred, Series E	10,600	263,105	264,470	Canadian Utilities Limited, 4.50%, Preferred, Series DD	1,000	20,000	21,990
Power Financial Corporation, 5.50%, Preferred, Series D	2,700	68,223	68,742	Canadian Utilities Limited, 4.90%, Preferred, Series AA	1,000	22,190	24,250
Power Financial Corporation, 5.50%, Preferred, Series R	13,000	336,543	334,100	Canadian Utilities Limited, 4.90%, Preferred, Series BB	11,000	238,980	265,760
Royal Bank of Canada, 3.60%, Preferred, Series BD	15,300	368,544	381,276	Canadian Utilities Limited, 5.25%, Preferred, Series EE	22,710	533,685	577,970
Royal Bank of Canada, 3.60%, Preferred, Series BF	63,088	1,547,785	1,560,797	Capital Power Corporation, 4.50%, Preferred, Series 5	12,750	290,127	273,615
Royal Bank of Canada, 3.90%, Preferred, Series BB	26,900	573,140	636,454	Capital Power Corporation, 4.60%, Preferred, Series 1	3,864	77,627	63,215
Royal Bank of Canada, 4.00%, Preferred, Series AZ	15,204	304,023	356,686	Capital Power Corporation, 4.60%, Preferred, Series 3	3,400	79,696	74,664
Royal Bank of Canada, 4.45%, Preferred, Series AA	6,700	165,807	170,314	CU Inc., 4.60%, Preferred, Series 1	3,500	75,421	76,300
Royal Bank of Canada, 4.45%, Preferred, Series AF	6,600	170,257	168,300	Emera Inc., 2.56%, Preferred, Series A	5,000	83,572	92,100
Royal Bank of Canada, 4.50%, Preferred, Series AD	8,277	212,454	210,981	Emera Inc., 4.10%, Preferred, Series C	13,450	281,335	326,835
Royal Bank of Canada, 4.50%, Preferred, Series AE	11,000	283,353	279,730	Emera Inc., 4.25%, Preferred, Series F	10,000	250,873	244,700
Royal Bank of Canada, 4.50%, Preferred, Series AG	3,300	84,922	84,315	Emera Inc., 4.50%, Preferred, Series E	4,500	96,435	98,100
Royal Bank of Canada, 4.60%, Preferred, Series AC	11,200	287,658	284,816	Fortis Inc., 1.92%, Preferred, Series 1	13,120	199,126	224,811
Royal Bank of Canada, 4.90%, Preferred, Series BI	2,000	44,798	50,400	Fortis Inc., 3.88%, Preferred, Series G	26,218	506,947	572,077
Royal Bank of Canada, 4.90%, Preferred, Series W	3,000	67,644	75,720	Fortis Inc., 4.00%, Preferred, Series K	22,200	432,559	479,520
Royal Bank of Canada, 5.00%, Preferred, Series AJ	12,900	326,534	323,790	Fortis Inc., 4.10%, Preferred, Series M	57,100	1,110,141	1,356,125
Sun Life Financial Inc. (Floating Rate), Preferred, Series 90R	30,900	638,190	557,745	Fortis Inc., 4.75%, Preferred, Series J	2,100	52,619	48,615
Sun Life Financial Inc., 3.90%, Preferred, Series 10R	35,600	704,523	757,924	Fortis Inc., 4.90%, Preferred, Series F	4,900	117,167	117,845
Sun Life Financial Inc., 4.25%, Preferred, Series 12R	21,900	463,636	540,492	TransAlta Corporation, 4.60%, Preferred, Series A	102,609	1,343,507	1,457,048
Sun Life Financial Inc., 4.45%, Preferred, Series 3	18,500	405,509	400,155	TransAlta Corporation, 4.60%, Preferred, Series C	87,070	1,707,216	1,585,545
Sun Life Financial Inc., 4.45%, Preferred, Series F	34,000	766,131	735,760	TransAlta Corporation, 5.00%, Preferred, Series E	64,766	1,229,662	1,417,080
Sun Life Financial Inc., 4.50%, Preferred, Series 5	19,000	437,153	413,250	TransAlta Corporation, 5.30%, Preferred, Series G	23,380	453,782	519,504
Sun Life Financial Inc., 4.75%, Preferred, Series A	52,300	1,232,349	1,202,377	Valeneer Inc., 4.35%, Preferred, Series A	18,340	385,236	458,867
Sun Life Financial Inc., 4.80%, Preferred, Series 2	37,600	872,060	874,200	Westcoast Energy Inc., 5.20%, Preferred, Series 12	14,800	370,000	387,020
Toronto-Dominion Bank, The (Floating Rate), Preferred, Series T	8,700	207,121	216,804	Westcoast Energy Inc., 5.25%, Preferred, Series 10	18,000	446,400	469,609
Toronto-Dominion Bank, The, 1.58%, Preferred, Series Z	4,200	96,225	104,559	Westcoast Energy Inc., 5.50%, Preferred, Series H	15,000	376,269	375,600
Toronto-Dominion Bank, The, 3.60%, Preferred, Series 7	20,513	467,823	510,774	Westcoast Energy Inc., 5.60%, Preferred, Series J	4,600	113,727	114,908
Toronto-Dominion Bank, The, 3.70%, Preferred, Series 9	12,900	271,833	323,532				15,266,049
Toronto-Dominion Bank, The, 3.75%, Preferred, Series 5	42,600	862,822	992,580	TOTAL EQUITIES		126,227,584	130,241,257
Toronto-Dominion Bank, The, 3.80%, Preferred, Series 3	34,300	849,691	804,335	Transaction Costs		(150,817)	
Toronto-Dominion Bank, The, 3.90%, Preferred, Series 1	9,300	227,108	219,759	TOTAL INVESTMENT PORTFOLIO		129,600,897	134,188,697
Toronto-Dominion Bank, The, 4.85%, Preferred, Series 14	31,900	797,315	842,160	Unrealized Gain (Loss) on Derivatives – 0.0%			54,387
		66,416,687	68,496,889	OTHER ASSETS, LESS LIABILITIES – 3.4%			4,457,481
Real Estate – 1.9%				NET ASSETS – 100.0%			138,700,565
Brookfield Office Properties Inc., 4.60%, Preferred, Series T	32,900	773,612	746,830				
Brookfield Office Properties Inc., 4.75%, Preferred, Series AA	28,700	649,279	673,589				
Brookfield Office Properties Inc., 4.85%, Preferred, Series GG	3,000	74,115	73,740				

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



# 1832 AM Canadian Preferred Share LP (Continued)

## SCHEDULE OF DERIVATIVE INSTRUMENTS

### UNREALIZED GAIN ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Gain (\$)
Toronto-Dominion Bank, The	A-1+	Jan. 24, 2018	Canadian Dollar	25,498	US Dollar	20,000	0.784	0.795	355
Bank of Montreal	A-1	Jan. 24, 2018	Canadian Dollar	139,932	US Dollar	110,000	0.786	0.795	1,647
Toronto-Dominion Bank, The	A-1+	Jan. 24, 2018	Canadian Dollar	132,185	US Dollar	104,000	0.787	0.795	1,443
Bank of Montreal	A-1	Jan. 24, 2018	Canadian Dollar	31,465	US Dollar	25,000	0.795	0.795	36
Canadian Imperial Bank of Commerce	A-1	Feb. 21, 2018	Canadian Dollar	508,536	US Dollar	400,000	0.787	0.796	5,733
Bank of Montreal	A-1	Feb. 21, 2018	Canadian Dollar	386,106	US Dollar	300,000	0.777	0.796	9,004
Bank of Montreal	A-1	Feb. 21, 2018	Canadian Dollar	64,198	US Dollar	50,000	0.779	0.796	1,348
Canadian Imperial Bank of Commerce	A-1	Feb. 21, 2018	Canadian Dollar	25,508	US Dollar	20,000	0.784	0.796	368
Canadian Imperial Bank of Commerce	A-1	Mar. 15, 2018	Canadian Dollar	601,226	US Dollar	473,000	0.787	0.796	6,803
Bank of Montreal	A-1	Mar. 15, 2018	Canadian Dollar	385,992	US Dollar	300,000	0.777	0.796	8,980
Bank of Montreal	A-1	Apr. 18, 2018	Canadian Dollar	1,201,129	US Dollar	934,000	0.778	0.796	27,762
									<u>63,479</u>

### UNREALIZED LOSS ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Loss (\$)
Canadian Imperial Bank of Commerce	A-1	Jan. 24, 2018	Canadian Dollar	1,250,600	US Dollar	1,000,000	0.8	0.795	(6,534)
Canadian Imperial Bank of Commerce	A-1	Feb. 21, 2018	Canadian Dollar	491,447	US Dollar	393,000	0.8	0.796	(2,558)
									<u>(9,092)</u>

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

# 1832 AM Canadian Preferred Share LP (Continued)

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

### The Fund (note 1)

The Fund's objective is to provide income and the potential for modest long term capital growth. It invests primarily in a diversified portfolio of preferred shares of Canadian corporations. The Fund can invest up to 49% of its assets in foreign securities.

### Risks associated with financial instruments (note 4)

#### Interest rate risk

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity (earlier of maturity date or interest reset date) of the Fund's portfolio, excluding underlying funds, preferred shares, cash and overdrafts, as applicable.

Interest rate exposure	December 31, 2017 (\$)	December 31, 2016 (\$)
Less than 1 year	–	2,370,322
1-3 years	–	–
3-5 years	–	–
5-10 years	–	–
> 10 years	3,947,440	–
	3,947,440	2,370,322

As at December 31, 2017, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, net assets attributable to holders of redeemable units would have decreased or increased, respectively, by \$39,760 or approximately 0.0% (December 31, 2016 – \$1,814 or approximately 0.0%).

#### Currency risk

The Fund's exposure to currency risk is summarized in the tables below. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund, net of currency contracts, as applicable.

Currency	December 31, 2017			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	5,218,845	(5,189,434)	29,411	0.0
	5,218,845	(5,189,434)	29,411	0.0

Currency	December 31, 2016			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	2,934,129	(2,952,517)	(18,388)	0.0
	2,934,129	(2,952,517)	(18,388)	0.0

If the Canadian dollar strengthened or weakened by 10% in relation to all other currencies, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by \$2,941 or 0.0% of net assets (December 31, 2016 -\$1,839 or 0.0%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2017, approximately 93.8% (December 31, 2016 – 94.2%) of the Fund's net assets were exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$13,024,126 (December 31, 2016 – \$13,252,720). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### Credit risk

The table below summarizes the credit ratings of bonds and debentures, money market instruments and preferred shares held by the Fund, as applicable.

	December 31, 2017		December 31, 2016	
	Percentage of total credit rated instruments (%)	Percentage of net assets (%)	Percentage of total credit rated instruments (%)	Percentage of net assets (%)
<b>Credit ratings</b>				
AA	0.4	0.4	–	–
A	11.6	11.1	8.6	8.2
BBB	64.3	62.1	67.0	64.3
BB	23.7	23.0	24.4	23.4
	100.0	96.6	100.0	95.9

#### Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets:

	Percentage of net assets (%)	
	December 31, 2017	December 31, 2016
Consumer Discretionary	0.7	0.3
Consumer Staples	0.1	0.1
Corporate Bonds	2.8	1.7
Energy	23.8	19.5
Financials	49.4	58.6
Real Estate	1.9	0.7
Telecommunication Services	6.0	5.4
Utilities	11.9	9.6

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

# 1832 AM Canadian Preferred Share LP (Continued)

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

### Fair Value Classification (note 2)

The tables below illustrate the classification of the Fund's financial instruments within the fair value hierarchy.

	Level 1	Level 2	Level 3	Total
December 31, 2017	(\$)	(\$)	(\$)	(\$)
Equities	130,241,257	-	-	130,241,257
Bonds and debentures	-	3,947,440	-	3,947,440
Unrealized gain on currency forward contracts	-	63,479	-	63,479
	130,241,257	4,010,919	-	134,252,176
Unrealized loss on currency forward contracts	-	(9,092)	-	(9,092)
	130,241,257	4,001,827	-	134,243,084

	Level 1	Level 2	Level 3	Total
December 31, 2016	(\$)	(\$)	(\$)	(\$)
Equities	132,527,195	-	-	132,527,195
Bonds and debentures	-	2,370,322	-	2,370,322
Unrealized gain on currency forward contracts	-	6,235	-	6,235
	132,527,195	2,376,557	-	134,903,752
Unrealized loss on currency forward contracts	-	(36,666)	-	(36,666)
	132,527,195	2,339,891	-	134,867,086

### Transfers between levels

During the periods ended December 31, 2017 and December 31, 2016, there were no significant transfers between Level 1 and Level 2.

### Offsetting of financial assets and liabilities (note 2)

The following table presents offsetting of financial assets and liabilities and collateral amounts that would occur if future events, such as bankruptcy or termination of contracts, were to arise. No amounts were offset in the financial statements.

	December 31, 2017			
Financial assets – by type	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	63,479	(9,092)	-	54,387
Options contracts – OTC	-	-	-	-
Swap contracts – OTC	-	-	-	-
	63,479	(9,092)	-	54,387

Financial liabilities – by type	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	9,092	(9,092)	-	-
Options contracts – OTC	-	-	-	-
Swap contracts – OTC	-	-	-	-
	9,092	(9,092)	-	-

	December 31, 2016			
Financial assets – by type	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	6,235	(6,235)	-	-
Options contracts – OTC	-	-	-	-
Swap contracts – OTC	-	-	-	-
	6,235	(6,235)	-	-

Financial liabilities – by type	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	36,666	(6,235)	-	30,431
Options contracts – OTC	-	-	-	-
Swap contracts – OTC	-	-	-	-
	36,666	(6,235)	-	30,431

### Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2017 or December 31, 2016.

### Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2017 or December 31, 2016, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

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



# 1832 AM Global Completion LP

## STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2017	December 31, 2016
<b>ASSETS</b>		
Current assets		
Investments		
Non-derivative financial assets	469,395,595	427,786,621
Cash	4,992,432	5,734,740
Receivable for securities sold	1,495,147	–
Subscriptions receivable	67,800	–
Accrued investment income and other	253,860	308,608
	<u>476,204,834</u>	<u>433,829,969</u>
<b>LIABILITIES</b>		
Current liabilities		
Payable for securities purchased	3,484,315	–
Redemptions payable	761,250	–
Accrued expenses	11	938
	<u>4,245,576</u>	<u>938</u>
Net assets attributable to holders of redeemable units	<u>471,959,258</u>	<u>433,829,031</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES</b>		
Series I	471,959,258	433,829,031
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT</b>		
Series I	15.27	13.85

## STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2017	2016
<b>INCOME</b>		
Net gain (loss) on investments		
Dividends	13,072,654	11,997,844
Interest for distribution purposes	(97,464)	666,100
Net realized gain (loss) on non-derivative financial assets	4,652,406	5,412,497
Change in unrealized gain (loss) on non-derivative financial assets	29,748,758	13,785,225
Net gain (loss) on investments	47,376,354	31,861,666
Securities lending (note 11)	101,718	296,628
Net realized and unrealized foreign currency translation gain (loss)	(130,956)	(177,795)
Total income (loss), net	<u>47,347,116</u>	<u>31,980,499</u>
<b>EXPENSES</b>		
Fixed administration fees (note 6)	321,408	286,407
Independent Review Committee fees	1,135	1,184
Interest expense and bank overdraft charges	506	–
Foreign withholding taxes/tax reclaims	1,865,113	1,900,462
Other fund costs	–	68
Harmonized Sales Tax/Goods and Services Tax	41,783	37,396
Transaction costs	7,293	14,727
Total expenses	<u>2,237,238</u>	<u>2,240,244</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>45,109,878</u>	<u>29,740,255</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES</b>		
Series I	45,109,878	29,740,255
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT*</b>		
Series I	1.43	0.96
<b>WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES</b>		
Series I	31,519,780	31,140,837

\* The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2017	2016
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD</b>		
Series I	433,829,031	397,066,367
	<u>433,829,031</u>	<u>397,066,367</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS</b>		
Series I	45,109,878	29,740,255
	<u>45,109,878</u>	<u>29,740,255</u>
<b>REDEEMABLE UNIT TRANSACTIONS</b>		
Proceeds from issue		
Series I	15,707,749	20,529,260
Payments on redemption		
Series I	(22,687,400)	(13,506,851)
	<u>(6,979,651)</u>	<u>7,022,409</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		
Series I	38,130,227	36,762,664
	<u>38,130,227</u>	<u>36,762,664</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD</b>		
Series I	471,959,258	433,829,031
	<u>471,959,258</u>	<u>433,829,031</u>

## STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2017	2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	45,109,878	29,740,255
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(4,652,406)	(5,412,497)
Unrealized foreign currency translation (gain) loss	(77,466)	165,166
Change in unrealized (gain) loss on non-derivative financial assets	(29,748,758)	(13,785,225)
Purchases of portfolio investments	(24,487,058)	(60,143,138)
Proceeds from sale of portfolio investments	19,268,416	42,854,722
Accrued investment income and other	54,748	142,461
Accrued expenses and other payables	(927)	938
Net cash provided by (used in) operating activities	<u>5,466,427</u>	<u>(6,437,318)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of redeemable units	15,639,949	20,842,260
Amounts paid on redemption of redeemable units	(21,926,150)	(13,596,101)
Net cash provided by (used in) financing activities	<u>(6,286,201)</u>	<u>7,246,159</u>
Unrealized foreign currency translation gain (loss)	77,466	(165,166)
Net increase (decrease) in cash	(819,774)	808,841
Cash (bank overdraft), beginning of period	5,734,740	5,091,065
CASH (BANK OVERDRAFT), END OF PERIOD	<u>4,922,432</u>	<u>5,734,740</u>
Interest paid <sup>(1)</sup>	506	–
Interest received <sup>(1)</sup>	75,388	665,601
Dividends received, net of withholding taxes <sup>(1)</sup>	11,327,170	10,240,341

<sup>(1)</sup> Classified as operating items.

# 1832 AM Global Completion LP (Continued)

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2017

Issuer	Number of Units	Average Cost (\$)	Carrying Value (\$)
Canada – 6.3%			
iShares Global Agriculture Index ETF	722,470	21,300,887	29,657,394
United States – 93.2%			
iShares Core S&P Mid-Cap ETF	261,130	46,949,631	62,239,088
iShares Core S&P Small-Cap ETF	342,910	22,837,103	33,079,118
iShares Edge MSCI Emerging Markets Minimum Volatility ETF	711,890	48,958,454	54,323,365
iShares Global Infrastructure ETF	1,270,210	58,822,755	72,137,667
iShares J.P. Morgan USD Emerging Markets Bond ETF	794,560	103,292,341	115,855,039
iShares MSCI EAFE Small-Cap ETF	714,360	42,228,130	57,867,251
Vanguard Global ex-U.S. Real Estate ETF	381,140	24,163,546	28,959,824
Vanguard REIT ETF	146,590	12,574,785	15,276,849
		<u>359,826,745</u>	<u>439,738,201</u>
Transaction Costs		(349,108)	
TOTAL INVESTMENT PORTFOLIO		<u>380,778,524</u>	469,395,595
OTHER ASSETS, LESS LIABILITIES – 0.5%			<u>2,563,663</u>
NET ASSETS – 100.0%			<u><u>471,959,258</u></u>

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

# 1832 AM Global Completion LP (Continued)

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

### The Fund (note 1)

The Fund's investment objective is to achieve long-term capital growth. It invests primarily in a mixed portfolio of equity and/or fixed income exchange-traded funds ("ETFs") but may also invest directly in fixed income securities, equity securities, commodities and cash or cash equivalents. The Fund can invest up to 100% of its assets in foreign securities.

The Fund invests primarily in funds managed by the Manager and/or by the third party investment managers (the "Underlying Funds"). To ensure the Fund's composition meets the investment objectives of the Fund, the portfolio advisor monitors the Underlying Funds on an ongoing basis and rebalances the Fund's assets among the Underlying Funds.

### Risk associated with financial instruments (note 4)

#### Interest rate risk

The Fund could be exposed to indirect interest rate risk to the extent that the Underlying Funds held financial instruments that were subject to interest rate risk.

#### Currency risk

The Fund could be exposed to indirect currency risk to the extent that the Underlying Funds held financial instruments that were denominated in a currency other than its functional currency.

#### Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2017, approximately 99.5% (December 31, 2016 – 98.6%) of the Fund's net assets were exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$46,939,560 (December 31, 2016 – \$42,778,662). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### Credit risk

The Fund could be exposed to indirect credit risk to the extent that the Underlying Funds invested in bonds and debentures, derivatives, money market instruments or preferred shares.

#### Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets:

	Percentage of net assets (%)	
	December 31, 2017	December 31, 2016
Canada	6.3	5.9
United States	93.2	92.7

### Fair Value Classification (note 2)

The tables below illustrate the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2017	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	469,395,595	–	–	469,395,595
	469,395,595	–	–	469,395,595

December 31, 2016	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	427,786,621	–	–	427,786,621
	427,786,621	–	–	427,786,621

### Transfers between levels

During the periods ended December 31, 2017 and December 31, 2016, there were no significant transfers between Level 1 and Level 2.

### Offsetting of financial assets and liabilities (note 2)

As at December 31, 2017 and December 31, 2016, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

### Interest in Underlying Funds (note 2)

The following tables present the percentage of the Underlying Funds owned by the Fund.

Underlying Fund	December 31, 2017	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
iShares Global Agriculture Index ETF	29,657,394	11.9
iShares Global Infrastructure ETF	72,137,667	2.5
iShares Edge MSCI Emerging Markets Minimum Volatility ETF	54,323,365	0.9
iShares J.P. Morgan USD Emerging Markets Bond ETF	115,855,039	0.8
iShares MSCI EAFE Small-Cap ETF	57,867,251	0.4
Vanguard Global ex-U.S. Real Estate ETF	28,959,824	0.4
iShares Core S&P Mid-Cap ETF	62,239,088	0.1
iShares Core S&P Small-Cap ETF	33,079,118	0.1
Vanguard REIT ETF	15,276,849	0.0
	469,395,595	

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

# 1832 AM Global Completion LP (Continued)

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

Underlying Fund	December 31, 2016	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
iShares Global Agriculture Index ETF	25,501,378	10.5
iShares Global Infrastructure ETF	64,322,278	3.3
iShares J.P. Morgan USD Emerging Markets Bond ETF	107,153,480	1.0
iShares Edge MSCI Emerging Markets Minimum Volatility ETF	45,810,232	0.9
iShares MSCI EAFE Small-Cap ETF	52,964,123	0.6
Vanguard Global ex-U.S. Real Estate ETF	24,787,664	0.5
iShares Core S&P Small-Cap ETF	30,137,281	0.1
iShares Core S&P Mid-Cap ETF	55,645,067	0.1
Vanguard REIT ETF	21,465,118	0.0
	427,786,621	

### Comparison of net asset value and net assets per unit (note 2)

As at December 31, 2017 or December 31, 2016, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

# 1832 AM North American Preferred Share LP

## STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2017	December 31, 2016
<b>ASSETS</b>		
Current assets		
Investments		
Non-derivative financial assets	263,132,295	246,836,280
Unrealized gain on currency forward contracts	382,588	100,803
Cash	8,578,983	4,690,535
Margin deposited on derivatives	–	14
Receivable for securities sold	82,511	2,099,060
Subscriptions receivable	85,500	–
Accrued investment income and other	709,753	1,035,732
	<u>272,971,630</u>	<u>254,762,424</u>
<b>LIABILITIES</b>		
Current liabilities		
Payable for securities purchased	361,815	1,485,759
Accrued expenses	10	546
Unrealized loss on currency forward contracts	108,451	689,249
	<u>470,276</u>	<u>2,175,554</u>
Net assets attributable to holders of redeemable units	<u>272,501,354</u>	<u>252,586,870</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES</b>		
Series I	272,501,354	252,586,870
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT</b>		
Series I	12.34	10.61

## STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2017	2016
<b>INCOME</b>		
Net gain (loss) on investments		
Dividends	10,589,947	10,243,661
Interest for distribution purposes	1,712,326	1,869,224
Net realized gain (loss) on non-derivative financial assets	3,741,997	2,203,545
Net realized gain (loss) on currency forward contracts	1,621,728	(1,217,457)
Net realized gain (loss) on futures contracts	(14)	(401,724)
Change in unrealized gain (loss) on non-derivative financial assets	21,895,638	9,525,205
Change in unrealized gain (loss) on currency forward contracts	862,583	1,551,610
Change in unrealized gain (loss) on futures contracts	–	(35,547)
Net gain (loss) on investments	<u>40,424,205</u>	<u>23,738,517</u>
Securities lending (note 11)	12,518	16,486
Net realized and unrealized foreign currency translation gain (loss)	(202,184)	(92,990)
Total income (loss), net	<u>40,234,539</u>	<u>23,662,013</u>
<b>EXPENSES</b>		
Fixed administration fees (note 6)	184,889	156,188
Independent Review Committee fees	1,135	1,184
Interest expense and bank overdraft charges	45	255
Foreign withholding taxes/tax reclaims	138,836	783,589
Other fund costs	–	38
Harmonized Sales Tax/Goods and Services Tax	24,036	20,463
Transaction costs	91,152	105,149
Total expenses	<u>440,093</u>	<u>1,066,866</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>39,794,446</u>	<u>22,595,147</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES</b>		
Series I	39,794,446	22,595,147
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT<sup>†</sup></b>		
Series I	1.76	0.97
<b>WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES</b>		
Series I	22,666,365	23,228,516

<sup>†</sup> The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2017	2016
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD</b>		
Series I	252,586,870	212,681,837
	<u>252,586,870</u>	<u>212,681,837</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS</b>		
Series I	39,794,446	22,595,147
	<u>39,794,446</u>	<u>22,595,147</u>
<b>REDEEMABLE UNIT TRANSACTIONS</b>		
Proceeds from issue		
Series I	20,048,496	33,104,594
Payments on redemption		
Series I	(39,928,458)	(15,794,708)
	<u>(19,879,962)</u>	<u>17,309,886</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		
Series I	19,914,484	39,905,033
	<u>19,914,484</u>	<u>39,905,033</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD</b>		
Series I	272,501,354	252,586,870
	<u>272,501,354</u>	<u>252,586,870</u>

## STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2017	2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	39,794,446	22,595,147
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(3,741,997)	(2,203,545)
Unrealized foreign currency translation (gain) loss	(52,586)	47,176
Change in unrealized (gain) loss on non-derivative financial assets	(21,895,638)	(9,525,205)
Change in unrealized (gain) loss on currency forward contracts	(862,583)	(1,551,610)
Change in unrealized (gain) loss on futures contracts	–	35,547
Purchases of portfolio investments	(97,598,888)	(99,522,789)
Proceeds from sale of portfolio investments	107,833,113	71,803,447
Margin deposited on derivatives	14	1,291,739
Accrued investment income and other	325,979	(497,729)
Accrued expenses and other payables	(536)	546
Net cash provided by (used in) operating activities	<u>23,801,324</u>	<u>(17,527,276)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of redeemable units	19,962,996	33,104,594
Amounts paid on redemption of redeemable units	(39,928,458)	(15,794,708)
Net cash provided by (used in) financing activities	<u>(19,965,462)</u>	<u>17,309,886</u>
Unrealized foreign currency translation gain (loss)	52,586	(47,176)
Net increase (decrease) in cash	3,835,862	(217,390)
Cash (bank overdraft), beginning of period	4,690,535	4,955,101
<b>CASH (BANK OVERDRAFT), END OF PERIOD</b>	<u>8,578,983</u>	<u>4,690,535</u>
Interest paid <sup>(1)</sup>	45	255
Interest received <sup>(1)</sup>	1,757,276	1,126,728
Dividends received, net of withholding taxes <sup>(1)</sup>	10,294,116	10,142,866

<sup>(1)</sup> Classified as operating items.

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





# 1832 AM North American Preferred Share LP (Continued)

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2017

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)	Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)				EQUITIES (cont'd)			
Financials (cont'd)				Financials (cont'd)			
Great-West Lifeco Inc., 1.81%, Preferred, Series O	4,000	69,667	70,480	Sun Life Financial Inc., 4.75%, Preferred, Series A	101,400	2,321,703	2,331,186
Great-West Lifeco Inc., 3.65%, Preferred, Series N	24,200	526,619	445,522	Sun Life Financial Inc., 4.80%, Preferred, Series 2	72,100	1,634,383	1,676,325
Great-West Lifeco Inc., 4.50%, Preferred, Series 1	28,200	632,854	622,374	Toronto-Dominion Bank, The (Floating Rate), Preferred, Series T	16,400	391,989	408,688
Great-West Lifeco Inc., 4.80%, Preferred, Series R	16,200	355,407	376,731	Toronto-Dominion Bank, The, 1.58%, Preferred, Series Z	6,300	142,849	156,839
Great-West Lifeco Inc., 4.85%, Preferred, Series H	19,600	439,678	456,092	Toronto-Dominion Bank, The, 3.60%, Preferred, Series 7	39,242	903,398	977,126
Great-West Lifeco Inc., 5.15%, Preferred, Series Q	55,700	1,329,740	1,375,233	Toronto-Dominion Bank, The, 3.70%, Preferred, Series 9	23,300	481,166	584,364
Great-West Lifeco Inc., 5.15%, Preferred, Series T	57,800	1,436,841	1,430,550	Toronto-Dominion Bank, The, 3.75%, Preferred, Series 5	57,200	1,079,791	1,332,760
Great-West Lifeco Inc., 5.20%, Preferred, Series G	83,600	2,009,366	2,090,000	Toronto-Dominion Bank, The, 3.80%, Preferred, Series 3	66,500	1,248,107	1,559,425
Great-West Lifeco Inc., 5.40%, Preferred, Series P	42,100	1,048,203	1,074,392	Toronto-Dominion Bank, The, 3.90%, Preferred, Series 1	18,400	323,232	434,792
Great-West Lifeco Inc., 5.65%, Preferred, Series L	23,500	604,933	609,120	Toronto-Dominion Bank, The, 4.85%, Preferred, Series 14	60,500	1,512,150	1,597,200
Great-West Lifeco Inc., 5.80%, Preferred, Series M	6,800	178,568	176,358				
Industrial Alliance, 4.30%, Preferred, Series G	73,700	1,703,279	1,777,644		119,300,701		125,923,975
Intact Financial Corporation, 4.20%, Preferred, Series 1	145,400	3,081,008	2,933,445	Real Estate – 1.8%			
Intact Financial Corporation, 4.20%, Preferred, Series 3	103,500	2,220,523	2,406,375	Brookfield Office Properties Inc., 4.60%, Preferred, Series T	63,800	1,462,711	1,448,260
Intact Financial Corporation, 5.20%, Preferred, Series 5	32,100	803,756	805,710	Brookfield Office Properties Inc., 4.75%, Preferred, Series AA	57,000	1,308,213	1,337,790
Intact Financial Corporation, 5.30%, Preferred, Series 6	55,300	1,384,667	1,404,620	Brookfield Office Properties Inc., 4.85%, Preferred, Series GG	5,000	123,550	122,900
Loblaws Companies Limited, 5.30%, Preferred, Series B	25,800	640,614	650,676	Brookfield Office Properties Inc., 5.10%, Preferred, Series EE	25,400	635,895	642,366
Manulife Financial Corporation, 1.95%, Preferred, Series S4	60,000	986,400	1,077,300	Brookfield Office Properties Inc., 5.15%, Preferred, Series SP	68,600	1,567,952	1,430,310
Manulife Financial Corporation, 3.80%, Preferred, Series 13	40,200	971,723	912,540			5,098,321	4,981,626
Manulife Financial Corporation, 3.80%, Preferred, Series 19	42,800	967,061	997,668	Telecommunication Services – 5.6%			
Manulife Financial Corporation, 3.90%, Preferred, Series 15	106,800	2,597,379	2,417,952	BCE Inc. (Floating Rate), Preferred, Series AL	8,200	145,668	146,206
Manulife Financial Corporation, 3.90%, Preferred, Series 17	80,200	1,621,514	1,863,046	BCE Inc. (Floating Rate), Preferred, Series AN	5,300	101,886	103,350
Manulife Financial Corporation, 4.00%, Preferred, Series 11	19,500	497,034	481,650	BCE Inc., 4.15%, Preferred, Series 19	4,700	99,233	86,762
Manulife Financial Corporation, 4.40%, Preferred, Series 5	101,900	1,976,638	2,521,006	BCE Inc., 4.15%, Preferred, Series AK	271,400	4,301,757	5,034,470
Manulife Financial Corporation, 4.40%, Preferred, Series 9	45,000	1,108,808	1,128,150	BCE Inc., 4.25%, Preferred, Series AQ	37,800	873,186	910,791
Manulife Financial Corporation, 4.50%, Preferred, Series 3	43,100	900,693	944,752	BCE Inc., 4.35%, Preferred, Series 17	18,100	244,435	337,927
Manulife Financial Corporation, 4.60%, Preferred, Series 1-7	11,000	273,185	279,840	BCE Inc., 4.50%, Preferred, Series T	11,000	227,359	206,800
Manulife Financial Corporation, 4.65%, Preferred, Series B	102,900	2,281,398	2,330,685	BCE Inc., 4.54%, Preferred, Series 16	29,400	572,753	571,536
Manulife Financial Corporation, 4.85%, Preferred, Series 23	62,300	1,556,737	1,635,998	BCE Inc., 4.85%, Preferred, Series AM	175,300	3,095,418	3,411,338
National Bank of Canada, 4.10%, Preferred, Series 30	3,500	64,199	83,125	BCE Inc., 5.45%, Preferred, Series AA	103,100	1,897,023	2,004,264
Power Corporation of Canada, 5.00%, Preferred, Series D	45,300	1,094,778	1,094,675	BCE Inc., 5.54%, Preferred, Series AC	82,100	1,612,263	1,676,893
Power Corporation of Canada, 5.36%, Preferred, Series B	17,200	431,752	428,280	BCE Inc., Preferred, Series 18	33,800	540,553	688,168
Power Corporation of Canada, 5.60%, Preferred, Series G	15,000	366,600	381,750			13,711,534	15,178,505
Power Financial Corporation (Floating Rate), Preferred, Series Q	6,000	105,238	107,580	Utilities – 10.9%			
Power Financial Corporation, 0.00%, Preferred, Series A	600	7,589	10,800	Brookfield Infrastructure Partners LP, 4.50%, Preferred, Series 1	40,000	827,398	996,800
Power Financial Corporation, 2.31%, Preferred, Series P	9,200	143,747	164,312	Brookfield Infrastructure Partners LP, 5.00%, Preferred, Series 7	10,400	264,454	265,616
Power Financial Corporation, 4.20%, Preferred, Series T	32,500	766,830	800,150	Brookfield Infrastructure Partners LP, 5.35%, Preferred, Series 5	51,600	1,308,198	1,332,312
Power Financial Corporation, 4.80%, Preferred, Series S	16,100	367,206	370,783	Brookfield Infrastructure Partners LP, 5.50%, Preferred, Series 3	16,925	425,469	438,358
Power Financial Corporation, 4.95%, Preferred, Series K	26,800	656,495	629,398	Brookfield Renewable Partners LP, 5.00%, Preferred, Series 11	22,300	557,500	567,312
Power Financial Corporation, 5.10%, Preferred, Series L	18,000	439,166	438,120	Brookfield Renewable Partners LP, 5.50%, Preferred, Series 7	22,800	567,791	593,712
Power Financial Corporation, 5.15%, Preferred, Series V	35,000	849,450	868,000	Brookfield Renewable Partners LP, 5.75%, Preferred, Series 9	13,500	343,440	352,890
Power Financial Corporation, 5.25%, Preferred, Series E	9,800	229,712	244,510	Brookfield Renewable Partners LP, Preferred, Series 5	142,200	2,888,201	3,425,598
Power Financial Corporation, 5.50%, Preferred, Series D	13,700	338,253	348,802	Canadian Utilities Limited, 4.00%, Preferred, Series Y	46,200	989,100	1,023,330
Power Financial Corporation, 5.50%, Preferred, Series R	10,800	270,731	277,560	Canadian Utilities Limited, 4.50%, Preferred, Series DD	2,000	40,427	43,980
Royal Bank of Canada, 3.60%, Preferred, Series BD	24,100	481,542	600,572	Canadian Utilities Limited, 4.90%, Preferred, Series AA	1,500	33,285	36,375
Royal Bank of Canada, 3.60%, Preferred, Series BF	123,000	2,874,629	3,043,020	Canadian Utilities Limited, 4.90%, Preferred, Series BB	12,000	269,320	289,920
Royal Bank of Canada, 3.90%, Preferred, Series BB	52,200	929,746	1,235,052	Canadian Utilities Limited, 5.25%, Preferred, Series EE	43,445	1,001,871	1,105,675
Royal Bank of Canada, 4.00%, Preferred, Series AZ	29,086	589,640	682,358	Capital Power Corporation, 4.50%, Preferred, Series 5	23,800	538,249	510,748
Royal Bank of Canada, 4.45%, Preferred, Series AA	13,000	327,908	330,460	Capital Power Corporation, 4.60%, Preferred, Series 1	8,440	164,291	138,078
Royal Bank of Canada, 4.45%, Preferred, Series AF	11,600	297,557	295,800	Capital Power Corporation, 4.60%, Preferred, Series 3	600	10,542	13,176
Royal Bank of Canada, 4.50%, Preferred, Series AD	15,846	401,390	403,915	CU Inc., 4.60%, Preferred, Series 1	6,400	137,912	139,520
Royal Bank of Canada, 4.50%, Preferred, Series AE	19,400	493,352	493,342	Emera Inc., 2.56%, Preferred, Series A	400	7,197	7,368
Royal Bank of Canada, 4.50%, Preferred, Series AG	4,200	106,958	107,310	Emera Inc., 4.10%, Preferred, Series C	25,300	562,999	614,790
Royal Bank of Canada, 4.60%, Preferred, Series AC	20,700	532,927	526,401	Emera Inc., 4.25%, Preferred, Series F	16,000	351,585	391,520
Royal Bank of Canada, 4.90%, Preferred, Series BI	3,440	77,075	86,688	Emera Inc., 4.50%, Preferred, Series E	9,000	192,870	196,200
Royal Bank of Canada, 4.90%, Preferred, Series WV	5,300	117,605	133,772	Fortis Inc., 1.92%, Preferred, Series 1	25,350	400,600	434,372
Royal Bank of Canada, 5.00%, Preferred, Series AJ	23,300	588,092	584,830	Fortis Inc., 3.88%, Preferred, Series G	50,124	916,392	1,093,706
Sun Life Financial Inc. (Floating Rate), Preferred, Series 9QR	48,200	999,993	870,010	Fortis Inc., 4.00%, Preferred, Series K	35,100	668,021	758,160
Sun Life Financial Inc., 3.90%, Preferred, Series 10R	70,000	1,346,942	1,490,300	Fortis Inc., 4.10%, Preferred, Series M	111,001	2,223,474	2,636,274
Sun Life Financial Inc., 4.25%, Preferred, Series 12R	40,900	892,471	1,009,412	Fortis Inc., 4.75%, Preferred, Series J	4,800	120,273	111,120
Sun Life Financial Inc., 4.45%, Preferred, Series 3	28,500	631,437	616,455	Fortis Inc., 4.90%, Preferred, Series F	9,600	235,357	230,880
Sun Life Financial Inc., 4.45%, Preferred, Series F	62,600	1,329,430	1,354,664				
Sun Life Financial Inc., 4.50%, Preferred, Series 5	32,900	717,229	715,575				

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

# 1832 AM North American Preferred Share LP (Continued)

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2017

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)			
Utilities (cont'd)			
TransAlta Corporation, 4.60%, Preferred, Series A	199,012	2,551,385	2,825,970
TransAlta Corporation, 4.60%, Preferred, Series C	167,240	3,184,426	3,045,440
TransAlta Corporation, 5.00%, Preferred, Series E	127,103	2,429,747	2,781,014
TransAlta Corporation, 5.30%, Preferred, Series G	45,020	869,032	1,000,344
Valener Inc., 4.35%, Preferred, Series A	35,990	763,195	900,470
Westcoast Energy Inc., 5.20%, Preferred, Series 12	28,000	700,000	732,200
Westcoast Energy Inc., 5.25%, Preferred, Series 10	20,000	496,000	521,800
Westcoast Energy Inc., 5.60%, Preferred, Series J	5,200	129,168	129,896
		<u>27,169,169</u>	<u>29,684,924</u>
TOTAL EQUITIES		<u>229,796,579</u>	<u>241,451,301</u>
Transaction Costs		<u>(290,289)</u>	
TOTAL INVESTMENT PORTFOLIO		<u>249,931,914</u>	<u>263,132,295</u>
Unrealized Gain (Loss) on Derivatives – 0.1%			274,137
OTHER ASSETS, LESS LIABILITIES – 3.4%			<u>9,094,922</u>
NET ASSETS – 100.0%			<u><u>272,501,354</u></u>

## SCHEDULE OF DERIVATIVE INSTRUMENTS

### UNREALIZED GAIN ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Gain (\$)
Toronto-Dominion Bank, The	A-1+	Jan. 24, 2018	Canadian Dollar	12,749	US Dollar	10,000	0.784	0.795	178
Bank of Montreal	A-1	Jan. 24, 2018	Canadian Dollar	254,422	US Dollar	200,000	0.786	0.795	2,995
Toronto-Dominion Bank, The	A-1+	Jan. 24, 2018	Canadian Dollar	152,521	US Dollar	120,000	0.787	0.795	1,665
Canadian Imperial Bank of Commerce	A-1	Feb. 21, 2018	Canadian Dollar	1,907,010	US Dollar	1,500,000	0.787	0.796	21,498
Bank of Montreal	A-1	Feb. 21, 2018	Canadian Dollar	1,930,530	US Dollar	1,500,000	0.777	0.796	45,018
Bank of Montreal	A-1	Feb. 21, 2018	Canadian Dollar	64,198	US Dollar	50,000	0.779	0.796	1,348
Canadian Imperial Bank of Commerce	A-1	Feb. 21, 2018	Canadian Dollar	51,016	US Dollar	40,000	0.784	0.796	736
Canadian Imperial Bank of Commerce	A-1	Mar. 15, 2018	Canadian Dollar	8,249,374	US Dollar	6,490,000	0.787	0.796	93,341
Bank of Montreal	A-1	Mar. 15, 2018	Canadian Dollar	1,929,960	US Dollar	1,500,000	0.777	0.796	44,898
Bank of Montreal	A-1	Apr. 18, 2018	Canadian Dollar	7,394,529	US Dollar	5,750,000	0.778	0.796	170,911
									<u>382,588</u>

### UNREALIZED LOSS ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Loss (\$)
Canadian Imperial Bank of Commerce	A-1	Jan. 24, 2018	Canadian Dollar	8,441,550	US Dollar	6,750,000	0.8	0.795	(44,106)
Bank of Montreal	A-1	Jan. 24, 2018	US Dollar	1,200,000	Canadian Dollar	1,521,776	1.268	1.257	(13,220)
Bank of Montreal	A-1	Jan. 24, 2018	US Dollar	1,320,000	Canadian Dollar	1,695,330	1.284	1.257	(35,897)
Canadian Imperial Bank of Commerce	A-1	Feb. 21, 2018	Canadian Dollar	2,926,170	US Dollar	2,340,000	0.8	0.796	(15,228)
									<u>(108,451)</u>

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



# 1832 AM North American Preferred Share LP (Continued)

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

### The Fund (note 1)

The Fund's objective is to provide income and the potential for modest long term capital growth. It invests primarily in a diversified portfolio of preferred shares of North American corporations. The Fund can invest up to 100% of its assets in foreign securities.

### Risks associated with financial instruments (note 4)

#### Interest rate risk

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity (earlier of maturity date or interest reset date) of the Fund's portfolio, excluding underlying funds, preferred shares, cash and overdrafts, as applicable.

Interest rate exposure	December 31, 2017 (\$)	December 31, 2016 (\$)
Less than 1 year	–	5,900,651
1-3 years	–	9,221,014
3-5 years	875,884	3,007,201
5-10 years	10,256,062	13,556,533
> 10 years	10,549,048	3,679,515
	21,680,994	35,364,914

As at December 31, 2017, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, net assets attributable to holders of redeemable units would have decreased or increased, respectively, by \$242,616 or approximately 0.1% (December 31, 2016 – \$419,037 or approximately 0.2%).

#### Currency risk

The Fund's exposure to currency risk is summarized in the tables below. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund, net of currency contracts, as applicable.

Currency	December 31, 2017			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	30,032,448	(29,776,784)	255,664	0.1
	30,032,448	(29,776,784)	255,664	0.1

Currency	December 31, 2016			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	47,365,928	(47,516,067)	(150,139)	(0.1)
	47,365,928	(47,516,067)	(150,139)	(0.1)

If the Canadian dollar strengthened or weakened by 10% in relation to all other currencies, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by \$25,566 or 0.01% of net assets (December 31, 2016 – \$15,014 or 0.0%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2017, approximately 88.5% (December 31, 2016 – 83.7%) of the Fund's net assets were exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$24,145,131 (December 31, 2016 – \$21,147,137). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### Credit risk

The table below summarizes the credit ratings of bonds and debentures, money market instruments and preferred shares held by the Fund, as applicable.

	December 31, 2017		December 31, 2016	
	Percentage of total credit rated instruments (%)	Percentage of net assets (%)	Percentage of total credit rated instruments (%)	Percentage of net assets (%)
<b>Credit ratings</b>				
AA	0.4	0.4	–	–
A	10.6	10.2	7.6	7.5
BBB	64.9	62.7	65.0	63.5
BB	24.1	23.3	27.4	26.7
	100.0	96.5	100.0	97.7

#### Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets:

	Percentage of net assets (%)	
	December 31, 2017	December 31, 2016
Consumer Discretionary	0.7	0.3
Corporate Bonds	8.0	14.0
Energy	23.3	19.1
Financials	46.2	49.7
Real Estate	1.8	0.7
Telecommunication Services	5.6	5.0
Utilities	10.9	8.9

# 1832 AM North American Preferred Share LP (Continued)

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

### Fair Value Classification (note 2)

The tables below illustrate the classification of the Fund's financial instruments within the fair value hierarchy.

	Level 1	Level 2	Level 3	Total
December 31, 2017	(\$)	(\$)	(\$)	(\$)
Equities	241,451,301	-	-	241,451,301
Bonds and debentures	-	21,680,994	-	21,680,994
Unrealized gain on currency forward contracts	-	382,588	-	382,588
	241,451,301	22,063,582	-	263,514,883
Unrealized loss on currency forward contracts	-	(108,451)	-	(108,451)
	241,451,301	21,955,131	-	263,406,432

	Level 1	Level 2	Level 3	Total
December 31, 2016	(\$)	(\$)	(\$)	(\$)
Equities	211,471,366	-	-	211,471,366
Bonds and debentures	-	35,364,914	-	35,364,914
Unrealized gain on currency forward contracts	-	100,803	-	100,803
	211,471,366	35,465,717	-	246,937,083
Unrealized loss on currency forward contracts	-	(689,249)	-	(689,249)
	211,471,366	34,776,468	-	246,247,834

### Transfers between levels

During the periods ended December 31, 2017 and December 31, 2016, there were no significant transfers between Level 1 and Level 2.

### Offsetting of financial assets and liabilities (note 2)

The following table presents offsetting of financial assets and liabilities and collateral amounts that would occur if future events, such as bankruptcy or termination of contracts, were to arise. No amounts were offset in the financial statements.

	December 31, 2017			
Financial assets – by type	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	382,588	(108,451)	-	274,137
Options contracts – OTC	-	-	-	-
Swap contracts – OTC	-	-	-	-
	382,588	(108,451)	-	274,137

Financial liabilities – by type	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	108,451	(108,451)	-	-
Options contracts – OTC	-	-	-	-
Swap contracts – OTC	-	-	-	-
	108,451	(108,451)	-	-

	December 31, 2016			
Financial assets – by type	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	100,803	(100,803)	-	-
Options contracts – OTC	-	-	-	-
Swap contracts – OTC	-	-	-	-
	100,803	(100,803)	-	-

Financial liabilities – by type	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	689,249	(100,803)	-	588,446
Options contracts – OTC	-	-	-	-
Swap contracts – OTC	-	-	-	-
	689,249	(100,803)	-	588,446

### Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2017 or December 31, 2016.

### Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2017 or December 31, 2016, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

# 1832 AM Tactical Asset Allocation LP

## STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2017	December 31, 2016
<b>ASSETS</b>		
Current assets		
Investments		
Non-derivative financial assets	191,373,442	177,625,922
Cash	704,253	5,852,570
Accrued investment income and other	–	3,151
	<u>192,077,695</u>	<u>183,481,643</u>
<b>LIABILITIES</b>		
Current liabilities		
Redemptions payable	320,000	–
Accrued expenses	13	227
	<u>320,013</u>	<u>227</u>
Net assets attributable to holders of redeemable units	<u>191,757,682</u>	<u>183,481,416</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES</b>		
Series I	191,757,682	183,481,416
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT</b>		
Series I	12.15	11.18

## STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2017	2016
<b>INCOME</b>		
Net gain (loss) on investments		
Dividends	545,138	92,397
Interest for distribution purposes	4,663	35,377
Net realized gain (loss) on non-derivative financial assets	1,087,951	3,879,966
Change in unrealized gain (loss) on non-derivative financial assets	14,227,841	3,841,113
Net gain (loss) on investments	<u>15,865,593</u>	<u>7,848,853</u>
Net realized and unrealized foreign currency translation gain (loss)	21,105	11,287
Total income (loss), net	<u>15,886,698</u>	<u>7,860,140</u>
<b>EXPENSES</b>		
Fixed administration fees (note 6)	75,320	69,353
Independent Review Committee fees	1,135	1,184
Interest expense and bank overdraft charges	988	–
Foreign withholding taxes/tax reclaims	81,771	13,860
Other fund costs	–	29
Harmonized Sales Tax/Goods and Services Tax	9,792	9,174
Transaction costs	4,776	29,774
Total expenses	<u>173,782</u>	<u>123,374</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>15,712,916</u>	<u>7,736,766</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES</b>		
Series I	15,712,916	7,736,766
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT<sup>†</sup></b>		
Series I	0.97	0.48
<b>WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES</b>		
Series I	16,274,020	16,108,037

<sup>†</sup> The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2017	2016
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD</b>		
Series I	183,481,416	174,774,807
	<u>183,481,416</u>	<u>174,774,807</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS</b>		
Series I	15,712,916	7,736,766
	<u>15,712,916</u>	<u>7,736,766</u>
<b>REDEEMABLE UNIT TRANSACTIONS</b>		
Proceeds from issue		
Series I	1,394,700	9,724,000
Payments on redemption		
Series I	(8,831,350)	(8,754,157)
	<u>(7,436,650)</u>	<u>969,843</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		
Series I	8,276,266	8,706,609
	<u>8,276,266</u>	<u>8,706,609</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD</b>		
Series I	191,757,682	183,481,416
	<u>191,757,682</u>	<u>183,481,416</u>

## STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2017	2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	15,712,916	7,736,766
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(1,087,951)	(3,879,966)
Unrealized foreign currency translation (gain) loss	(2,285)	695
Change in unrealized (gain) loss on non-derivative financial assets	(14,227,841)	(3,841,113)
Purchases of portfolio investments	(18,168,635)	(52,556,327)
Proceeds from sale of portfolio investments	19,736,907	56,508,786
Accrued investment income and other	3,151	(2,813)
Accrued expenses and other payables	(214)	227
Net cash provided by (used in) operating activities	<u>1,966,048</u>	<u>3,966,255</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of redeemable units	1,394,700	9,781,499
Amounts paid on redemption of redeemable units	(8,511,350)	(8,817,907)
Net cash provided by (used in) financing activities	(7,116,650)	963,592
Unrealized foreign currency translation gain (loss)	2,285	(695)
Net increase (decrease) in cash	(5,150,602)	4,929,847
Cash (bank overdraft), beginning of period	5,852,570	923,418
CASH (BANK OVERDRAFT), END OF PERIOD	<u>704,253</u>	<u>5,852,570</u>
Interest paid <sup>(1)</sup>	988	–
Interest received <sup>(1)</sup>	7,814	32,563
Dividends received, net of withholding taxes <sup>(1)</sup>	463,367	78,537

<sup>(1)</sup> Classified as operating items.

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

# 1832 AM Tactical Asset Allocation LP (Continued)

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2017

<b>Issuer</b>	<b>Number of Units</b>	<b>Average Cost (\$)</b>	<b>Carrying Value (\$)</b>
Index Based Exchange-Traded Funds – 99.8%			
Horizons Canadian Select Universe Bond Exchange Traded Fund	1,551,700	66,243,472	69,392,024
Horizons S&P 500 Index Exchange Traded Fund	1,402,400	67,306,744	88,421,320
Vanguard S&P 500 ETF	108,940	30,246,628	33,560,098
		<u>163,796,844</u>	<u>191,373,442</u>
Transaction Costs		<u>(57,586)</u>	
TOTAL INVESTMENT PORTFOLIO		<u>163,739,258</u>	191,373,442
OTHER ASSETS, LESS LIABILITIES – 0.2%			<u>384,240</u>
NET ASSETS – 100.0%			<u>191,757,682</u>

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

# 1832 AM Tactical Asset Allocation LP (Continued)

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

### The Fund (note 1)

The Fund's investment objective is to provide total return over the long term by having exposure to and/or investing directly in fixed income and equity securities. The Fund will invest primarily in a mix of fixed income and/or equity exchange-traded funds ("ETFs") listed primarily in North America. The Fund may also invest directly in mutual funds, individual fixed income or equity securities, and cash or cash equivalents. The Fund can invest up to 100% of its assets in foreign securities.

The Fund invests primarily in funds managed by the Manager and/or by the third party investment managers (the "Underlying Funds"). To ensure the Fund's composition meets the investment objectives of the Fund, the portfolio advisor monitors the Underlying Funds on an ongoing basis and rebalances the Fund's assets among the Underlying Funds.

### Risk associated with financial instruments (note 4)

#### Interest rate risk

The Fund could be exposed to indirect interest rate risk to the extent that the Underlying Funds held financial instruments that were subject to interest rate risk.

#### Currency risk

The Fund could be exposed to indirect currency risk to the extent that the Underlying Funds held financial instruments that were denominated in a currency other than its functional currency.

#### Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2017, approximately 99.8% (December 31, 2016 – 96.8%) of the Fund's net assets were exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$19,137,344 (December 31, 2016 – \$17,762,592). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### Credit risk

The Fund could be exposed to indirect credit risk to the extent that the Underlying Funds invested in bonds and debentures, derivatives, money market instruments or preferred shares.

### Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets:

	Percentage of net assets (%)	
	December 31, 2017	December 31, 2016
Index Based ETFs	99.8	96.8

### Fair Value Classification (note 2)

The tables below illustrate the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2017	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	191,373,442	–	–	191,373,442
	191,373,442	–	–	191,373,442

December 31, 2016	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	177,625,922	–	–	177,625,922
	177,625,922	–	–	177,625,922

### Transfers between levels

During the periods ended December 31, 2017 and December 31, 2016, there were no significant transfers between Level 1 and Level 2.

### Offsetting of financial assets and liabilities (note 2)

As at December 31, 2017 and December 31, 2016, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

### Interest in Underlying Funds (note 2)

The following tables present the percentage of the Underlying Funds owned by the Fund.

Underlying Fund	December 31, 2017	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
Horizons Canadian Select Universe Bond Exchange Traded Fund	69,392,024	30.4
Horizons S&P 500 Index Exchange Traded Fund	88,421,320	13.4
Vanguard S&P 500 ETF	33,560,098	0.0
	191,373,442	

# 1832 AM Tactical Asset Allocation LP (Continued)

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

Underlying Fund	December 31, 2016	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
Horizons Canadian Select Universe Bond Exchange Traded Fund	83,714,035	41.9
Horizons S&P 500 Index Exchange Traded Fund	79,409,400	16.1
Vanguard S&P 500 ETF	14,502,487	0.0
	177,625,922	

### Comparison of net asset value and net assets per unit (note 2)

As at December 31, 2017 or December 31, 2016, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

# Scotia Global Low Volatility Equity LP

## STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2017	December 31, 2016
<b>ASSETS</b>		
Current assets		
Investments		
Non-derivative financial assets	1,035,598,026	943,987,160
Unrealized gain on currency spot contracts	–	420
Cash	2,334,574	3,055,486
Receivable for securities sold	2,925,340	1,948,029
Subscriptions receivable	181,200	–
Accrued investment income and other	1,801,999	1,745,466
	<u>1,042,841,139</u>	<u>950,736,561</u>
<b>LIABILITIES</b>		
Current liabilities		
Payable for securities purchased	965,491	–
Redemptions payable	1,420,000	–
Accrued expenses	–	2,935
	<u>2,385,491</u>	<u>2,935</u>
Net assets attributable to holders of redeemable units	<u>1,040,455,648</u>	<u>950,733,626</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES</b>		
Series I	1,040,455,648	950,733,626
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT</b>		
Series I	<u>15.99</u>	<u>14.79</u>

## STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2017	2016
<b>INCOME</b>		
Net gain (loss) on investments		
Dividends	29,861,956	24,273,088
Interest for distribution purposes	13,350	10,882
Net realized gain (loss) on non-derivative financial assets	19,505,706	(2,020,103)
Change in unrealized gain (loss) on non-derivative financial assets	35,240,659	20,196,815
Change in unrealized gain (loss) on currency spots contracts	(420)	420
Net gain (loss) on investments	84,621,251	42,461,102
Securities lending (note 11)	28,368	64,497
Net realized and unrealized foreign currency translation gain (loss)	55,681	(104,185)
Total income (loss), net	<u>84,705,300</u>	<u>42,421,414</u>
<b>EXPENSES</b>		
Fixed administration fees (note 6)	991,160	890,882
Independent Review Committee fees	1,135	1,184
Interest expense and bank overdraft charges	7,275	5,032
Foreign withholding taxes/tax reclaims	4,240,654	3,397,585
Other fund costs	–	148
Harmonized Sales Tax/Goods and Services Tax	128,851	115,988
Transaction costs	81,024	79,999
Total expenses	<u>5,450,099</u>	<u>4,490,818</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>79,255,201</u>	<u>37,930,596</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES</b>		
Series I	79,255,201	37,930,596
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT†</b>		
Series I	<u>1.22</u>	<u>0.61</u>
<b>WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES</b>		
Series I	64,742,952	62,287,438

† The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2017	2016
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD</b>		
Series I	950,733,626	886,070,788
	<u>950,733,626</u>	<u>886,070,788</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS</b>		
Series I	79,255,201	37,930,596
	<u>79,255,201</u>	<u>37,930,596</u>
<b>REDEEMABLE UNIT TRANSACTIONS</b>		
Proceeds from issue		
Series I	53,075,171	61,107,150
Payments on redemption		
Series I	(42,608,350)	(34,374,908)
	<u>10,466,821</u>	<u>26,732,242</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		
Series I	89,722,022	64,662,838
	<u>89,722,022</u>	<u>64,662,838</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD</b>		
Series I	1,040,455,648	950,733,626
	<u>1,040,455,648</u>	<u>950,733,626</u>

## STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2017	2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	79,255,201	37,930,596
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(19,505,706)	2,020,103
Unrealized foreign currency translation (gain) loss	(16,829)	75,858
Change in unrealized (gain) loss on non-derivative financial assets	(35,240,659)	(20,196,815)
Change in unrealized (gain) loss on currency spot contracts	420	(420)
Non-cash transactions	(261,044)	–
Purchases of portfolio investments	(177,245,154)	(164,777,963)
Proceeds from sale of portfolio investments	140,629,877	119,917,005
Accrued investment income and other	(56,533)	(101,261)
Accrued expenses and other payables	(2,935)	2,935
Net cash provided by (used in) operating activities	<u>(12,443,362)</u>	<u>(25,129,962)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of redeemable units	52,893,971	61,165,550
Amounts paid on redemption of redeemable units	(41,188,350)	(34,541,908)
Net cash provided by (used in) financing activities	11,705,621	26,623,642
Unrealized foreign currency translation gain (loss)	16,829	(75,858)
Net increase (decrease) in cash	(737,741)	1,493,680
Cash (bank overdraft), beginning of period	3,055,486	1,637,664
CASH (BANK OVERDRAFT), END OF PERIOD	<u>2,334,574</u>	<u>3,055,486</u>
Interest paid <sup>(1)</sup>	7,275	5,032
Interest received <sup>(1)</sup>	14,653	10,070
Dividends received, net of withholding taxes <sup>(1)</sup>	25,302,424	20,775,053

<sup>(1)</sup> Classified as operating items.

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

# Scotia Global Low Volatility Equity LP (Continued)

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2017

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)	Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 99.5%				EQUITIES (cont'd)			
Australia – 5.2%				Japan (cont'd)			
Alumina Ltd.	3,443,383	5,089,430	8,191,030	Daiwa House Real Estate Investment Trust Investment Corporation	511	1,779,374	1,525,116
AusNet Services	1,266,526	1,763,545	2,243,682	Idemitsu Kosan Co., Ltd.	129,775	3,144,700	6,524,777
Australian Stock Exchange Ltd.	49,793	1,854,879	2,675,194	Inpex Corporation	249,000	2,985,673	3,914,843
BHP Billiton Limited	28,775	891,490	832,111	Japan Prime Realty Investment Corporation	318	1,635,761	1,269,466
Caltex Australia Limited	37,159	1,169,448	1,238,151	JX Holdings Inc	996,268	5,550,633	8,087,631
Coca-Cola Amatil Ltd.	694,118	6,136,864	5,783,776	Kobe Steel Ltd.	160,000	2,561,618	1,864,944
Cochlear Limited	40,003	3,124,729	6,709,251	Lawson Inc.	6,100	522,916	509,032
Computershare Ltd.	385,593	5,487,792	6,156,822	Maruichi Steel Tube Ltd.	268,395	8,494,729	9,866,608
Goodman Group	165,506	1,412,678	1,362,977	McDonald's Holdings Company Japan Ltd.	178,319	5,516,032	9,853,774
GPT Group	107,565	474,982	537,959	Mediceo Paltac Holding Company	100,112	2,409,672	2,463,248
Newcrest Mining Limited	202,193	4,699,886	4,513,285	Mitsubishi Materials Corporation	52,600	1,916,936	2,352,806
Origin Energy Ltd.	55,809	473,191	515,642	Mitsubishi Tanabe Pharma Corporation	134,000	3,573,641	3,470,373
SEEK Ltd.	66,176	898,047	1,230,592	Nippon Prologs REIT Inc.	875	2,550,062	2,324,138
Sonic Healthcare Limited	226,985	4,282,575	5,077,492	Nippon Steel Corporation	204,174	6,080,322	6,584,328
Stockland	402,301	1,624,245	1,767,811	Ryohin Keikaku Co., Ltd.	4,500	1,587,471	1,760,343
Telstra Corporation Limited	743,633	4,001,460	2,644,599	Sega Sammy Holdings Inc.	92,600	1,761,103	1,441,533
Vicinity Centres	813,327	2,035,597	2,170,954	Sumitomo Metal Mining Co., Ltd.	52,000	1,962,372	2,997,338
		<u>45,420,838</u>	<u>53,651,328</u>	Suntory Beverage & Food Ltd.	81,200	3,079,250	4,536,843
				Suzuken Co., Ltd.	50,900	2,631,791	2,631,396
Austria – 0.9%				Taisho Pharmaceutical Holdings Co., Ltd.	20,500	1,922,053	2,051,275
Voestalpine AG	128,432	6,425,755	9,642,009	Takashimaya Co., Ltd.	365,610	4,664,245	4,830,666
Belgium – 0.3%				Toho Co Ltd.	14,400	534,486	626,665
Colruyt SA	53,281	3,354,318	3,481,203	Unicharm Corporation	58,756	2,021,381	1,918,975
Denmark – 0.3%				United Urban Investment Corporation	297	483,078	536,575
William Demant Holding AS	103,413	2,323,982	3,616,512	USS Co., Ltd.	90,436	2,466,796	2,403,727
France – 1.2%						<u>74,234,376</u>	<u>90,336,749</u>
Atos SE	8,250	1,005,783	1,508,358	New Zealand – 2.4%			
Bollere SA	854	4,384	5,856	Auckland International Airport Limited	1,123,878	4,448,863	6,479,948
ICADE	16,917	1,844,412	2,088,462	Mercury NZ Ltd.	298,892	871,209	894,750
Iliad SA	4,020	1,237,422	1,209,960	Meridian Energy Ltd.	196,707	503,523	511,522
TOTAL SA	80,109	5,453,146	5,551,779	Ryman Healthcare Limited	955,525	7,150,525	9,001,755
TOTAL SA, Rights Jan 03, 2018	80,109	–	74,852	Spark New Zealand Ltd.	2,382,801	5,773,534	7,697,713
Veolia Environnement SA	47,638	1,529,630	1,526,637			<u>18,747,654</u>	<u>24,585,688</u>
		<u>11,074,777</u>	<u>11,965,934</u>	Norway – 3.2%			
Germany – 0.9%				Norsk Hydro ASA	1,100,053	5,995,246	10,450,812
Deutsche Telekom AG	33,345	903,084	742,778	Orkla ASA	785,449	8,532,777	10,462,843
Fraport AG Frankfurt Airport Services Worldwide	18,697	1,536,440	2,583,497	Statoil ASA	195,689	4,222,259	5,260,261
Fresenius Medical Care AG & Co. KGaA	16,644	1,430,772	2,201,851	Telenor ASA	251,314	5,531,509	6,764,530
ThyssenKrupp AG	50,858	1,702,807	1,854,949			<u>24,281,791</u>	<u>32,938,446</u>
Wirecard AG	12,185	1,645,273	1,708,718	Singapore – 3.5%			
		<u>7,218,376</u>	<u>9,091,793</u>	Ascendas Real Estate Investment Trust	987,095	2,056,428	2,521,474
Hong Kong – 3.2%				CapitalLand Commercial Trust	1,015,000	1,405,091	1,839,553
Cheung Kong Infrastructure Holdings Limited	527,442	4,005,964	5,686,752	CapitalLand Mall Trust	2,722,530	4,759,157	5,444,638
CLP Holdings Limited	755,000	7,241,632	9,703,593	Singapore Exchange Limited	108,324	710,365	755,540
HKT Trust and HKT Ltd.	1,844,991	2,914,574	2,954,968	Singapore Press Holdings Ltd.	2,714,900	9,672,457	6,749,759
Hong Kong and China Gas Company Limited	1,677,063	2,847,774	4,128,724	Singapore Telecommunications Limited	900,200	3,016,703	3,018,856
Hongkong Electric Holdings Limited	144,000	1,335,620	1,526,286	Starhub Ltd.	2,772,300	9,726,807	7,421,766
Hysan Development Company Ltd.	83,000	446,312	553,299	Suntec Real Estate Investment Trust	2,758,989	4,475,277	5,564,454
Link Real Estate Investment Trust, The	226,500	1,247,532	2,636,065	Wilmar International Ltd.	923,896	2,952,803	2,676,195
PCCW Limited	4,139,625	2,502,797	3,019,111			<u>38,775,088</u>	<u>35,992,235</u>
Shangri-La Asia Limited	952,000	1,406,036	2,702,846	Sweden – 0.8%			
		<u>23,948,241</u>	<u>32,911,644</u>	Boliden AB	92,655	2,205,526	3,971,738
Israel – 2.0%				Millicom International Cellular S.A.	50,686	4,080,216	4,306,083
Bank Hapoalim BM	137,876	811,991	1,273,516			<u>6,285,742</u>	<u>8,277,821</u>
Bank Leumi le-Israel Ltd.	920,030	4,066,896	6,963,491	Switzerland – 5.7%			
Bezeq Israeli Telecommunication Corporation Ltd.	1,278,065	2,667,593	2,427,776	Baloise Holding AG	13,460	2,192,306	2,631,564
Israel Chemicals Limited	103,549	891,710	527,052	Dufry AG	4,514	725,409	843,089
Mizrahi Tefahot Bank Ltd.	338,719	4,847,266	7,842,799	Givaudan SA	998	1,792,232	2,891,809
NICE Systems Limited	13,418	808,413	1,539,059	Kuehne + Nagel International AG	35,444	5,986,868	7,868,709
		<u>14,093,869</u>	<u>20,573,693</u>	Lindt & Spruengli AG	814	5,185,768	7,324,493
Japan – 8.7%				Nestle SA	48,502	4,183,170	5,235,775
Alfresa Holdings Corporation	25,100	440,497	740,160	Pargesa Holding SA	6,496	540,810	506,976
Brother Industries, Ltd.	104,804	2,357,784	3,250,169	Sika AG	156	838,441	1,553,417

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



# Scotia Global Low Volatility Equity LP (Continued)

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2017

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)	Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)				EQUITIES (cont'd)			
Switzerland (cont'd)				United States (cont'd)			
Sonova Holdings AG	39,338	6,651,291	7,715,563	Genuine Parts Company	41,186	5,054,979	4,914,450
Swiss Life Holding AG	10,962	3,484,878	4,873,899	Halliburton Company	192,312	11,195,582	11,803,335
Swiss Prime Site AG	55,597	4,937,790	6,444,639	Harris Corporation	10,600	1,361,020	1,885,725
Swisscom AG	16,126	10,190,543	10,768,127	Helemerich & Payne, Inc.	58,265	4,195,961	4,730,043
		<u>46,709,506</u>	<u>58,858,060</u>	Henry Schein Inc.	89,492	6,426,181	7,854,040
				Hormel Foods Corporation	195,766	5,778,227	8,946,957
United Kingdom – 3.6%				IQVIA Holdings Inc.	30,695	2,846,065	3,774,039
Antofagasta PLC	151,323	2,233,962	2,577,668	J.M. Smucker Company, The	52,081	6,752,023	8,126,373
British American Tobacco PLC	62,441	3,502,535	5,294,759	Jack Henry & Associates Inc.	68,920	9,837,932	10,123,685
Coca-Cola HBC AG	138,708	4,027,893	5,668,672	Kellogg Company	52,828	3,588,165	4,510,258
Compass Group PLC	59,436	1,227,568	1,614,725	Kimberly-Clark Corporation	62,076	7,984,954	9,406,825
Fresnillo PLC	79,289	1,534,417	1,923,360	Kimco Realty Corporation	67,353	1,531,435	1,535,287
Imperial Brands PLC	101,855	4,473,558	5,468,900	Laboratory Corporation of America Holdings	26,113	2,899,407	5,231,192
John Wood Group PLC	119,591	1,467,600	1,313,305	Liberty Property Trust	84,366	4,115,223	4,557,146
National Grid PLC	267,739	4,752,861	3,951,595	M&T Bank Corporation	54,098	8,648,447	11,617,373
Randgold Resources Limited	6,271	796,985	781,645	McCormick & Company, Inc.	77,335	6,400,706	9,898,033
RELX PLC	205,948	3,520,499	6,062,080	Motorola Solutions, Inc.	61,992	5,149,967	7,033,504
Royal Mail PLC	396,885	3,637,691	3,047,113	National-Oilwell Varco Inc.	60,119	2,982,481	2,719,640
		<u>31,175,569</u>	<u>37,703,822</u>	New York Community Bancorp, Inc.	425,148	7,902,110	6,951,958
				Newmont Mining Corporation	58,830	2,120,886	2,772,156
United States – 57.6%				News Corporation, Class A	80,900	1,742,501	1,646,977
Alliant Energy Corporation	180,910	5,954,780	9,681,221	Nucor Corporation	114,248	6,471,859	9,122,737
Altria Group, Inc.	114,049	5,637,424	10,228,372	Occidental Petroleum Corporation	97,848	9,752,991	9,051,899
American Capital Agency Corporation	188,250	4,426,648	4,773,394	OG Energy Corporation	146,547	5,658,532	6,057,045
American Electric Power Company, Inc.	65,940	3,614,770	6,092,643	OONEK, Inc.	24,800	1,250,148	1,664,774
American Water Works Co., Inc.	5,840	291,305	671,031	O'Reilly Automotive, Inc.	21,473	3,844,561	6,486,883
AmerisourceBergen Corporation	69,421	6,361,213	8,005,421	Paychex, Inc.	128,853	9,319,141	11,017,171
Annaly Capital Management Inc.	721,494	8,202,541	10,773,842	People's United Financial Inc.	30,100	5,055,722	706,910
ANSYS Inc.	8,916	1,167,118	1,652,658	Philip Morris International Inc.	77,385	7,501,659	10,267,916
Arthur J. Gallagher & Co.	108,960	6,509,774	8,659,435	Phillips 66 Company	49,524	5,589,931	6,291,260
AvalonBay Communities Inc.	31,780	5,090,762	7,120,805	Pinnacle West Capital Corporation	65,045	4,102,129	6,958,371
Avis Capital Holdings Ltd.	32,456	2,441,393	2,048,677	Procter & Gamble Company, The	84,890	8,476,757	9,795,656
Baker Hughes, a GE company	48,920	2,403,851	1,943,922	Public Storage Real Estate Investment Trust	9,800	1,829,080	2,572,340
Baxter International Inc.	8,700	561,930	706,280	Quest Diagnostics Incorporated	69,424	9,082,617	8,587,323
Becton, Dickinson and Company	3,553	962,650	955,183	Regency Centers Corporation	88,077	5,079,614	7,652,425
Broadridge Financial Solutions Inc.	16,200	1,440,268	1,842,907	RenaissanceRe Holdings Ltd.	22,673	3,454,431	3,576,186
Brown-Forman Corporation, Class B	80,200	3,648,432	6,916,676	Ross Stores, Inc.	14,500	662,828	1,461,400
C.H. Robinson Worldwide, Inc.	15,601	1,559,689	1,745,571	SCANA Corporation	84,908	4,860,672	4,241,988
Camden Property Trust	41,971	3,395,019	4,852,620	Schlumberger Limited	124,338	12,757,975	10,523,382
Campbell Soup Company	132,014	7,563,902	7,976,481	Sempra Energy	49,453	5,287,801	6,640,604
CentrePoint Energy, Inc.	52,465	1,713,695	1,868,667	Southern Company	48,990	2,274,329	2,958,818
Chevron Corporation	65,677	9,716,114	10,326,163	Stryker Corporation	37,470	3,365,343	7,286,565
Church & Dwight Co., Inc.	160,913	6,464,307	10,138,909	Synopsis Inc.	64,304	3,638,330	6,883,946
Clorox Company, The	59,061	6,526,072	11,032,770	Sysco Corporation	72,696	3,386,381	5,544,595
CMS Energy Corporation	127,406	4,236,665	7,568,451	Torchmark Corporation	55,923	3,897,514	6,370,912
Coca-Cola Company, The	34,003	1,932,341	1,959,281	UDR Inc.	154,950	4,813,171	7,496,074
Colgate-Palmolive Company	102,382	7,702,933	9,701,499	Vantiv, Inc.	75,850	5,413,967	7,006,389
Consolidated Edison, Inc.	59,870	3,725,654	6,387,467	Varian Medical Systems Inc.	23,636	2,055,968	3,299,434
Cooper Companies Inc., The	9,400	2,178,089	2,572,179	VeriSign, Inc.	80,947	6,809,596	11,634,149
Costco Wholesale Corporation	19,839	2,683,587	4,637,339	Vornado Realty Trust Real Estate Investment Trust	11,300	1,302,209	1,109,507
Crown Castle International Corporation	7,766	1,078,990	1,082,718	WEC Energy Group Inc.	116,339	6,124,678	9,706,118
DaVita, Inc.	89,330	7,089,326	8,105,712	Weyerhaeuser Company	147,118	4,530,862	6,514,846
DENTSPLY International Inc.	117,062	6,451,324	9,678,227	WR Berkley Corporation	9,000	516,622	809,862
Dollar General Corporation	12,700	828,529	1,483,506	Xcel Energy, Inc.	115,049	8,871,809	6,951,431
Dollar Tree Inc.	79,532	5,459,343	10,718,601			<u>461,947,239</u>	<u>601,971,089</u>
Dr. Pepper Snapple Group, Inc.	71,087	4,583,704	8,665,357	Transaction Costs		(225,286)	
DTE Energy Company	47,803	3,693,489	6,571,532	TOTAL INVESTMENT PORTFOLIO		<u>815,791,835</u>	<u>1,035,598,026</u>
Entergy Corporation	24,683	2,130,474	2,523,045	OTHER ASSETS, LESS LIABILITIES – 0.5%			<u>4,857,622</u>
Equity Residential Real Estate Investment Trust	20,707	1,261,864	1,658,401	NET ASSETS – 100.0%			<u>1,040,455,648</u>
Eversource Energy	71,837	3,561,419	5,700,118				
Expeditors International of Washington, Inc.	99,736	6,278,228	8,102,986				
Express Scripts, Inc.	42,461	3,524,143	3,980,319				
Exxon Mobil Corporation	49,380	5,744,841	5,187,058				
F5 Networks, Inc.	10,713	1,482,326	1,765,498				
Federal Realty Investment Trust	41,465	5,490,202	6,916,215				
FMC Technologies, Inc.	311,266	12,412,093	12,239,700				
Gartner Inc., Class A	54,727	6,762,539	8,464,320				

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

# Scotia Global Low Volatility Equity LP (Continued)

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

### The Fund (note 1)

The Fund's objective is to achieve long-term capital growth. It invests primarily in equity securities located around the world. The Fund can invest up to 100% of its assets in foreign securities.

### Risks associated with financial instruments (note 4)

#### Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at December 31, 2017 and December 31, 2016. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

#### Currency risk

The Fund's exposure to currency risk is summarized in the tables below. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund, net of currency contracts, as applicable.

Currency	December 31, 2017			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	605,753,740	–	605,753,740	58.2
Japanese Yen	90,529,644	–	90,529,644	8.7
Swiss Franc	58,944,451	–	58,944,451	5.7
Australian Dollar	53,794,043	–	53,794,043	5.2
British Pound	38,123,401	–	38,123,401	3.7
Singapore Dollar	36,133,331	–	36,133,331	3.5
European Euro	34,220,007	–	34,220,007	3.3
Norwegian Krone	33,140,341	–	33,140,341	3.2
Hong Kong Dollar	33,045,014	–	33,045,014	3.2
New Zealand Dollar	24,764,995	–	24,764,995	2.4
Israel Shekel	20,815,536	–	20,815,536	2.0
Swedish Krona	8,298,920	–	8,298,920	0.8
Danish Krone	3,621,681	–	3,621,681	0.3
	1,041,185,104	–	1,041,185,104	100.2

Currency	December 31, 2016			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	562,579,094	(1,801,284)	560,777,810	59.0
Japanese Yen	61,800,425	–	61,800,425	6.5
Swiss Franc	54,263,338	(99,820)	54,163,518	5.7
Australian Dollar	43,656,006	–	43,656,006	4.6
British Pound	35,904,331	(149,598)	35,754,733	3.8
Singapore Dollar	32,646,941	(249,467)	32,397,474	3.4
Hong Kong Dollar	30,915,986	–	30,915,986	3.3
Norwegian Krone	30,559,847	(249,410)	30,310,437	3.2
Israel Shekel	27,580,070	–	27,580,070	2.9
European Euro	26,658,935	–	26,658,935	2.8
New Zealand Dollar	26,299,562	–	26,299,562	2.8
Danish Krone	9,087,173	–	9,087,173	1.0
Swedish Krona	3,213,942	–	3,213,942	0.3
	945,165,650	(2,549,579)	942,616,071	99.3

If the Canadian dollar strengthened or weakened by 10% in relation to all other currencies, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by \$104,118,510 or 10.0% of net assets (December 31, 2016 – \$94,261,607 or 9.9%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

### Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2017, approximately 99.8% (December 31, 2016 – 99.3%) of the Fund's net assets were exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$103,559,803 (December 31, 2016 – \$94,398,716). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

### Credit risk

The Fund had no significant exposure to bonds and debentures, money market instruments or preferred shares as at December 31, 2017 or December 31, 2016.

### Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets:

	Percentage of net assets (%)	
	December 31, 2017	December 31, 2016
Australia	5.2	4.6
Austria	0.9	0.7
Belgium	0.3	0.7
Denmark	0.3	1.0
France	1.2	0.9
Germany	0.9	0.5
Hong Kong	3.2	3.2
Israel	2.0	2.9
Japan	8.7	6.5
New Zealand	2.4	2.8
Norway	3.2	3.2
Singapore	3.5	3.4
Sweden	0.8	0.3
Switzerland	5.7	5.7
United Kingdom	3.6	3.8
United States	57.6	59.1

### Fair Value Classification (note 2)

The tables below illustrate the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2017	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	601,971,089	433,552,085	–	1,035,523,174
Warrants, rights and options	–	74,852	–	74,852
	601,971,089	433,626,937	–	1,035,598,026

# Scotia Global Low Volatility Equity LP (Continued)

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

<b>December 31, 2016</b>	<b>Level 1 (\$)</b>	<b>Level 2 (\$)</b>	<b>Level 3 (\$)</b>	<b>Total (\$)</b>
Equities	562,123,586	381,863,574	–	943,987,160
Unrealized gain on currency spot contracts	–	420	–	420
	562,123,586	381,863,994	–	943,987,580

### Transfers between levels

During the periods ended December 31, 2017 and December 31, 2016, there were no significant transfers between Level 1 and Level 2.

### Offsetting of financial assets and liabilities (note 2)

As at December 31, 2017 and December 31, 2016, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

### Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2017 or December 31, 2016.

### Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2017 or December 31, 2016, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

# Scotia Total Return Bond LP

## STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2017	December 31, 2016
<b>ASSETS</b>		
Current assets		
Investments		
Non-derivative financial assets	999,486,969	824,951,065
Unrealized gain on currency forward contracts	2,853,760	3,569,038
Cash	17,489,502	100,639,584
Margin deposited on derivatives	1,998,812	–
Receivable for securities sold	–	7,251,750
Subscriptions receivable	269,000	–
Accrued investment income and other	5,200,663	5,536,797
	<u>1,027,298,706</u>	<u>941,948,234</u>
<b>LIABILITIES</b>		
Current liabilities		
Payable for securities purchased	–	46,756,697
Redemptions payable	384,100	–
Accrued expenses	10	828
Unrealized loss on currency forward contracts	723,349	1,497,647
Unrealized loss on futures contracts	208,667	–
	<u>1,316,126</u>	<u>48,255,172</u>
Net assets attributable to holders of redeemable units	<u>1,025,982,580</u>	<u>893,693,062</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES</b>		
Series I	1,025,982,580	893,693,062
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT</b>		
Series I	12.06	11.66

## STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2017	2016
<b>INCOME</b>		
Net gain (loss) on investments		
Interest for distribution purposes	22,426,358	25,280,642
Net realized gain (loss) on non-derivative financial assets	(4,674,039)	17,680,739
Net realized gain (loss) on currency forward contracts	17,417,054	13,122,277
Net realized gain (loss) on futures contracts	–	(13,473,110)
Change in unrealized gain (loss) on non-derivative financial assets	(1,717,061)	(25,634,246)
Change in unrealized gain (loss) on currency forward contracts	59,020	4,916,880
Change in unrealized gain (loss) on futures contracts	(208,667)	1,966,917
Net gain (loss) on investments	33,302,665	23,860,099
Securities lending (note 11)	71,151	64,394
Net realized and unrealized foreign currency translation gain (loss)	(308,723)	(2,217,545)
Total income (loss), net	<u>33,065,093</u>	<u>21,706,948</u>
<b>EXPENSES</b>		
Fixed administration fees (note 6)	284,563	262,924
Independent Review Committee fees	1,135	1,184
Interest expense and bank overdraft charges	1,246	164,368
Foreign withholding taxes/tax reclaims	31,456	230,974
Other fund costs	–	149
Harmonized Sales Tax/Goods and Services Tax	36,993	34,353
Transaction costs	1,201	52,550
Total expenses	<u>356,594</u>	<u>746,502</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>32,708,499</u>	<u>20,960,446</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES</b>		
Series I	32,708,499	20,960,446
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT<sup>†</sup></b>		
Series I	0.41	0.28
<b>WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES</b>		
Series I	80,011,899	74,865,376

<sup>†</sup> The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2017	2016
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD</b>		
Series I	893,693,062	851,489,616
	<u>893,693,062</u>	<u>851,489,616</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS</b>		
Series I	32,708,499	20,960,446
	<u>32,708,499</u>	<u>20,960,446</u>
<b>REDEEMABLE UNIT TRANSACTIONS</b>		
Proceeds from issue		
Series I	129,924,580	42,998,098
Payments on redemption		
Series I	(30,343,561)	(21,755,098)
	<u>99,581,019</u>	<u>21,243,000</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		
Series I	132,289,518	42,203,446
	<u>132,289,518</u>	<u>42,203,446</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD</b>		
Series I	1,025,982,580	893,693,062
	<u>1,025,982,580</u>	<u>893,693,062</u>

## STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2017	2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	32,708,499	20,960,446
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	4,674,039	(17,680,739)
Unrealized foreign currency translation (gain) loss	(17,896)	2,405,752
Change in unrealized (gain) loss on non-derivative financial assets	1,717,061	25,634,246
Change in unrealized (gain) loss on currency forward contracts	(59,020)	(4,916,880)
Change in unrealized (gain) loss on futures contracts	208,667	(1,966,917)
Purchases of portfolio investments	(1,820,640,725)	(1,346,929,432)
Proceeds from sale of portfolio investments	1,600,208,774	1,373,976,779
Margin deposited on derivatives	(1,998,812)	6,688,022
Accrued investment income and other	336,134	(475,452)
Accrued expenses and other payables	(818)	828
Net cash provided by (used in) operating activities	<u>(182,864,097)</u>	<u>57,696,653</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of redeemable units	129,655,580	43,061,098
Amounts paid on redemption of redeemable units	(29,959,461)	(22,505,098)
Net cash provided by (used in) financing activities	99,696,119	20,556,000
Unrealized foreign currency translation gain (loss)	17,896	(2,405,752)
Net increase (decrease) in cash	(83,167,978)	78,252,653
Cash (bank overdraft), beginning of period	100,639,584	24,792,683
CASH (BANK OVERDRAFT), END OF PERIOD	<u>17,489,502</u>	<u>100,639,584</u>
Interest paid <sup>(1)</sup>	1,246	164,368
Interest received <sup>(1)</sup>	22,731,036	24,574,213

<sup>(1)</sup> Classified as operating items.

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

# Scotia Total Return Bond LP (Continued)

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2017

Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)	Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES – 97.4%				BONDS AND DEBENTURES (cont'd)			
Corporate Bonds – 38.8%				Corporate Bonds (cont'd)			
Algonquin Power & Utilities Corporation 4.82% Feb 15, 2021	4,470,000	4,784,365	4,737,876	Glacier Credit Card Trust 2.76% Nov 20, 2018	1,767,000	1,782,885	1,780,313
Alimentation Couche-Tard Inc. (Callable) 3.06% May 26, 2024	4,000,000	3,996,960	3,981,604	Goldman Sachs Group Inc., The (Callable) 3.31% Oct 31, 2024	1,735,000	1,743,155	1,734,668
Alimentation Couche-Tard Inc. (Callable) 3.60% Mar 02, 2025	3,470,000	3,552,566	3,536,890	Heathrow Funding Ltd. 3.00% Jun 17, 2021	6,380,000	6,461,202	6,467,380
Allied Properties Real Estate Investment Trust (Callable) 3.64% Feb 21, 2025	5,250,000	5,257,753	5,111,796	Hollis Receivables Term Trust II 1.79% Feb 26, 2020	2,130,000	2,130,677	2,108,641
Allied Properties Real Estate Investment Trust 3.93% Nov 14, 2022	60,000	60,000	61,151	Honda Canada Finance Inc. 2.16% Feb 18, 2021	4,786,000	4,808,105	4,756,676
AltaGas Ltd. 3.72% Sep 28, 2021	934,000	972,266	963,917	Hospital Infrastructure Partners NOH Partnership 5.44% Jan 31, 2045	906,557	1,028,034	1,063,601
AltaLink LP 3.62% Sep 17, 2020	1,063,000	1,108,178	1,102,804	HSBC Bank Canada 2.54% Jan 31, 2023	4,543,000	4,543,000	4,507,859
Amazon.com Inc. 2.80% Aug 22, 2024	USD 707,000	895,676	885,153	HSBC Bank of Canada 1.82% Jul 07, 2020	2,847,000	2,833,962	2,812,787
Anheuser-Busch InBev Finance Inc. (Callable) 2.60% Mar 15, 2024	3,453,000	3,414,667	3,378,896	Intact Financial Corporation (Callable) 3.77% Dec 02, 2025	2,765,000	2,893,248	2,873,466
Anheuser-Busch InBev Finance Inc. (Callable) 3.65% Nov 01, 2025	USD 3,580,000	4,881,933	4,643,852	Inter Pipeline Ltd. 4.97% Feb 02, 2021	1,856,000	1,995,386	1,983,263
Apple Inc. (Callable) 3.25% Nov 23, 2025	USD 7,910,000	10,783,930	10,121,053	International Bank for Reconstruction & Development 3.50% Jan 22, 2021	NZD 10,000,000	9,194,363	9,133,530
APT Pipelines Ltd. (Callable) 4.20% Dec 23, 2024	USD 4,913,000	6,281,249	6,410,520	Johnson & Johnson (Callable) 2.63% Nov 15, 2024	USD 3,008,000	3,825,835	3,767,726
APT Pipelines Ltd. 4.25% Jul 24, 2019	1,913,000	2,001,676	1,959,519	JPMorgan Chase & Co. (Callable) 2.55% Feb 01, 2021	USD 501,000	649,104	628,619
Avnet Inc. (Callable) 4.63% Jan 15, 2026	USD 8,550,000	11,203,071	11,120,240	JPMorgan Chase & Co. (Callable) 3.20% Mar 15, 2026	USD 2,118,000	2,693,444	2,653,086
Bank of America Corporation (Callable) 3.41% Sep 20, 2024	936,000	936,000	952,487	Keylight Technologies Inc. (Callable) 4.55% Jul 30, 2024	USD 6,910,000	8,641,285	9,206,318
Bank of America Corporation (Callable) 3.42% Dec 20, 2027	USD 2,657,000	3,137,375	3,337,783	Level 3 Financing Inc. (Callable) 5.38% Jan 15, 2019	USD 1,993,000	2,757,459	2,515,830
Bank of America Corporation 3.23% Jun 22, 2022	4,496,000	4,617,342	4,587,192	Loblaw Companies Limited (Callable) 4.86% Jun 12, 2023	4,395,000	4,894,096	4,818,786
Bank of America Corporation 4.00% Apr 01, 2024	USD 1,508,000	1,812,344	1,996,939	Manufacturers Life Insurance Company, The (Callable) 2.81% Feb 21, 2019	5,870,000	5,974,755	5,912,911
Bank of America Corporation 4.10% Jul 24, 2023	USD 1,161,000	1,584,617	1,543,169	McDonald's Corporation 3.13% Mar 04, 2025	2,894,000	2,914,768	2,918,742
Bank of America Corporation 5.00% May 13, 2021	USD 1,000	1,336	1,355	Medtronic Inc. 3.15% Mar 15, 2022	USD 1,010,000	1,324,328	1,297,763
Bank of Montreal (Callable) 2.57% Jun 01, 2022	5,395,000	5,334,442	5,310,898	Metro Inc. (Callable) 3.20% Nov 01, 2021	2,668,000	2,711,508	2,721,086
Bank of Montreal (Callable) 3.12% Sep 19, 2019	1,097,000	1,112,807	1,108,364	Metro Inc., Series F (Callable) 2.68% Nov 05, 2022	1,575,000	1,574,921	1,565,206
Bank of Montreal 1.61% Oct 28, 2021	5,045,000	4,997,325	4,895,818	Molson Coors International LP 2.75% Sep 18, 2020	7,990,000	8,048,618	8,026,923
Bank of Montreal 2.10% Oct 06, 2020	580,000	579,797	577,210	National Bank of Canada 2.11% Mar 18, 2022	4,595,000	4,565,462	4,524,514
Bank of Montreal 2.70% Sep 11, 2024	1,812,000	1,811,764	1,811,386	National Hockey League Inc. 3.33% Aug 10, 2024*	USD 1,900,000	2,405,398	2,386,215
Bank of Montreal 2.84% Jun 04, 2020	2,375,000	2,489,713	2,408,920	NBC Asset Trust 7.24% Jun 30, 2018	5,515,000	6,385,570	5,655,668
Bank of Nova Scotia, The 1.90% Dec 02, 2021	7,084,000	7,073,360	6,939,182	North Battleford Power LP 4.96% Dec 31, 2032	1,094,320	1,146,776	1,208,857
Bank of Nova Scotia, The 2.13% Jun 15, 2020	4,575,000	4,574,405	4,562,379	North West Redwater Partnership / NWR Financing Co., Ltd. (Callable) 3.20% Apr 23, 2024	4,074,000	4,192,121	4,145,289
Bank of Nova Scotia, The 2.29% Jun 28, 2024	2,000,000	1,957,300	1,950,272	OMERS Realty Corporation 3.33% Nov 12, 2024	943,000	985,058	975,785
Bank of Nova Scotia, The 2.36% Nov 08, 2022	6,038,000	6,038,173	5,980,896	Pembina Pipeline Corporation (Callable) 3.54% Nov 03, 2024	2,193,000	2,184,949	2,210,360
bdIMC Realty Corporation 2.10% Jun 03, 2021	2,134,000	2,115,861	2,113,442	Reliance LP (Callable) 3.84% Jan 15, 2025	934,000	933,981	932,632
bdIMC Realty Corporation 3.51% Jun 29, 2022	401,000	422,722	417,415	Rogers Communications Inc. 4.70% Sep 29, 2020	3,226,000	3,559,340	3,423,875
Bell Canada (Callable) 3.00% Sep 03, 2022	1,634,000	1,649,262	1,653,783	Rogers Communications Inc. 5.34% Mar 22, 2021	564,000	618,426	613,560
Bell Canada (Callable) 3.15% Aug 29, 2021	2,475,000	2,539,202	2,523,357	Royal Bank of Canada 1.65% Jul 15, 2021	1,077,000	1,058,519	1,049,941
Bell Canada (Callable) 3.35% Dec 22, 2022	1,686,000	1,739,986	1,726,862	Royal Bank of Canada 2.36% Dec 05, 2022	4,581,000	4,580,588	4,536,386
Bell Canada 2.00% Oct 01, 2021	992,000	975,890	971,421	Royal Bank of Canada 2.86% Mar 04, 2021	19,644,000	20,321,288	19,940,290
Bell Canada 4.95% May 19, 2021	697,000	758,719	750,676	ServiceMaster Company LLC, The 7.45% Aug 15, 2027	USD 2,533,000	3,347,844	3,427,745
Bow Centre Street LP 3.80% Jun 13, 2023	1,997,000	1,955,820	1,927,060	TELUS Corporation (Callable) 2.35% Feb 28, 2022	754,000	749,612	745,268
Brookfield Asset Management Inc. (Callable) 5.04% Dec 08, 2023	5,393,000	5,900,489	5,914,742	TELUS Corporation (Callable) 3.75% Oct 17, 2024	3,500,000	3,653,194	3,630,299
Brookfield Renewable Energy Partners ULC 4.79% Feb 07, 2022	1,433,000	1,557,012	1,539,847	TELUS Corporation 3.60% Jan 26, 2021	763,000	794,542	788,538
Cadence Design Systems Inc. (Callable) 4.38% Jul 15, 2024	USD 2,433,000	3,187,672	3,242,905	TMX Group Ltd. 3.00% Dec 11, 2024	2,928,000	2,928,000	2,908,597
Canadian Imperial Bank of Commerce (Callable) 3.42% Jan 26, 2021	3,365,000	3,463,994	3,431,272	Toronto-Dominion Bank, The (Callable) 3.22% Jul 25, 2024	2,000,000	1,991,440	1,999,500
Canadian Imperial Bank of Commerce 2.30% Jul 11, 2022	7,555,000	7,549,863	7,487,515	Toronto-Dominion Bank, The 1.91% Jul 18, 2023	6,000,000	5,916,600	5,787,818
Canadian Imperial Bank of Commerce 2.47% Dec 05, 2022	34,000	33,997	33,865	Toronto-Dominion Bank, The 2.05% Mar 08, 2021	3,367,000	3,330,131	3,338,417
Canadian Western Bank 3.08% Jan 14, 2019	2,120,000	2,179,076	2,142,142	Toronto-Dominion Bank, The 2.56% Jun 24, 2020	8,564,000	8,803,399	8,633,605
Caterpillar Financial Services Ltd. 1.75% Jun 03, 2019	3,129,000	3,151,006	3,117,175	Toronto-Dominion Bank, The 2.62% Dec 22, 2021	3,383,000	3,437,399	3,409,381
Choice Properties LP (Callable) 3.60% Jan 20, 2020	7,257,000	7,660,300	7,425,315	Toyota Credit Canada Inc. 2.20% Feb 25, 2021	3,650,000	3,662,155	3,634,625
CI Financial Corporation 3.90% Sep 27, 2027	3,578,000	3,578,000	3,651,049	United Parcel Service Inc. (Callable) 2.13% Mar 21, 2024	3,206,000	3,124,175	3,106,042
Coca-Cola Company, The 2.55% Jun 01, 2026	USD 2,830,000	3,851,174	3,470,254	Universal Health Services Inc. (Callable) 5.00% Jun 01, 2021	USD 390,000	531,950	507,974
Cominar Real Estate Investment Trust 4.25% Dec 08, 2021	2,168,000	2,186,751	2,175,970	Walt Disney Co, The 2.76% Oct 07, 2024	1,360,000	1,360,000	1,360,674
Commonwealth Bank of Australia 2.50% Sep 20, 2018	USD 2,350,000	3,139,801	2,965,331	Wells Fargo & Company 2.09% Apr 25, 2022	3,940,000	3,865,854	3,844,102
Commonwealth Bank of Australia 5.15% Apr 09, 2020	2,483,000	2,779,960	2,638,107	Westpac Banking Corporation (Floating Rate) 1.53% Mar 06, 2020	USD 8,500,000	11,424,970	10,703,996
Co-operators Financial Services Ltd. 5.78% Mar 10, 2020	2,317,000	2,582,502	2,447,212	Westpac Banking Corporation 2.00% Mar 03, 2020	USD 2,387,000	2,947,024	2,970,574
Crown Castle Towers LLC (Callable) 3.22% May 15, 2021	USD 1,285,000	1,671,417	1,634,056				
Daimler Canada Finance Inc. 1.91% Jul 08, 2021	2,110,000	2,095,337	2,068,297				
Dollarama Inc. 2.34% Jul 22, 2021	4,225,000	4,255,656	4,192,071				
Enbridge Southern Lights LP 4.01% Jun 30, 2040	1,208,701	1,219,374	1,189,773				
Enercare Solutions Inc. 4.60% Feb 03, 2020	5,615,000	5,915,433	5,834,827	Federal Bonds – 28.5%			
Federal Republic of Germany 3.75% Jun 14, 2018	NZD 2,700,000	2,488,699	2,418,564	Government of Canada 1.00% Jun 01, 2027	260,314,000	238,665,100	237,234,992
First Capital Realty Inc. 4.50% Mar 01, 2021	6,510,000	7,170,068	6,855,438	Government of New Zealand 4.50% Apr 15, 2027	NZD 2,000,000	1,920,585	1,908,214
First Capital Realty Inc. 4.79% Aug 30, 2024	1,067,000	1,163,137	1,151,919	Mexican Bonos 6.50% Jun 10, 2021	MXN 371,750,400	29,529,218	22,964,978
Fortis Inc. (Callable) 2.85% Oct 12, 2023	3,000,000	3,021,480	2,997,711	New Zealand Local Government Funding Agency 2.75% Apr 15, 2025	NZD 21,000,000	18,463,285	17,970,079
Gilead Sciences Inc. (Callable) 4.40% Sep 01, 2021	USD 1,830,000	2,499,839	2,448,588				
						403,941,792	398,193,189

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

# Scotia Total Return Bond LP (Continued)

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2017

Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES (cont'd)			
Federal Bonds (cont'd)			
South Australian Government Financing Authority 1.50% Sep 22, 2022	AUD 12,850,000	12,275,747	12,016,086
		<u>300,853,935</u>	<u>292,094,349</u>
Mortgage-Backed Securities – 2.3%			
Canadian Credit Card Trust II 1.83% Mar 24, 2020	9,490,000	9,488,520	9,398,084
Canadian Mortgage Pools 3.34% Nov 01, 2023	6,400,000	5,757,241	5,728,922
CLI Funding LLC 3.62% May 18, 2042	USD 1,072,823	1,439,560	1,349,744
CLI Funding V LLC 2.83% Mar 18, 2028	USD 1,117,255	1,508,046	1,383,656
Institutional Mortgage Securities Canada Inc. 1.11% Nov 12, 2023	47,112,243	748,619	1,201,598
Institutional Mortgage Securities Canada Inc. 1.28% Feb 12, 2023	25,947,262	18,380	691,884
TAL Advantage VI LLC (Callable) 4.50% May 20, 2019	USD 1,368,535	1,941,001	1,773,049
Textainer Marine Containers V Ltd. 3.72% May 20, 2042	USD 1,661,588	2,274,272	2,101,361
		<u>23,175,639</u>	<u>23,628,298</u>
Provincial Bonds – 27.8%			
Province of Alberta 2.55% Jun 01, 2027	31,400,000	31,417,640	31,128,433
Province of Ontario 2.60% Jun 02, 2025	20,500,000	20,699,875	20,633,575

Issuer	Face Value (\$)	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES (cont'd)			
Provincial Bonds (cont'd)			
Province of Ontario 2.60% Jun 02, 2027	67,220,000	67,562,683	67,152,336
Province of Ontario 2.80% Jun 02, 2048	70,100,000	65,363,261	68,223,132
Province of Ontario 4.25% Aug 22, 2024	AUD 3,200,000	3,220,736	3,337,499
Province of Quebec 3.00% Sep 01, 2023	61,910,000	66,086,832	64,173,420
Queensland Treasury Corporation 2.75% Aug 20, 2027	AUD 32,500,000	31,394,483	30,922,738
		<u>285,745,510</u>	<u>285,571,133</u>
TOTAL INVESTMENT PORTFOLIO			
		<u>1,013,716,876</u>	<u>999,486,969</u>
Unrealized Gain (Loss) on Derivatives – 0.2%			
			1,921,744
OTHER ASSETS, LESS LIABILITIES – 2.4%			
			<u>24,573,867</u>
NET ASSETS – 100.0%			
			<u>1,025,982,580</u>

\* These securities have no quoted values and are classified as Level 3 securities.

## SCHEDULE OF DERIVATIVE INSTRUMENTS

### UNREALIZED GAIN ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Gain (\$)
Toronto-Dominion Bank, The	A-1+	Jan. 18, 2018	Canadian Dollar	49,968,950	US Dollar	39,228,100	0.785	0.796	665,119
Bank of Nova Scotia, The	A-1	Jan. 24, 2018	Canadian Dollar	51,658,308	US Dollar	40,400,000	0.782	0.795	870,085
Toronto-Dominion Bank, The	A-1+	Feb. 21, 2018	Canadian Dollar	52,164,522	US Dollar	40,450,000	0.775	0.796	1,318,556
									<u>2,853,760</u>

### UNREALIZED LOSS ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Loss (\$)
Toronto-Dominion Bank, The	A-1+	Jan. 18, 2018	Canadian Dollar	43,842,426	Australian Dollar	44,875,000	1.024	1.02	(159,574)
Bank of Nova Scotia, The	A-1	Jan. 18, 2018	Canadian Dollar	9,877,638	Australian Dollar	10,105,000	1.023	1.02	(30,780)
Toronto-Dominion Bank, The	A-1+	Jan. 18, 2018	US Dollar	39,228,100	Canadian Dollar	49,788,579	1.269	1.257	(484,772)
Toronto-Dominion Bank, The	A-1+	Jan. 18, 2018	Australian Dollar	9,000,000	Canadian Dollar	8,873,370	0.986	0.981	(48,223)
									<u>(723,349)</u>

Expiry Date	Number of Contracts	Futures Contracts	Counterparty	Credit Risk	Contractual Value (\$)	Fair Value (\$)	Appreciation/Depreciation (\$)
<b>BOND FUTURES CONTRACTS</b>							
Mar. 2018	(245)	CME Ultra Long Term U.S. Treasury Bond Future	RBC Dominion Securities Inc.	A-1+	(51,378,519)	(51,587,186)	<u>(208,667)</u>
							<u>(208,667)</u>

The above bond futures contracts are financial agreements to purchase/sell the bond at a contracted price on a specific future date.

However, the Fund does not intend to purchase/sell the bond on settlement. Rather, it intends to close out each bond futures contracts before settlement by entering into equal, but offsetting bond futures contracts.



# Scotia Total Return Bond LP (Continued)

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

### The Fund (note 1)

The Fund's objective is to provide income and capital gains from an actively managed diversified portfolio of primarily Canadian fixed income securities. The Fund can invest up to 49% of its assets in foreign securities.

### Risks associated with financial instruments (note 4)

#### Interest rate risk

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity (earlier of maturity date or interest reset date) of the Fund's portfolio, excluding underlying funds, preferred shares, cash and overdrafts, as applicable.

Interest rate exposure	December 31, 2017 (\$)	December 31, 2016 (\$)
Less than 1 year	12,611,209	41,717,078
1-3 years	89,315,370	131,728,879
3-5 years	174,992,737	199,446,585
5-10 years	638,728,530	422,153,693
> 10 years	83,630,456	29,904,830
	999,278,302	824,951,065

As at December 31, 2017, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, net assets attributable to holders of redeemable units would have decreased or increased, respectively, by \$17,457,389 or approximately 1.7% (December 31, 2016 – \$11,913,523 or approximately 1.3%).

#### Currency risk

The Fund's exposure to currency risk is summarized in the tables below. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund, net of currency contracts, as applicable.

Currency	December 31, 2017			
	Gross Currency Exposure	Currency Contracts	Net Exposure (\$)	Percentage of net assets (%)
Australian Dollar	46,686,068	(45,040,135)	1,645,933	0.2
British Pound	69	–	69	–
Mexican Peso	23,011,634	–	23,011,634	2.2
New Zealand Dollar	34,282,224	–	34,282,224	3.3
US Dollar	102,692,080	(101,186,570)	1,505,510	0.1
Total	206,672,075	(146,226,705)	60,445,370	5.8

Currency	December 31, 2016			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	318,973,206	(94,961,581)	224,011,625	25.1
British Pound	37,405,259	634,383	38,039,642	4.3
Mexican Peso	23,504,996	–	23,504,996	2.6
New Zealand Dollar	30,532,777	(31,883,842)	(1,351,065)	(0.2)
Australian Dollar	33,196,436	(35,611,570)	(2,415,134)	(0.3)
Total	443,612,674	(161,822,610)	281,790,064	31.5

If the Canadian dollar strengthened or weakened by 10% in relation to all other currencies, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by

\$6,044,537 or 0.6% of net assets (December 31, 2016 – \$28,179,006 or 3.2%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2017, approximately 0.2% (December 31, 2016 – 0.0%) of the Fund's net assets were exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$20,867 (December 31, 2016 – nil). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### Credit risk

The table below summarizes the credit ratings of bonds and debentures, money market instruments and preferred shares held by the Fund, as applicable.

	December 31, 2017		December 31, 2016	
	Percentage of total credit rated instruments (%)	Percentage of net assets (%)	Percentage of total credit rated instruments (%)	Percentage of net assets (%)
<b>Credit ratings</b>				
AAA	27.4	26.9	24.7	22.8
AA	23.8	23.1	16.7	15.4
A	32.8	31.9	30.6	28.1
BBB	14.8	14.5	25.0	23.1
BB	0.5	0.4	2.4	2.3
B	0.3	0.3	0.3	0.3
NOT RATED	0.4	0.3	0.3	0.3
	100.0	97.4	100.0	92.3

#### Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets:

	Percentage of net assets (%)	
	December 31, 2017	December 31, 2016
Corporate Bonds	38.8	46.5
Federal Bonds	28.5	24.3
Mortgage-Backed Securities	2.3	2.1
Provincial Bonds	27.8	19.4

#### Fair Value Classification (note 2)

The tables below illustrate the classification of the Fund's financial instruments within the fair value hierarchy.

# Scotia Total Return Bond LP (Continued)

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

December 31, 2017	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds and debentures	-	997,100,754	2,386,215	999,486,969
Unrealized gain on currency forward contracts	-	2,853,760	-	2,853,760
	-	999,954,514	2,386,215	1,002,340,729
Unrealized loss on currency forward contracts	-	(723,349)	-	(723,349)
Unrealized loss on futures contracts	(208,667)	-	-	(208,667)
	(208,667)	999,231,165	2,386,215	1,001,408,713

December 31, 2016	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds and debentures	-	824,951,065	-	824,951,065
Unrealized gain on currency forward contracts	-	3,569,038	-	3,569,038
	-	828,520,103	-	828,520,103
Unrealized loss on currency forward contracts	-	(1,497,647)	-	(1,497,647)
	-	827,022,456	-	827,022,456

### Transfers between levels

During the periods ended December 31, 2017 and December 31, 2016, there were no significant transfers between Level 1 and Level 2.

### Reconciliation of Level 3 financial instruments

The following table presents the movement in the Fund's Level 3 financial instruments for the periods ended:

	December 31, 2017 (\$)	December 31, 2016 (\$)
Beginning of period	-	-
Purchases	2,405,398	-
Sales	-	-
Transfers into Level 3	-	-
Transfers out of Level 3	-	-
Net realized gains (losses)	-	-
Net changes in unrealized gain (loss)*	(19,183)	-
End of period	2,386,215	-

\* Net change in unrealized gain (loss) for Level 3 financial instruments held as at December 31, 2017 and December 31, 2016 was \$(19,183) and nil, respectively.

### Level 3 valuation techniques

The tables below summarize the significant unobservable inputs used in the fair value measurement of Level 3 financial instruments. The significant unobservable inputs in the valuation techniques to estimate the fair values of level 3 investments can vary considerably over time to time depending on company specific factors and economic or market conditions. The tables also illustrate the potential impact on the Fund if the significant unobservable inputs used in the valuation techniques had increased or decreased by 5%, with all other variables held constant. Certain significant unobservable inputs used in the valuation techniques are not reasonably expected to shift and are indicated in the tables below as "n/a". Securities where the reasonable possible shift in the significant unobservable input did not result in a material impact on the Fund are indicated in the table below as nil.

Security	Valuation technique	Significant unobservable input	Carrying value as at December 31, 2017 (\$)	Reasonable possible shift (+/-) (\$)
Debt	Fair value based on transaction price	Transaction price	2,386,215	n/a
			2,386,215	

### Offsetting of financial assets and liabilities (note 2)

The following table presents offsetting of financial assets and liabilities and collateral amounts that would occur if future events, such as bankruptcy or termination of contracts, were to arise. No amounts were offset in the financial statements.

Financial assets – by type	December 31, 2017			
	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	2,853,760	(723,349)	-	2,130,411
Options contracts – OTC	-	-	-	-
Swap contracts – OTC	-	-	-	-
	2,853,760	(723,349)	-	2,130,411

Financial liabilities – by type	December 31, 2017			
	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	723,349	(723,349)	-	-
Options contracts – OTC	-	-	-	-
Swap contracts – OTC	-	-	-	-
	723,349	(723,349)	-	-

Financial assets – by type	December 31, 2016			
	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	3,569,038	(1,497,647)	-	2,071,391
Options contracts – OTC	-	-	-	-
Swap contracts – OTC	-	-	-	-
	3,569,038	(1,497,647)	-	2,071,391

Financial liabilities – by type	December 31, 2016			
	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	1,497,647	(1,497,647)	-	-
Options contracts – OTC	-	-	-	-
Swap contracts – OTC	-	-	-	-
	1,497,647	(1,497,647)	-	-

### Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2017 or December 31, 2016.

### Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2017 or December 31, 2016, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.



# Scotia U.S. Dividend Growers LP

## STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2017	December 31, 2016
<b>ASSETS</b>		
Current assets		
Investments		
Non-derivative financial assets	601,425,493	541,736,554
Cash	105,616	585,991
Receivable for securities sold	491,258	–
Subscriptions receivable	250,800	–
Accrued investment income and other	461,403	572,840
	<u>602,734,570</u>	<u>542,895,385</u>
<b>LIABILITIES</b>		
Current liabilities		
Redemptions payable	545,000	–
Accrued expenses	8	1,173
	<u>545,008</u>	<u>1,173</u>
Net assets attributable to holders of redeemable units	<u>602,189,562</u>	<u>542,894,212</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES</b>		
Series I	<u>602,189,562</u>	<u>542,894,212</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT</b>		
Series I	<u>16.85</u>	<u>14.99</u>

## STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2017	2016
<b>INCOME</b>		
Net gain (loss) on investments		
Dividends	8,858,372	7,734,136
Interest for distribution purposes	12,771	76,336
Net realized gain (loss) on non-derivative financial assets	23,112,443	16,285,078
Change in unrealized gain (loss) on non-derivative financial assets	37,484,514	(17,201,789)
Net gain (loss) on investments	<u>69,468,100</u>	<u>6,893,761</u>
Net realized and unrealized foreign currency translation gain (loss)	131,223	(3,817,208)
Total income (loss), net	<u>69,599,323</u>	<u>3,076,553</u>
<b>EXPENSES</b>		
Fixed administration fees (note 6)	398,562	348,668
Independent Review Committee fees	1,135	1,184
Interest expense and bank overdraft charges	1,112	1,110
Foreign withholding taxes/tax reclaims	1,254,652	1,117,722
Other fund costs	–	82
Harmonized Sales Tax/Goods and Services Tax	51,813	45,492
Transaction costs	100,297	103,834
Total expenses	<u>1,807,571</u>	<u>1,618,092</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>67,791,752</u>	<u>1,458,461</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES</b>		
Series I	<u>67,791,752</u>	<u>1,458,461</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT<sup>†</sup></b>		
Series I	<u>1.88</u>	<u>0.04</u>
<b>WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES</b>		
Series I	<u>36,053,802</u>	<u>34,898,150</u>

<sup>†</sup> The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2017	2016
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD</b>		
Series I	542,894,212	490,725,221
	<u>542,894,212</u>	<u>490,725,221</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS</b>		
Series I	67,791,752	1,458,461
	<u>67,791,752</u>	<u>1,458,461</u>
<b>REDEEMABLE UNIT TRANSACTIONS</b>		
Proceeds from issue		
Series I	28,077,948	69,365,639
Payments on redemption		
Series I	(36,574,350)	(18,655,109)
	<u>(8,496,402)</u>	<u>50,710,530</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		
Series I	59,295,350	52,168,991
	<u>59,295,350</u>	<u>52,168,991</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD</b>		
Series I	602,189,562	542,894,212
	<u>602,189,562</u>	<u>542,894,212</u>

## STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2017	2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	67,791,752	1,458,461
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(23,112,443)	(16,285,078)
Unrealized foreign currency translation (gain) loss	(778)	32,000
Change in unrealized (gain) loss on non-derivative financial assets	(37,484,514)	17,201,789
Purchases of portfolio investments	(318,181,919)	(371,778,852)
Proceeds from sale of portfolio investments	318,598,679	319,352,751
Accrued investment income and other	111,437	(337,791)
Accrued expenses and other payables	(1,165)	1,173
Net cash provided by (used in) operating activities	<u>7,721,049</u>	<u>(50,355,547)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of redeemable units	27,827,148	69,430,739
Amounts paid on redemption of redeemable units	(36,029,350)	(18,655,109)
Net cash provided by (used in) financing activities	(8,202,202)	50,775,630
Unrealized foreign currency translation gain (loss)	778	(32,000)
Net increase (decrease) in cash	(481,153)	420,083
Cash (bank overdraft), beginning of period	585,991	197,908
CASH (BANK OVERDRAFT), END OF PERIOD	<u>105,616</u>	<u>585,991</u>
Interest paid <sup>(1)</sup>	1,112	1,110
Interest received <sup>(1)</sup>	16,574	72,599
Dividends received, net of withholding taxes <sup>(1)</sup>	7,711,352	6,282,361

<sup>(1)</sup> Classified as operating items.

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

## Scotia U.S. Dividend Growers LP (Continued)

### SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2017

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 99.9%			
Consumer Discretionary – 23.2%			
Home Depot Inc., The	118,241	16,458,911	28,145,053
Ross Stores, Inc.	282,109	18,029,177	28,432,693
Starbucks Corporation	370,098	25,430,528	26,693,871
Twenty-First Century Fox Inc.	651,251	24,164,027	28,242,360
Walt Disney Company, The	208,111	25,736,865	28,099,585
		<u>109,819,508</u>	<u>139,613,562</u>
Consumer Staples – 4.4%			
Hormel Foods Corporation	582,347	23,449,964	26,614,598
Financials – 9.0%			
Bank of America Corporation	746,527	27,856,389	27,676,928
Bank of New York Mellon Corporation, The	394,178	27,660,477	26,663,352
		<u>55,516,866</u>	<u>54,340,280</u>
Health Care – 13.6%			
Danaher Corporation	232,740	24,260,370	27,131,175
Stryker Corporation	142,741	21,977,435	27,757,983
UnitedHealth Group Incorporated	96,875	13,963,039	26,822,393
		<u>60,200,844</u>	<u>81,711,551</u>
Industrials – 27.3%			
Cintas Corporation	136,269	16,925,949	26,668,841
Honeywell International Inc.	141,134	21,802,356	27,183,149
Ingersoll-Rand PLC	247,536	28,049,323	27,727,489
Roper Technologies Inc.	83,243	21,408,341	27,077,184
Snap-on Incorporated	125,945	25,653,279	27,569,845
Southwest Airlines Company	342,512	16,707,527	28,154,087
		<u>130,546,775</u>	<u>164,380,595</u>
Information Technology – 18.0%			
Broadcom Ltd.	83,457	26,270,889	26,926,685
Cisco Systems, Inc.	576,747	21,830,295	27,742,151
Oracle Corporation	437,230	28,251,819	25,962,316
Visa Inc.	192,597	19,093,991	27,579,511
		<u>95,446,994</u>	<u>108,210,663</u>
Real Estate – 4.4%			
American Tower Corporation	148,199	27,413,445	26,554,244
Transaction Costs		(78,393)	
TOTAL INVESTMENT PORTFOLIO		<u>502,316,003</u>	601,425,493
OTHER ASSETS, LESS LIABILITIES – 0.1%			764,069
NET ASSETS – 100.0%			<u>602,189,562</u>

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

# Scotia U.S. Dividend Growers LP (Continued)

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

### The Fund (note 1)

The Fund's investment objective is to maximize total investment return by investing primarily in equity securities of U.S. companies listed on U.S. exchanges that have exhibited strong dividend growth and have the potential for long term capital growth. The Fund can invest up to 100% of its assets in foreign securities.

### Risks associated with financial instruments (note 4)

#### Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at December 31, 2017 and December 31, 2016. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

#### Currency risk

The Fund's exposure to currency risk is summarized in the tables below. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund, net of currency contracts, as applicable.

December 31, 2017				
Currency	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	602,425,015	–	602,425,015	100.0
	602,425,015	–	602,425,015	100.0

December 31, 2016				
Currency	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	541,825,777	–	541,825,777	99.8
	541,825,777	–	541,825,777	99.8

If the Canadian dollar strengthened or weakened by 10% in relation to all other currencies, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by \$60,242,502 or 10.0% of net assets (December 31, 2016 – \$54,182,578 or 10.0%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2017, approximately 99.9% (December 31, 2016 – 99.8%) of the Fund's net assets were exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$60,142,549 (December 31, 2016 – \$54,173,655). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

### Credit risk

The Fund had no significant exposure to bonds and debentures, money market instruments or preferred shares as at December 31, 2017 or December 31, 2016.

### Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets:

	Percentage of net assets (%)	
	December 31, 2017	December 31, 2016
Consumer Discretionary	23.2	22.1
Consumer Staples	4.4	14.1
Financials	9.0	4.4
Health Care	13.6	14.0
Industrials	27.3	31.5
Information Technology	18.0	9.1
Materials	–	4.6
Real Estate	4.4	–

### Fair Value Classification (note 2)

The tables below illustrate the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2017	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	601,425,493	–	–	601,425,493
	601,425,493	–	–	601,425,493

December 31, 2016	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	541,736,554	–	–	541,736,554
	541,736,554	–	–	541,736,554

### Transfers between levels

During the periods ended December 31, 2017 and December 31, 2016, there were no significant transfers between Level 1 and Level 2.

### Offsetting of financial assets and liabilities (note 2)

As at December 31, 2017 and December 31, 2016, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

### Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2017 or December 31, 2016.

### Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2017 or December 31, 2016, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

# Scotia U.S. Low Volatility Equity LP

## STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2017	December 31, 2016
<b>ASSETS</b>		
Current assets		
Investments		
Non-derivative financial assets	987,558,122	945,841,888
Cash	3,501,418	2,264,370
Receivable for securities sold	16,789,499	365,154
Subscriptions receivable	125,440	–
Accrued investment income and other	1,729,263	1,636,364
	<u>1,009,703,742</u>	<u>950,107,776</u>
<b>LIABILITIES</b>		
Current liabilities		
Payable for securities purchased	9,406,081	1,083,701
Redemptions payable	833,000	130,000
Accrued expenses	–	2,051
Unrealized loss on currency spot contracts	1,939	–
	<u>10,241,020</u>	<u>1,215,752</u>
Net assets attributable to holders of redeemable units	<u>999,462,722</u>	<u>948,892,024</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES</b>		
Series I	<u>999,462,722</u>	<u>948,892,024</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT</b>		
Series I	<u>15.04</u>	<u>14.21</u>

## STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2017	2016
<b>INCOME</b>		
Net gain (loss) on investments		
Dividends	28,293,966	27,215,294
Interest for distribution purposes	43,950	36,920
Net realized gain (loss) on non-derivative financial assets	26,847,591	16,897,179
Change in unrealized gain (loss) on non-derivative financial assets	5,462,787	59,415,038
Change in unrealized gain (loss) on currency spots contracts	(1,939)	–
Net gain (loss) on investments	<u>60,646,355</u>	<u>103,564,431</u>
Securities lending (note 11)	29,139	22,395
Net realized and unrealized foreign currency translation gain (loss)	(151,197)	(46,729)
Total income (loss), net	<u>60,524,297</u>	<u>103,540,097</u>
<b>EXPENSES</b>		
Fixed administration fees (note 6)	675,458	616,549
Independent Review Committee fees	1,135	1,184
Interest expense and bank overdraft charges	6,398	12,021
Foreign withholding taxes/tax reclaims	4,222,631	3,805,273
Other fund costs	–	146
Harmonized Sales Tax/Goods and Services Tax	87,810	80,324
Transaction costs	55,392	45,336
Total expenses	<u>5,048,824</u>	<u>4,560,833</u>
Expenses absorbed by the Manager	(10)	–
Net expenses	<u>5,048,814</u>	<u>4,560,833</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>55,475,483</u>	<u>98,979,264</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES</b>		
Series I	<u>55,475,483</u>	<u>98,979,264</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT<sup>†</sup></b>		
Series I	<u>0.82</u>	<u>1.48</u>
<b>WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES</b>		
Series I	<u>67,363,289</u>	<u>66,912,320</u>

<sup>†</sup> The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2017	2016
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD</b>		
Series I	948,892,024	872,600,091
	<u>948,892,024</u>	<u>872,600,091</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS</b>		
Series I	55,475,483	98,979,264
	<u>55,475,483</u>	<u>98,979,264</u>
<b>REDEEMABLE UNIT TRANSACTIONS</b>		
Proceeds from issue		
Series I	34,115,365	41,257,725
Payments on redemption		
Series I	(39,020,150)	(63,945,056)
	<u>(4,904,785)</u>	<u>(22,687,331)</u>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		
Series I	50,570,698	76,291,933
	<u>50,570,698</u>	<u>76,291,933</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD</b>		
Series I	999,462,722	948,892,024
	<u>999,462,722</u>	<u>948,892,024</u>

## STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2017	2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	55,475,483	98,979,264
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(26,847,591)	(16,897,179)
Unrealized foreign currency translation (gain) loss	(59,794)	152,283
Change in unrealized (gain) loss on non-derivative financial assets	(5,462,787)	(59,415,038)
Change in unrealized (gain) loss on currency spot contracts	1,939	–
Non-cash transactions	(1,009,701)	–
Purchases of portfolio investments	(218,724,762)	(199,900,224)
Proceeds from sale of portfolio investments	202,226,642	196,760,054
Accrued investment income and other	(92,899)	18,268
Accrued expenses and other payables	(2,051)	2,051
Net cash provided by (used in) operating activities	<u>5,504,479</u>	<u>19,699,479</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of redeemable units	33,989,925	41,294,525
Amounts paid on redemption of redeemable units	(38,317,150)	(64,935,056)
Net cash provided by (used in) financing activities	<u>(4,327,225)</u>	<u>(23,640,531)</u>
Unrealized foreign currency translation gain (loss)	59,794	(152,283)
Net increase (decrease) in cash	1,177,254	(3,941,052)
Cash (bank overdraft), beginning of period	2,264,370	6,357,705
CASH (BANK OVERDRAFT), END OF PERIOD	<u>3,501,418</u>	<u>2,264,370</u>
Interest paid <sup>(1)</sup>	6,398	12,021
Interest received <sup>(1)</sup>	45,914	37,672
Dividends received, net of withholding taxes <sup>(1)</sup>	22,966,771	23,427,537

<sup>(1)</sup> Classified as operating items.

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

# Scotia U.S. Low Volatility Equity LP (Continued)

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2017

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)	Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 98.8%				EQUITIES (cont'd)			
Consumer Discretionary – 9.6%				Health Care (cont'd)			
AutoZone, Inc.	5,900	5,749,077	5,271,128	Cardinal Health, Inc.	37,700	4,124,006	2,900,983
Bed Bath & Beyond Inc.	59,600	5,039,408	1,645,991	Express Scripts, Inc.	66,700	6,883,905	6,252,497
Brinker International, Inc.	35,200	2,766,990	1,717,030	Gilead Sciences, Inc.	61,500	6,180,788	5,533,332
Cheesecake Factory Inc., The	71,500	5,201,259	4,326,422	GlaxoSmithKline PLC – ADR	230,400	12,313,240	10,263,599
Children's Place Inc., The	22,100	3,078,925	4,034,255	HCA Healthcare Inc.	51,500	5,644,753	5,681,403
Comcast Corporation, Class A	287,500	12,474,731	14,460,936	Johnson & Johnson	206,900	27,442,594	36,305,722
Darden Restaurants, Inc.	67,900	6,568,387	8,188,182	Merck & Co., Inc.	316,100	24,618,740	22,338,676
Dick's Sporting Goods, Inc.	59,700	4,096,326	2,154,850	Pfizer Inc.	618,400	29,089,324	28,130,272
Dollar General Corporation	38,000	3,720,470	4,438,838	Quest Diagnostics Incorporated	58,995	5,960,488	7,297,319
Foot Locker, Inc.	40,200	3,840,800	2,366,844	Sanofi – ADR	190,300	12,919,221	10,276,927
Kohl's Corporation	70,200	5,663,445	4,781,154	UnitedHealth Group Incorporated	31,110	5,062,467	8,613,622
Lowe's Companies, Inc.	8,500	990,695	992,151			<u>161,673,710</u>	<u>168,273,697</u>
Macy's, Inc.	70,500	6,425,080	2,230,351	Industrials – 6.2%			
Murphy USA Inc.	38,300	3,637,835	3,865,402	Allison Transmission Holdings Inc.	25,200	1,375,293	1,363,112
Sally Beauty Holdings, Inc.	104,500	4,124,079	2,462,097	Boeing Company, The	23,900	4,641,846	8,852,041
Stripps Networks Interactive	62,600	4,793,806	6,712,534	Deere & Company	29,700	3,509,331	5,837,872
Target Corporation	205,000	20,908,510	16,799,269	FedEx Corporation	11,600	3,062,338	3,635,416
Walt Disney Company, The	71,500	10,776,324	9,654,080	Raytheon Company	35,100	5,549,192	8,280,839
		<u>109,856,147</u>	<u>96,101,514</u>	Republic Services, Inc.	121,600	6,868,529	10,325,249
Consumer Staples – 13.4%				United Technologies Corporation	78,500	10,788,463	12,576,918
Altria Group, Inc.	27,600	2,008,437	2,475,279	Waste Management, Inc.	99,700	7,758,120	10,805,925
Campbell Soup Company	206,993	13,501,103	12,506,824			<u>43,553,112</u>	<u>61,677,372</u>
CVS Health Corporation	115,200	14,312,312	10,489,300	Information Technology – 15.2%			
Fresh Del Monte Produce Inc.	103,200	8,065,832	6,178,469	Amdocs Ltd.	178,200	13,741,819	14,654,546
Ingredion Inc.	48,020	8,010,860	8,431,121	Apple Inc.	98,100	15,300,933	20,849,823
J.M. Smucker Company, The	77,230	10,252,534	12,050,456	CA, Inc.	111,000	4,698,552	4,639,405
Kellogg Company	127,000	9,974,448	10,842,786	Canon Inc. – ADR	7,700	361,904	361,675
Kroger Company, The	230,000	11,220,818	7,929,142	Cisco Systems, Inc.	333,200	12,717,490	16,027,278
Tyson Foods, Inc.	170,400	9,938,449	17,349,452	Convergys Corporation	184,400	6,294,919	5,442,329
Universal Corporation VA	700	53,933	46,154	Dell Technologies Inc.	35,789	2,078,514	3,653,333
Walgreens Boots Alliance Inc.	156,900	13,291,883	14,309,854	F5 Networks, Inc.	48,900	7,587,612	8,058,698
Wal-Mart Stores, Inc.	253,900	24,004,159	31,488,779	Intel Corporation	417,600	18,139,650	24,209,304
		<u>124,634,768</u>	<u>134,097,616</u>	International Business Machines Corporation	74,700	15,736,382	14,393,241
Energy – 2.0%				KLA-Tencor Corporation	4,300	572,499	567,418
Exxon Mobil Corporation	126,900	13,523,845	13,330,046	Motorola Solutions, Inc.	88,900	8,584,853	10,086,439
Valero Energy Corporation	54,000	4,651,035	6,233,221	Oracle Corporation	233,300	13,120,025	13,853,140
		<u>18,174,880</u>	<u>19,563,267</u>	Tyco Electronics Ltd.	74,200	6,126,179	8,856,586
Financials – 16.3%				Western Union Company	247,400	6,558,086	5,906,604
Aflac, Inc.	71,700	6,086,256	7,904,433			<u>131,619,417</u>	<u>151,559,819</u>
Allstate Corporation, The	48,300	4,684,759	6,351,719	Materials – 3.2%			
American Financial Group Inc.	55,500	5,143,599	7,565,520	Avery Dennison Corporation	44,100	3,825,629	6,361,557
Annaly Capital Management Inc.	710,200	9,600,192	10,605,192	Bemis Company, Inc.	64,900	3,753,151	3,895,272
Berkshire Hathaway Inc., Class B	119,600	22,529,817	29,773,827	Crown Holdings Inc.	116,800	8,921,328	8,251,281
Capital One Financial Corporation	57,500	6,202,592	7,191,111	Schweitzer-Mauduit International Inc.	52,700	2,416,088	3,002,200
CNA Financial Corporation	46,100	2,366,174	3,071,442	Silgan Holdings Inc.	135,500	5,483,449	5,001,438
Everest Re Group Ltd.	45,100	10,862,389	12,532,435	SonoCompany Products Company	79,800	4,410,147	5,325,746
Granite Point Mortgage Trust Inc.	42,312	1,009,701	942,699			<u>28,809,792</u>	<u>31,837,494</u>
MFA Financial Inc.	561,400	5,379,316	5,584,105	Real Estate – 2.4%			
National Health Investors Inc.	59,600	5,702,576	5,642,329	Brixmor Property Group Inc.	121,003	4,017,604	2,835,723
Omega Healthcare Investors Inc.	96,900	3,585,444	3,351,535	Getty Realty Corporation	1,700	58,089	57,988
Reinsurance Group of America	64,150	9,462,248	12,562,681	Mid-America Apartment Communities Inc.	31,700	3,989,999	4,003,506
Starwood Property Trust Inc.	347,000	9,929,051	9,304,293	Piedmont Office Realty Trust Inc.	210,100	4,945,281	5,174,396
Travelers Companies, Inc., The	134,400	18,688,113	22,895,127	Retail Properties of America Inc.	350,700	6,709,151	5,919,582
Two Harbors Investment Corporation	223,250	5,687,307	4,558,983	Senior Housing Properties Trust	251,400	6,005,297	6,046,305
Validus Holdings Ltd.	105,700	6,509,950	6,228,579			<u>25,725,421</u>	<u>24,037,500</u>
XL Group Ltd.	161,000	8,261,429	7,109,364	Telecommunication Services – 7.0%			
		<u>141,690,913</u>	<u>163,175,374</u>	AT&T Inc.	378,300	17,917,629	18,472,199
Health Care – 16.8%				China Mobile Ltd. – ADR	76,900	4,988,137	4,881,099
AbbVie Inc.	84,800	7,872,187	10,299,668	Nippon Telegraph & Telephone Corporation – ADR	219,200	11,339,604	13,004,883
Aetna Inc.	38,600	7,554,149	8,744,919	NTT DoCoMo Inc. – ADR	222,600	5,098,216	6,645,235
Amgen Inc.	25,800	6,007,848	5,634,758				

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

## Scotia U.S. Low Volatility Equity LP (Continued)

### SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2017

Issuer	Number of Shares	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)			
Telecommunication Services (cont'd)			
SK Telecom Co., Ltd. – ADR	161,700	4,965,575	5,667,948
Verizon Communications Inc.	322,400	19,914,674	21,431,518
		64,223,835	70,102,882
Utilities – 6.7%			
American Electric Power Company, Inc.	93,200	6,964,145	8,611,378
Entergy Corporation	131,000	11,781,760	13,390,548
Exelon Corporation	275,900	11,744,614	13,655,706
FirstEnergy Corporation	358,000	15,407,173	13,767,156
Korea Electric Power Corporation	107,200	3,477,634	2,384,346
Public Service Enterprise Group Incorporated	236,900	12,856,863	15,322,453
		62,232,189	67,131,587
Transaction Costs		(107,560)	
TOTAL INVESTMENT PORTFOLIO		912,086,624	987,558,122
OTHER ASSETS, LESS LIABILITIES – 1.2%			11,904,600
NET ASSETS – 100.0%			999,462,722

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

# Scotia U.S. Low Volatility Equity LP (Continued)

## FUND SPECIFIC NOTES

For the periods indicated in Note 1

### The Fund (note 1)

The Fund's investment objective is to generate long term capital growth. It may invest directly in, or provide exposure to, investments including, but not limited to, exchange-traded funds ("ETFs") reflecting the primary sectors of the S&P 500, as well as cash and cash equivalents. The Fund can invest up to 100% of its assets in foreign securities.

### Risks associated with financial instruments (note 4)

#### Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at December 31, 2017 and December 31, 2016. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

#### Currency risk

The Fund's exposure to currency risk is summarized in the tables below. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund, net of currency contracts, as applicable.

Currency	December 31, 2017			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	999,057,505	–	999,057,505	100.0
	999,057,505	–	999,057,505	100.0

Currency	December 31, 2016			
	Gross currency exposure (\$)	Currency contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	948,524,087	–	948,524,087	99.9
	948,524,087	–	948,524,087	99.9

If the Canadian dollar strengthened or weakened by 10% in relation to all other currencies, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by \$99,905,751 or 10.0% of net assets (December 31, 2016 – \$94,852,409 or 10.0%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2017, approximately 98.8% (December 31, 2016 – 99.7%) of the Fund's net assets were exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$98,755,812 (December 31, 2016 – \$94,584,189). In

practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### Credit risk

The Fund had no significant exposure to bonds and debentures, money market instruments or preferred shares as at December 31, 2017 or December 31, 2016.

#### Concentration risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets:

	Percentage of net assets (%)	
	December 31, 2017	December 31, 2016
Consumer Discretionary	9.6	9.3
Consumer Staples	13.4	12.0
Energy	2.0	2.0
Financials	16.3	18.1
Health Care	16.8	15.6
Industrials	6.2	8.6
Information Technology	15.2	13.2
Materials	3.2	3.9
Real Estate	2.4	2.2
Telecommunication Services	7.0	7.2
Utilities	6.7	7.6

#### Fair Value Classification (note 2)

The tables below illustrate the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2017	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	987,558,122	–	–	987,558,122
	987,558,122	–	–	987,558,122
Unrealized loss on currency spot contracts	–	(1,939)	–	(1,939)
	987,558,122	(1,939)	–	987,556,183

December 31, 2016	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	945,841,888	–	–	945,841,888
	945,841,888	–	–	945,841,888

#### Transfers between levels

During the periods ended December 31, 2017 and December 31, 2016, there were no significant transfers between Level 1 and Level 2.

#### Offsetting of financial assets and liabilities (note 2)

As at December 31, 2017 and December 31, 2016, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.



# Scotia U.S. Low Volatility Equity LP (Continued)

## **FUND SPECIFIC NOTES**

For the periods indicated in Note 1

### **Interest in Underlying Funds (note 2)**

The Fund did not hold any interest in Underlying Funds as at December 31, 2017 or December 31, 2016.

### **Comparison of net asset value per unit and net assets per unit (note 2)**

As at December 31, 2017 or December 31, 2016, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

# NOTES TO THE FINANCIAL STATEMENTS

For the periods indicated in Note 1.

## 1. The Funds

1832 Asset Management L.P., a wholly owned subsidiary of The Bank of Nova Scotia (“Scotiabank”), is the manager of the funds. In this document, “we”, “us”, “our”, the “Manager”, and “1832 Asset Management” refer to 1832 Asset Management L.P. The registered office of the funds is 1 Adelaide Street East, 28th Floor, Toronto, ON, M5C 2V9.

The funds presented in these financial statements are Limited Partnerships. We refer to a Limited Partnership individually as a “Fund” and collectively, as the “Funds”.

The Funds are each an open-ended mutual fund organized as a limited partnership governed by the laws of Ontario pursuant to separate limited partnership agreements. Each Fund is divided into one general partner unit, representing the interest in the relevant fund held by its General Partner, and Series I units (“units”) representing interests in each Fund held by its limited partner unitholder(s). ScotiaFunds GP Inc., a wholly owned subsidiary of Scotiabank, is the “General Partner” and the initial limited partner of each Fund. On October 2, 2017, State Street Trust Company Canada replaced The Bank of Nova Scotia in its capacity as custodian of the Funds. In addition, State Street Bank and Trust Company replaced The Bank of Nova Scotia in its capacity as securities lending agent of the Funds.

The Statements of Financial Position are as at December 31, 2017 and 2016, and the Statements of Comprehensive Income, Changes in Net Assets Attributable to Holders of Redeemable Units and Cash Flows are for the years ended December 31, 2017 and 2016. The Schedule of Investment Portfolio for each of the Funds is as at December 31, 2017. Throughout this document, reference to the periods refers to the reporting periods described above.

These financial statements were approved and authorized for issue on March 9, 2018 by the Board of Directors of the General Partner of the Fund and by the Board of Directors of 1832 Asset Management G.P. Inc., as general partner for and on behalf of 1832 Asset Management L.P., in its capacity as the Manager of the Funds.

The investment objectives for each of the Funds are provided in the respective Fund’s “Fund Specific Notes”. The commencement date for each Fund is as follows:

Limited Partnerships	Commencement Date
1832 AM Canadian Dividend LP	April 6, 2015
1832 AM Canadian Growth LP	April 6, 2015
1832 AM Canadian Preferred Share LP	January 27, 2014
1832 AM Global Completion LP	January 27, 2014
1832 AM North American Preferred Share LP	January 27, 2014
1832 AM Tactical Asset Allocation LP	April 6, 2015
Scotia Global Low Volatility Equity LP	January 27, 2014
Scotia Total Return Bond LP	January 27, 2014
Scotia U.S. Dividend Growers LP	May 26, 2014
Scotia U.S. Low Volatility Equity LP	January 27, 2014

The Funds may offer an unlimited number of units of Series I. Series I units are only available for sale to other Scotia Funds.

## 2. Summary of Significant Accounting Policies

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

### (a) Basis of preparation

These annual financial statements of the Funds have been prepared in compliance with International Financial Reporting Standards (“IFRS”) as published by the International Accounting Standards Board (IASB), in accordance with the Canadian securities legislation.

The preparation of these financial statements in accordance with IFRS requires the use of judgment in applying accounting policies and to make estimates and assumptions concerning the future. Significant accounting judgments and estimates made by the Manager are disclosed in Note 3.

### (b) Financial instruments

#### *Classification*

The Funds classify investments, including derivatives, as financial assets or financial liabilities at fair value through profit and loss (FVTPL). This category has two sub categories: financial assets and financial liabilities are either held for trading or designated at fair value through profit or loss at inception.

Financial assets or financial liabilities held for trading are those acquired principally for the purpose of selling or repurchasing in the near future or on initial recognition as part of an identical portfolio of financial instruments that are managed together for which there is evidence of actual short-term profit taking. Derivatives and short positions are included in this category.

Financial assets and financial liabilities designated at fair value through profit or loss at inception are financial instruments that are not classified as held for trading but are managed and their performance evaluated on a fair value basis in accordance with the respective Fund’s investment strategy.

The Funds’ obligations for net assets attributable to holders of redeemable units are presented at the redemption amount.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Funds include in this category receivable for securities sold, subscription receivable, other accrued investment income and other receivables.

All other financial liabilities, other than those classified as at FVTPL are measured at amortized cost.

#### *Recognition and measurement*

Regular purchases and sales of investments are recognized on the date on which the Funds commit to purchase or sell investments at fair value. Transaction costs are expensed as incurred in the Statements of Comprehensive Income. Subsequent to initial

recognition, financial assets and liabilities at FVTPL are measured at fair value as presented below. Gains and losses arising from changes in their fair value are included in the Statements of Comprehensive Income for the periods in which they arise.

(c) Fair value measurement and hierarchy of financial instruments

Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price). The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and marketable securities) are based on quoted market prices at the close of trading on the reporting date. The Funds use the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of financial assets and liabilities that are not traded in an active market, including over the-counter derivatives, is determined using valuation techniques. The Funds use a variety of methods and make assumptions that are based on market conditions existing at each reporting date. Valuation techniques include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other techniques commonly used by market participants which make the maximum use of observable inputs.

IFRS 13, *Fair value measurement*, requires the use and disclosure of a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value of financial instruments. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets and the lowest priority to unobservable inputs. The three level hierarchy based on inputs levels are defined as follows:

- Level 1: Fair value is based on unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2: Fair value is based on inputs other than unadjusted quoted prices included in Level 1 that are observable for the assets or liabilities, either directly or indirectly; and
- Level 3: Fair value is based on at least one significant non-observable input that is not supported by market data for the financial assets or liabilities.

Changes in valuation methodology may result in transfer in and out of a level. The Funds' policy is to recognize these transfers as of the date of the event or circumstance giving rise to the transfer. The three level fair value hierarchy, transfers between levels and a reconciliation of level 3 financial instruments, as applicable, are disclosed in the respective Fund's "Fund Specific Notes".

The Manager is responsible for performing the fair value measurements included in the financial statements of the Funds, including level 3 measurements. The Manager obtains pricing from a third party pricing vendor, which is monitored and reviewed by the valuation team daily. At each financial reporting date, the Manager reviews and approves all level 3 fair value measurements. The Funds also have a Valuation Working Group which includes the Chief Financial Officer, members of the finance team, as well as members of the investment council and compliance teams. The working group meets quarterly to perform detailed reviews of the valuations of investments held by the Funds.

Financial instruments are valued at their fair value as summarized below:

- (i) North American equities are valued at the closing market price recorded by the security exchange on which the security is principally traded. Non-North American equities are valued at fair value based on information provided by an independent pricing source.
- (ii) Fixed income securities, including bonds and mortgage-backed securities, are valued using quotations received from an independent pricing source.
- (iii) Short-term debt instruments are carried at amortized cost, which approximates fair value.
- (iv) Investments in Underlying Funds, as defined below, are valued based on the net asset value per unit provided by the Underlying Fund's manager at the end of each valuation date.
- (v) Unlisted warrants are valued using the Black-Scholes option valuation model. The model factors in the time value of money and the volatility inputs significant to such valuation. For purposes of determining Net Asset Value as defined below, warrants are valued at their intrinsic value.
- (vi) Futures contracts are valued at their close prices on each valuation date.
- (vii) Open forward currency contracts are valued at the gain or loss that would arise as a result of closing the position on the valuation date.

(d) Net Assets versus Net Asset Value

The Funds' accounting policies for measuring the fair value of their investments and derivatives are identical to those used in measuring their net asset value for transactions with unitholders in accordance with Part 14 of National Instrument 81-106 Investment Funds for Continuous Disclosure ("NI 81-106"), except where the last traded market price for financial assets and liabilities are not within the bid-ask spread or the Fund holds non-traded warrants as described above. A comparison of the net assets per unit in accordance to IFRS ("Net Assets per unit") and the net assets per unit calculated in accordance to NI 81-106 ("Net Asset Value per unit") is presented in the "Fund Specific Notes" for each Fund, as applicable.

(e) Income recognition

Gains and losses arising from changes in fair value of financial instruments, other than derivatives, are shown in the Statements of Comprehensive Income as “Change in unrealized gain (loss) on non-derivative financial assets” and as “Net realized gain (loss) on non-derivative financial assets” when the positions are sold.

Gains and losses arising from changes in fair value of spots, forwards, and futures contracts are shown in the Statements of Comprehensive Income as “Change in unrealized gain (loss)” of the respective derivative contract and in the Statements of Financial Position as “Unrealized Gain” or “Unrealized Loss” of the respective derivative contract until the contracts are closed out or have expired. Once the contracts are closed out or have expired, the resulting realized gains and losses of forwards, and futures contracts are shown in the Statements of Comprehensive Income as “Net Realized gain (loss)” of the respective derivative contract.

Dividend income and distributions from Underlying Funds are recognized on the ex-dividend date. Distributions received from income trusts are recognized based on the nature of the underlying components such as dividend income, interest income, capital gains, and return of capital by applying previous year characterizations reported by the trust as current year characterizations are not available until the following year. The interest income component of the distributions received from Underlying Funds are included as part of “Interest for distribution purposes” in the Statements of Comprehensive Income.

Interest for distribution purposes represents the coupon interest received by the Fund, recognized on an accrual basis. The Fund does not amortize premiums paid or discounts received on the purchase of fixed income securities except for zero coupon bonds which are amortized on a straight line basis. Realized gain or loss on the sale of short-term debt instruments are recorded as an adjustment to interest for distribution purposes.

(f) Functional and presentation currency and foreign exchange translation

The functional and reporting currency for all Funds is the Canadian dollar. The functional currency is the currency of the primary economic environment in which the Funds operate, or where mixed indicators exist in the primary environment, the currency in which they primarily raise capital. Any currency other than functional currency represents foreign currency to the Funds. Amounts denominated in foreign currencies are converted into the functional currency as follows:

- (i) The fair values of investments, derivative contracts and monetary and non-monetary assets and liabilities at the rates of exchange prevailing as at the valuation date;
- (ii) Foreign income and expenses at the rates of exchange applicable on the respective dates of such transactions; and
- (iii) Purchase or sale of investments and investment income at the rate of exchange prevailing on the respective dates of such transactions.

Gains and losses on foreign exchange incurred in the Funds from monetary or non-monetary assets and liabilities other than investments and derivatives are shown in the Statements of Comprehensive Income as “Net realized and unrealized foreign currency translation gain (loss)”.

(g) Investments in unconsolidated structured entities

Certain Funds may invest in mutual funds, exchange-traded funds, or closed-ended funds managed by the Manager or third party investment managers. The relevant Funds consider all investments in such instruments (“Underlying Funds”) to be investments in unconsolidated structured entities based on the fact that the decisions made by these Underlying Funds are not governed by voting rights or any other similar rights held by the Funds. The Funds account for these unconsolidated structured entities at fair value.

The Underlying Funds each have their own objectives and investment strategies which assist the Funds in achieving their investment objectives. The Underlying Funds primarily finance their operations by issuing redeemable units or shares which are puttable at the holder’s option in the case of mutual funds and exchange-traded funds or through issuing non-redeemable units or partnership interests in the case of closed end funds. The Underlying Funds entitle the holder to a proportional stake in the respective fund’s net assets. The Funds hold units, shares or partnership interests in each of their Underlying Funds. These investments are included in “Non derivative financial assets” in the Statements of Financial Position. The change in fair value of each Underlying Fund is included in the Statements of Comprehensive Income in “Change in unrealized gain (loss) of non-derivative financial assets.” The exposure to investments in Underlying Funds at fair value is disclosed in the Fund’s “Fund Specific Notes”. The Funds’ maximum exposure to loss from their interests in Underlying Funds is equal to the total carrying value of their investments in Underlying Funds.

Mortgage-backed securities or asset-backed securities are also considered to be unconsolidated structured entities. Mortgage-backed securities are formed by pooling various types of mortgages while asset-backed securities are formed by pooling assets such as auto loans, credit card receivables or student loans. An interest or claim to this future cash flow (interest and principal) is then sold in the form of debt or equity securities, which could be held by the Funds. The Funds account for these unconsolidated structured entities at fair value. The fair value of such securities, as disclosed in the Schedule of Investment Portfolio, if applicable, represents the maximum exposure to losses at that date.

(h) Redeemable units issued by the Funds

The Funds’ outstanding redeemable units qualify as “puttable instruments” as per by the International Accounting Standard 32: *Financial Instruments: Presentation* (“IAS 32”) which states that units or shares of an entity that include a contractual obligation for the issuer to repurchase or redeem them for cash or another financial asset should be classified as financial liabilities.

Each Limited Partnership issues two types of units (general partner unit and Series I unit) that are equally subordinated but have different features. This violates one of the criteria that are required in order for the redeemable units to be presented as equity under IAS 32. Consequently, the Funds' outstanding redeemable units are classified as financial liabilities in these financial statements.

(i) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is presented in the Statements of Financial Position only if there is an unconditional legal right to offset the amounts and there is an intention either to settle on a net basis or to realize the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted under IFRS, for gains and losses arising from a group of similar transactions, such as gains and losses from financial instruments at fair value through profit or loss. Financial assets and liabilities that are subject to master netting or comparable agreements and the related potential effect of offsetting are disclosed in the respective Fund's "Fund Specific Notes".

(j) Other financial assets and liabilities

Other financial assets and liabilities other than investment securities are valued at amortized cost. These balances are short-term in nature; therefore, their carrying values approximate fair values.

(k) Increase (decrease) in net assets attributable to holders of redeemable units per unit

"Increase (decrease) in net assets attributable to holders of redeemable units per unit" is disclosed in the Statements of Comprehensive Income and represents the increase or decrease in net assets attributable to holders of redeemable units from operations for the period attributable to the series divided by the weighted average number of units outstanding for the series during the period.

(l) Non-cash transactions

Non-cash transactions on the Statements of Cash Flows include reinvested distributions from the underlying mutual funds and stock dividends from equity investments. These amounts represent non-cash income recognized in the Statements of Comprehensive Income.

(m) Accounting standards issued but not yet effective

The final version of IFRS 9, *Financial Instruments* was issued by the International Accounting Standards Board ("IASB") in July 2014 and will replace IAS 39, *Financial Instruments: Recognition and Measurement*, related to the classification and measurement of financial assets and financial liabilities.

IFRS 9 relates to the classification and measurement of financial assets and financial liabilities in the Funds. The new standard is effective for the Funds for their fiscal year beginning January 1, 2018. The Manager has been evaluating the standard and has currently determined that the impact to the Funds will include

additional disclosures related to changes to the classification of certain financial instruments to align with the classifications under IFRS 9. Adoption of the standard will not impact net assets attributable to holders of redeemable units.

### 3. Significant Accounting Judgments and Estimates

The preparation of financial statements requires the Manager to use judgment in applying its accounting policies and to make estimates and assumptions about the future. These estimates are made based on information available as at the date of issuance of the financial statements. Actual results could materially differ from those estimates. The following discusses the most significant accounting judgments and estimates that the Funds have made in preparing the financial statements:

#### *Investment Entities*

In accordance with IFRS 10: *Consolidated Financial Statements*, the Manager has determined that the Funds meet the definition of an Investment Entity which requires that the Funds obtain funds from one or more investors for the purpose of providing investment management services, commit to their investors that their business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and measure and evaluate the performance of their investments on a fair value basis. Consequently, the Funds do not consolidate their investment in subsidiaries, if any, but instead measure these at FVTPL, as required by the accounting standard.

#### *Classification and measurement of investments and application of the fair value option*

In classifying and measuring financial instruments held by the Funds, the Manager is required to make significant judgments about whether or not the business of the Funds is to invest on a total return basis for the purpose of applying the fair value option for financial assets under IAS 39: *Financial Instruments – Recognition and Measurement*. The most significant judgments made include the determination that certain financial instruments are held-for-trading and that the fair value option can be applied to those which are not.

#### *Fair value measurement of financial instruments not quoted in an active market*

Key areas of estimation, where the Manager has made complex or subjective judgments, include the determination of fair values of financial instruments that are not quoted in an active market. The use of valuation techniques for financial instruments that are not quoted in an active market requires the Manager to make assumptions that are based on market conditions existing as at the date of the financial statements. Changes in these assumptions as a result of changes in market conditions could affect the reported fair value of financial instruments.



## 4. Discussion of Financial Instrument Risk

Each Fund's investment activities expose it to a variety of financial risks: market risk (including interest rate risk, currency risk, and other price risk), credit risk and liquidity risk. Each Fund's investment practices include portfolio monitoring to ensure compliance with stated investment guidelines. The Manager seeks to minimize potential adverse effects of risks on each Fund's performance by employing and overseeing professional and experienced portfolio advisors that regularly monitor each Fund's securities and financial market developments. The risks are measured using a method that reflects the expected impact on the results and net assets attributable to unitholders of the Funds from reasonably possible changes in the relevant risk variables.

The Manager maintains a risk management practice that includes monitoring compliance with investment restrictions to ensure that the Funds are being managed in accordance with the Funds' stated investment objectives, strategies and securities regulations.

Some Funds invest in Underlying Funds. These Funds are indirectly exposed to market risk, credit risk, and liquidity risk in the event that the Underlying Funds invest in financial instruments that are subject to those risks. A Fund's exposure to market risk, credit risk and liquidity risk, where applicable, is disclosed in the respective Fund's "Fund Specific Notes".

### (a) Market risk

#### (i) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the future cash flows or the fair values of interest-bearing financial instruments. Each Fund's exposure to interest rate risk is concentrated in its investments in debt instruments (such as bonds and debentures) and interest rate sensitive derivative instruments, if any.

#### (ii) Currency risk

The Funds may invest in monetary and non-monetary assets denominated in currencies other than their functional currency. Currency risk is the risk that the value of foreign investments will fluctuate due to changes in the foreign exchange rates of those currencies in relation to the Funds' functional currency. Funds may enter into foreign currency forward contracts, currency futures contracts and/or foreign currency option contracts for hedging purposes to reduce their foreign currency risk exposure.

#### (iii) Price risk

Price risk is the risk that the fair value of a Fund's financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, derivatives, underlying funds and commodities. The maximum risk resulting from these financial instruments is equivalent to their fair value, except for written options, short sales and short futures contracts, where possible losses can be unlimited.

### (b) Credit risk

Credit risk is the risk that the issuer of a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Funds. A Fund's investment in financial instruments such as bonds, debentures, money market instruments, preferred shares and derivatives represents the main concentration of credit risk. The fair value of financial instruments includes consideration of the creditworthiness of the issuer, and accordingly, represents the maximum credit risk exposure to the Funds. All the transactions in listed securities and derivatives are settled or paid upon delivery using approved brokers with an approved credit rating. The risk of default with the counterparty is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is only made on a purchase once the securities have been received by the broker.

The Trade Management Oversight Committee responsible for regulatory evaluation and improvement of trade management policies and procedures, when applicable, is also responsible for counterparty selection and oversight. The committee reviews counterparties regularly to ensure they still meet preapproved credit standards established by the committee. The counterparty policies and procedures established by the committee have been reviewed and approved by the Board of Directors of the Manager.

The Funds enter into transactions with approved counterparties with a designated rating in accordance with securities regulations.

The credit ratings reported in the financial statements for issuers of debt instruments, counterparties of derivative transactions, prime brokers and custodians, where applicable, are S&P Global Ratings' credit ratings or S&P Global Ratings equivalent for credit ratings from other approved rating agencies. In instances where the credit rating was to fall below the designated rating, the Manager would take appropriate action.

The Funds can also be exposed to credit risk to the extent that the Funds' custodian may not be able to settle trades for cash. Canadian securities regulations require that the Funds employ a custodian that meets certain capital requirements. These regulations state that, among other things, a fund's custodian be either a bank listed in Schedule I, II, or III of the Bank Act (Canada), or a company incorporated in Canada affiliated with a bank with shareholders' equity of not less than \$10,000,000. The Bank of Nova Scotia and State Street Trust Company Canada, as custodians of the Funds, meet all Canadian Securities Administrators' requirements to act as custodian.

A Fund may enter into securities lending transactions with counterparties whereby the Fund temporarily exchanges securities for collateral with a commitment by the counterparty to deliver the same securities on a future date. Credit risk associated with these transactions is considered minimal as all counterparties have approved credit rating and the market value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned as at the end of each trading day.

### (c) Liquidity risk

The Funds' exposure to liquidity risk arises primarily from the daily cash redemption of units. The Funds primarily invest in securities that

are traded in active markets and can be readily disposed of. In addition, each Fund aims to retain sufficient cash and cash equivalent positions to maintain liquidity. The Funds may, from time to time, enter into over-the-counter derivative contracts or invest in securities that are not traded in an active market and may be illiquid. Illiquid securities are identified in the respective Fund's Schedule of Investment Portfolio, as applicable.

#### (d) Concentration risk

Concentrations of risk arise from financial instruments that have similar characteristics and are affected similarly by changes in economic or other conditions. The identification and disclosure of concentration risk is provided in the respective Fund's "Fund Specific Notes".

## 5. Management Fees

The Manager is not paid a management fee by the Funds in respect of Series I units. The management fee is negotiable and paid by unitholders directly to the Manager.

## 6. Fixed Administration Fees and Operating Expenses

The Manager pays certain operating expenses of the Funds ("FAF Funds"). These expenses include regulatory filing fees and other day-to-day operating expenses including, but not limited to, transfer agency and recordkeeping, accounting and fund valuation costs, custody fees, audit and legal fees, administration costs, bank charges, costs of preparing and distributing annual and semi-annual reports, prospectuses, annual information forms, Fund Facts and statements, investor communications and continuous disclosure materials. The Manager is not obligated to pay any other expense, cost or fee, including those arising from new government or regulatory requirements relating to the foregoing expenses, costs and fees. In return, each Series of the FAF Funds pays a Fixed Administration Fee to the Manager (the "Fixed Administration Fee"). Up to December 31, 2017, the Fixed Administration Fee payable by each Series of the Funds is subject to a transitional adjustment payment, details of which are presented in the Funds' simplified prospectus.

In addition to the Fixed Administration Fee, each Series of the Funds pays certain operating expenses directly, referred to as "Other Fund Costs". These include the costs and expenses related to the Independent Review Committee ("IRC") of the Funds, costs associated with the change to IFRS and the ongoing audit costs associated with compliance with IFRS, the cost of any government or regulatory requirements imposed commencing after May 14, 2014, including compliance with Canadian OTC derivatives trade reporting rules, compliance with the Volcker Rule under the *Dodd Frank Wall Street Reform and Consumer Protection Act* and other applicable U.S. regulations, and any new types of costs, expenses or fees not incurred prior to May 14, 2014, including those related to external services that were not commonly charged in the Canadian mutual fund industry as of May 14, 2014, any fee introduced after May 14, 2014 by a securities regulators or other government authority that is based on the assets or other criteria of the Funds, any transaction costs, including all fees and costs related to derivatives, and any borrowing costs, and taxes

(including, but not limited to, GST or HST, as applicable). More details about the Other Fund Costs can be found in the Funds' most recent simplified prospectus.

The Manager may, in some years and in certain cases, pay a portion of a Series' Fixed Administration Fee, or Other Fund Costs. The Fixed Administration Fee and Other Fund Costs are included in the management expense ratio of each Series of a Fund.

The Fixed Administration Fee and Other Fund Costs are accrued daily and paid monthly. The maximum annual rates of the Fixed Administration Fee, which are a percentage of the net asset value for each series of units of each Fund, are as follows:

	<b>% of Net Asset Value</b>
	<b>Series I</b>
1832 AM Canadian Dividend LP	0.04
1832 AM Canadian Growth LP	0.04
1832 AM Canadian Preferred Share LP	0.07
1832 AM Global Completion LP	0.07
1832 AM North American Preferred Share LP	0.07
1832 AM Tactical Asset Allocation LP	0.04
Scotia Global Low Volatility Equity LP	0.10
Scotia Total Return Bond LP	0.03
Scotia U.S. Dividend Growers LP	0.07
Scotia U.S. Low Volatility Equity LP	0.07

## 7. Redeemable Units

Units issued and outstanding represent the capital of each Fund. Each of the Funds may issue an unlimited number of units. Each unit is redeemable at the option of the unitholder in accordance with the limited partnership agreements, ranks *pari passu* with all other units of the Funds and entitles the unitholder to a proportionate undivided interest in the Net Asset Value of the Funds. The Funds' capital is managed in accordance with each of the Funds' investment objectives, policies and restrictions, as outlined in the Funds' prospectus. The Funds have no specific restrictions or specific capital requirements on the subscriptions or redemptions of units, other than minimum subscription requirements.

The units of the Funds are issued and redeemed at their Net Asset Value per unit which is determined as of the close of business on each day that the Toronto Stock Exchange is open for trading. The Net Asset Value per unit is calculated by dividing the Net Asset Value by the total number of outstanding units.

One general partner unit was issued to the General Partner for cash consideration of \$10.00 per unit for each of the Funds under the limited partnership agreement between the General Partner and the limited partners of each Fund. The General Partner is entitled to 0.01% of the net income of each Fund and 0.01% of the net loss of each Fund.



For the periods ended December 31, 2017 and 2016, the following number of units were issued, reinvested and redeemed:

LP Funds	December 2017					December 2016				
	Opening Units	Units Issued	Units Reinvested	Units Redeemed	Ending Units	Opening Units	Units Issued	Units Reinvested	Units Redeemed	Ending Units
<b>1832 AM Canadian Dividend LP</b>										
Series I Units	55,861,853	3,044,273	–	2,164,104	56,742,022	55,496,839	3,471,112	–	3,106,098	55,861,853
<b>1832 AM Canadian Growth LP</b>										
Series I Units	23,872,776	1,615,124	–	2,276,482	23,211,418	19,693,369	4,971,415	–	792,008	23,872,776
<b>1832 AM Canadian Preferred Share LP</b>										
Series I Units	14,114,922	110,864	–	2,312,633	11,913,153	13,785,254	2,120,529	–	1,790,861	14,114,922
<b>1832 AM Global Completion LP</b>										
Series I Units	31,327,228	1,097,283	–	1,517,988	30,906,523	30,749,956	1,613,215	–	1,035,943	31,327,228
<b>1832 AM North American Preferred Share LP</b>										
Series I Units	23,809,910	1,724,724	–	3,458,246	22,076,388	21,900,677	3,611,109	–	1,701,876	23,809,910
<b>1832 AM Tactical Asset Allocation LP</b>										
Series I Units	16,409,807	122,808	–	745,645	15,786,970	16,336,330	894,155	–	820,678	16,409,807
<b>Scotia Global Low Volatility Equity LP</b>										
Series I Units	64,296,693	3,503,041	–	2,718,233	65,081,501	62,447,826	4,282,717	–	2,433,850	64,296,693
<b>Scotia Total Return Bond LP</b>										
Series I Units	76,671,597	10,915,964	–	2,532,142	85,055,419	74,890,662	3,672,241	–	1,891,306	76,671,597
<b>Scotia U.S. Dividend Growers LP</b>										
Series I Units	36,208,500	1,792,236	–	2,256,129	35,744,607	32,537,643	4,940,304	–	1,269,447	36,208,500
<b>Scotia U.S. Low Volatility Equity LP</b>										
Series I Units	66,765,191	2,379,088	–	2,677,710	66,466,569	68,414,665	3,213,780	–	4,863,254	66,765,191

## 8. Income Taxes

No provision for income taxes has been recorded in these financial statements as the earnings or loss of a Fund is allocated to the limited partners and the General Partner, who are responsible for any income taxes applicable thereto.

### *Withholding taxes*

The Funds currently incur withholding taxes imposed by certain countries on investment income and in some cases, capital gains. In addition, certain countries may require capital gains taxes to be determined on a self-assessment basis; therefore, such taxes may not be deducted by the Funds' broker on a "withholding" basis. Accordingly, any uncertain taxes would represent liabilities of the limited partners and General Partner of the Fund. As at December 31, 2017 and December 31, 2016, the Funds have estimated that such liabilities with respect to foreign capital gains taxes are nil.

Such income and capital gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the Statements of Comprehensive Income.

## 9. Client Brokerage Commissions

Client brokerage commissions are arrangements pursuant to which products or services, other than the execution of portfolio securities transactions, are obtained by a portfolio advisor from or through a broker-dealer in exchange for directing client securities transactions to the broker-dealer. The ascertainable client brokerage commissions paid in connection with investment portfolio transactions for the periods ended December 31, 2017 and 2016 are set out below.

Fund	2017	2016
1832 AM Canadian Dividend LP	\$196,152	\$95,447
1832 AM Canadian Growth LP	67,351	45,811
1832 AM Canadian Preferred Share LP	2,433	2,495
1832 AM North American Preferred Share LP	4,367	3,603

## 10. Related Party Transactions

The Manager is a wholly owned subsidiary of The Bank of Nova Scotia ("Scotiabank"). Scotiabank also owns, directly or indirectly, 100% of Scotia Securities Inc. and Tangerine Investment Funds Limited, each a mutual fund dealer, and Scotia Capital Inc., (which includes ScotiaMcLeod and Scotia iTRADE), an investment dealer.

On August 4, 2017, Industrial Alliance Insurance and Financial Services Inc. completed its acquisition of HollisWealth including HollisWealth Advisory Services Inc. (collectively, "HollisWealth"), a related party of the Manager. As such, HollisWealth ceased to be a related party.

The Manager, on behalf of the Funds, may enter into transactions or arrangements with other members of Scotiabank or certain other companies that are related or connected to the Manager (each a "related party"). All transactions between the Funds and the related parties are in the normal course of business and are carried out at arm's length terms.

- (a) The Manager receives a Fixed Administration Fee in exchange for paying certain operating expenses of the Funds as detailed in note 6. In addition, Scotiabank as custodian for the Funds during the period earned a fee for providing custody and related services. The Fixed Administration Fees are disclosed in separate line in the Statements of Comprehensive Income.

(b) Decisions about the purchase and sale of each Fund's portfolio securities are made by appointed Portfolio Managers of each Fund. Provided that the pricing, service and other terms are comparable to those offered by other dealers, a portion of the portfolio transactions may be executed for the Funds, by a related party to the Funds. In such cases, the related party will receive commissions from the Funds. Brokerage fees paid to related parties for the periods ended December 31, 2017 and 2016 are as follows:

Fund	December 31, 2017	December 31, 2016
1832 AM Canadian Dividend LP	\$124,259	\$ 68,422
1832 AM Canadian Growth LP	27,715	14,566
1832 AM Canadian Preferred Share LP	7,675	9,454
1832 AM North American Preferred Share LP	12,543	20,650
Scotia U.S. Dividend Growers LP	100,297	103,834

- (c) The Manager received approval from the Independent Review Committee to invest the Funds' overnight cash with Scotiabank with interest paid by Scotiabank to the Funds based on prevailing market rates. The interest earned by the Funds is included in "Interest for distribution purposes" in the Statements of Comprehensive Income.
- (d) The Funds may invest in investment funds managed by the Manager or a related party, which are disclosed in the Schedule of Investment Portfolio for the respective Funds. These include Scotia Funds, Scotia Private Pools, Pinnacle Portfolios, Dynamic Funds, Marquis Funds and Dynamic Private Investment Pools.
- (e) Units held by the Manager in the Funds as at December 31, 2017 and December 31, 2016, was nil.
- (f) The Manager has received approval from the Independent Review Committee for the Funds to purchase securities of related parties. Any related party securities held by the Funds are disclosed in the Schedule of Investment Portfolio for the respective Funds.

(g) Distributions received from related party funds are included in "Interest for distribution purposes", "Dividends", or "Net realized gain (loss) on non-derivative financial assets", as applicable, in the Statements of Comprehensive Income.

## 11. Securities Lending

Some of the Funds may enter into securities lending transactions under a securities lending program with their custodian, State Street Bank and Trust Company. These transactions involve the temporary exchange of securities for collateral with a commitment to return the same securities to the Fund on a future date. In accordance with security regulations, the Funds receive minimum collateral of 102%. Collateral is received in the form of debt obligations of the Government of Canada, a Canadian provincial government, the government of the United States of America, certain financial institutions or other qualified securities, and is not included in the Schedule of Investment Portfolio. The Funds do not receive cash collateral from any securities lending transactions. The aggregate market value of all securities loaned by a Fund cannot exceed 50% of the Net Assets of the Fund. The fair value of the securities lent and collateral held is determined on a daily basis. The securities lending arrangement can be terminated by the borrower, the securities lending agent or the Fund at any time.

The income earned from these securities lending transactions is recorded in the Statements of Comprehensive Income.

The securities lending agent earns 30% of the gross income generated through any securities lending transactions in the Funds.

On October 2, 2017, State Street Bank and Trust Company replaced The Bank of Nova Scotia in its capacity as securities lending agent of the Funds. The Bank of Nova Scotia and State Street Bank and Trust Company earned 30% of the gross income generated through any securities lending transactions in the Funds for the period wherein they served as lending agents.

The aggregate market value of the securities on loan and the collateral received by the Funds as at December 31, 2017 and 2016 are presented below along with the income earned for the periods ended December 31, 2017 and 2016.

	As at December 31, 2017		For the period ended December 31, 2017		
	Market value of securities on loan (\$)	Market value of collateral on loan (\$)	Net amount received by the Fund (\$)	Amount earned by lending agent (\$)	Gross securities lending revenue earned (\$)
1832 AM Canadian Dividend LP	11,211,378	11,781,894	3,191	1,368	4,559
1832 AM Canadian Growth LP	-	-	30	13	43
1832 AM Canadian Preferred Share LP	-	-	1,579	677	2,256
1832 AM Global Completion LP	198,133	214,338	101,718	43,593	145,311
1832 AM North American Preferred Share LP	-	-	12,518	5,365	17,883
Scotia Global Low Volatility Equity LP	1,858,195	2,010,176	28,368	12,158	40,526
Scotia Total Return Bond LP	240,788,014	251,037,310	71,151	30,493	101,644
Scotia U.S. Low Volatility Equity LP	426,868	448,630	29,139	12,488	41,627

## 12. Currency Legend

The following is a list of abbreviations that may be used in the Financial Statements:

AUD	Australian Dollar	KRW	South Korean Won
BMD	Bermuda Dollar	MXN	Mexican Peso
BRL	Brazilian Real	MYR	Malaysian Ringgit
CAD	Canadian Dollar	NOK	Norwegian Krone
CHF	Swiss Franc	NZD	New Zealand Dollar
DKK	Danish Krone	PHP	Philippine Peso
EUR	Euro	PKR	Pakistani Rupee
GBP	Pound Sterling	SEK	Swedish Krona
HKD	Hong Kong Dollar	SGD	Singapore Dollar
IDR	Indonesian Rupiah	THB	Thailand Baht
ILS	Israeli Shekel	TWD	New Taiwan Dollar
INR	Indian Rupee	USD	US Dollar
JPY	Japanese Yen	ZAR	South African Rand

# Management Responsibility For Financial Reporting

The accompanying financial statements of the Funds (as defined in Note 1) have been prepared by 1832 Asset Management L.P., in its capacity as manager (the “Manager”) of the Funds, and have been approved by the Board of Directors of the general partner of the Funds and by the Board of Directors of 1832 Asset Management G.P. Inc., as general partner for and on behalf of 1832 Asset Management L.P. The Board of Directors of the general partner of the Funds and the Board of Directors of 1832 Asset Management G.P. Inc., as general partner for and on behalf of 1832 Asset Management L.P., are responsible for the information and representations contained in these financial statements and the management report of fund performance.

The Manager maintains appropriate processes to ensure that relevant and reliable financial information is produced. The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and include certain amounts that are based on estimates and judgments made by the Manager. The significant accounting policies which the Manager believes are appropriate for the Funds are described in Note 2 to the financial statements.

The Board of Directors of 1832 Asset Management G.P. Inc. has delegated responsibility for oversight of the financial reporting process to the Finance Committee of the Board of Directors of 1832 Asset Management G.P. Inc. (the “Finance Committee”). The Finance Committee is responsible for reviewing the financial statements and the management report of fund performance and recommending them to the Boards of Directors of the general partner of the Funds and 1832 Asset Management G.P. Inc. for approval, in addition to meeting with management, internal auditors and external auditors to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues.

PricewaterhouseCoopers LLP is the external auditor of the Funds, appointed by the general partner of the Funds. The auditor of the Funds has audited the financial statements in accordance with Canadian generally accepted auditing standards to enable it to express to the securityholders its opinion on the financial statements. The auditor’s report is set out herein.



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Glen Gowland  
President  
1832 Asset Management L.P.

March 9, 2018



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Abdurrehman Muhammadi  
Chief Financial Officer  
1832 Asset Management L.P.

# Independent Auditor's Report

To the Partners of  
1832 AM Canadian Dividend LP  
1832 AM Canadian Growth LP  
1832 AM Canadian Preferred Share LP  
1832 AM Global Completion LP  
1832 AM North American Preferred Share LP  
1832 AM Tactical Asset Allocation LP  
Scotia Global Low Volatility Equity LP  
Scotia Total Return Bond LP  
Scotia U.S. Dividend Growers LP  
Scotia U.S. Low Volatility Equity LP  
(collectively the Funds)

We have audited the accompanying financial statements of each of the Funds, which comprise the statements of financial position, comprehensive income, changes in net assets attributable to holders of redeemable units and cash flows as at and for the periods indicated in note 1, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

## Management's responsibility for the financial statements

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

## Auditor's responsibility

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

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

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

## Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position, financial performance and cash flows of each of the Funds as at and for the periods indicated in note 1, in accordance with International Financial Reporting Standards.

*PricewaterhouseCoopers LLP*

Chartered Professional Accountants, Licensed Public Accountants  
Toronto, Ontario  
March 9, 2018

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