

Condensed Interim Financial Statements (unaudited)

# **ICL GLOBAL LOW VOLATILITY EQUITY FUND**

June 30, 2018

## **NOTICE TO THE READER**

The enclosed semi-annual financial statements have not been reviewed by the external auditors of the Fund.

# ICL GLOBAL LOW VOLATILITY EQUITY FUND

Statements of Financial Position (unaudited)

As at June 30, 2018 and December 31, 2017

	June 30, 2018	December 31, 2017
<b>Assets</b>		
Cash	\$ 255,705	\$ 1,017,595
Receivable for securities sold	2,332	142,504
Subscriptions receivable	13,068	-
Accrued dividend receivable	144,052	110,193
Investments, at fair value	\$48,104,628	46,477,269
Prepaid expenses	-	27,986
Derivative assets	-	648
Total assets	48,519,785	47,776,195
<b>Liabilities</b>		
Payable for securities purchased	2,333	-
Redemptions payable	97,888	985,209
Accrued expenses	38,160	-
Total liabilities	138,381	985,209
Net assets attributable to holders of redeemable units	\$ 48,381,404	\$ 46,790,986
Redeemable units (note 3)	3,887,055	3,800,768
Net assets attributable to holders of redeemable units per unit	\$ 12.45	\$ 12.31

See accompanying notes to financial statements.

# ICL GLOBAL LOW VOLATILITY EQUITY FUND

Statements of Comprehensive Income (unaudited)

Six months ended June 30

	2018	2017
Income:		
Dividends	\$ 853,770	\$ 903,225
Revenue from securities lending (note 7)	4,276	4,421
Other changes in fair value of investments:		
Net realized gain on sale of investments	1,351,857	1,113,914
Net realized gain (loss) on sale of derivatives	158	(20,052)
Net foreign exchange gain (loss) on cash	(43)	313
Net other gain (loss)	(5,553)	24,066
Net change in unrealized appreciation (depreciation) of investments	(1,460,456)	2,067,036
Total income	744,009	4,092,923
Expenses:		
Custodial fees	44,836	35,088
Operating fees	843	4,959
Audit fees	12,397	12,397
Filing fees	496	496
Investment performance monitoring fees	-	4,959
Securityholder reporting costs	496	496
Transaction costs	16,551	10,523
Withholding taxes	73,433	87,085
Harmonized sales tax	7,615	7,527
	156,667	163,530
Expenses waived or absorbed by manager (note 8)		
Total expenses	156,667	163,530
Increase in net assets attributable to holders of redeemable units	\$ 587,342	\$ 3,929,393
Increase in net assets attributable to holders of redeemable units per unit (based on the weighted average number of units outstanding during the period)	\$ 0.15	\$ 1.06

See accompanying notes to financial statements.

# ICL GLOBAL LOW VOLATILITY EQUITY FUND

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (unaudited)

Six months ended June 30

	2018	2017
Net assets attributable to holders of redeemable units, beginning of period	\$ 46,790,986	\$ 43,502,738
Increase in net assets attributable to holders of redeemable units	587,342	3,929,393
Distributions paid or payable to holders of redeemable units:		
From net investment income	-	(404,905)
From net realized capital gains	-	-
Total distributions to holders of redeemable units	-	(404,905)
Redeemable unit transactions (note 3):		
Issuance of units	2,695,602	616,408
Reinvestment of distributions		404,905
Redemption of units	(1,692,526)	(1,337,447)
Net increase (decrease) from redeemable unit transactions	1,003,076	(316,134)
Net increase in net assets attributable to holders of redeemable units	1,590,418	3,208,354
Net assets attributable to holders of redeemable units, end of period	\$ 48,381,404	\$ 46,711,092

See accompanying notes to financial statements.

# ICL GLOBAL LOW VOLATILITY EQUITY FUND

Statements of Cash Flows (unaudited)

Six months ended June 30

	2018	2017
Cash flows from operating activities:		
Increase in net assets attributable to holders of redeemable units	\$ 587,342	\$ 3,929,393
Change in non-cash operating working capital:		
Net change in unrealized foreign exchange (gain) loss on cash	43	(313)
Net realized gain on sale of investments	(1,351,857)	(1,113,914)
Net change in unrealized (appreciation) depreciation of investments	1,460,456	(2,067,036)
Purchase of investments	(20,958,124)	(11,399,347)
Proceeds from the sale of investments	19,365,319	11,826,419
Accrued dividend receivable	(33,859)	(50,071)
Accrued other receivable	27,986	102,523
Accrued expenses and prepaid expenses	38,160	(24,458)
Cash provided by (used in) operating activities	(864,534)	1,203,196
Cash flows from financing activities:		
Amount received from the issuance of units	2,682,534	597,888
Amount paid on redemptions of units	(2,579,847)	(1,568,319)
Cash provided by (used in) financing activities	102,687	(970,431)
Increase (decrease) in cash	(761,847)	232,765
Net change in unrealized foreign exchange gain (loss) on cash	(43)	313
Cash, beginning of period	1,017,595	405,218
Cash, end of period	\$ 255,705	\$ 638,296
Supplemental cash flow information:		
Dividends received, net of withholding taxes	\$ 746,478	\$ 766,069

See accompanying notes to financial statements.

# ICL GLOBAL LOW VOLATILITY EQUITY FUND

Schedule of Investments (unaudited)

June 30, 2018

	Number of Shares	Average Cost \$	Fair Value \$
<b>COMMON SHARES — 99.43%</b>			
<b>Australia — 11.37%</b>			
AGL Energy Ltd.	503	10,050	10,990
AMP Ltd.	33,539	132,930	116,046
Aurizon Holdings Ltd.	48,820	191,355	205,455
AusNet Services	61,120	74,907	95,343
Caltex Australia Ltd.	16,654	523,135	526,704
Coca-Cola Amatil Ltd.	29,351	266,336	262,447
Cochlear Ltd.	1,770	241,188	344,352
Crown Resorts Ltd.	7,731	99,719	101,438
CSL Ltd.	2,072	228,365	387,902
Flight Centre Travel Group Ltd.	13,477	681,100	833,724
GPT Group	2	9	10
Insurance Australia Group Ltd.	30,961	236,237	256,682
LendLease Group	15,507	238,270	298,568
Medibank Private Ltd.	2,640	8,081	7,492
Sonic Healthcare Ltd.	20,532	496,483	489,508
South32 Ltd.	10,417	27,452	36,549
Treasury Wine Estates Ltd.	28,256	481,412	477,574
Wesfarmers Ltd.	9,631	386,953	462,037
Woolworths Group Ltd.	19,852	532,454	588,870
		<b>4,856,436</b>	<b>5,501,691</b>
<b>Belgium — 0.73%</b>			
Colruyt NV	980	71,525	73,556
Proximus SA	5,783	234,471	171,508
UCB SA	1,031	94,763	106,631
		<b>400,759</b>	<b>351,695</b>
<b>Canada — 3.53%</b>			
Empire Co. Ltd., Class 'A'	8,400	209,560	221,676
Fairfax Financial Holdings Ltd.	400	292,867	294,664
National Bank of Canada	100	4,676	6,312
Rogers Communications Inc., Class 'B'	11,100	524,396	693,084
TELUS Corp.	10,500	491,609	490,350
		<b>1,523,108</b>	<b>1,706,086</b>
<b>China — 0.13%</b>			
Yangzijiang Shipbuilding Holdings Ltd.	71,500	89,065	62,427
<b>Denmark — 0.08%</b>			
DSV AS	380	37,906	40,388
William Demant Holding AS	1	20	53
		<b>37,926</b>	<b>40,441</b>
<b>France — 0.12%</b>			
Dassault Aviation SA	23	59,828	57,650
<b>Germany — 3.64%</b>			
Adidas AG	489	149,669	140,405
Covestro AG	2,316	275,610	271,829
Deutsche Lufthansa AG, Registered	19,565	813,885	619,009
MAN SE	626	87,876	93,212
Metro Wholesale & Food Specialist AG	28,344	694,583	460,789
Puma SE	124	96,207	95,413
TUI AG	2,807	77,201	81,179
		<b>2,195,031</b>	<b>1,761,836</b>
<b>Hong Kong — 10.27%</b>			
ASM Pacific Technology Ltd.	18,800	320,217	312,699
BOC Hong Kong (Holdings) Ltd.	57,500	323,550	356,237
CK Asset Holdings Ltd.	27,500	306,802	287,261
CLP Holdings Ltd.	62,500	668,853	885,510

First Pacific Co. Ltd.	48,000	46,632	30,503
Hang Lung Group Ltd.	82,000	338,838	302,477
Hang Seng Bank Ltd.	600	18,186	19,738
HK Electric Investments & HK Electric Investments Ltd.	216,000	238,674	270,902
HKT Trust and HKT Ltd.	211,000	357,386	354,492
Hysan Development Co. Ltd.	2,000	11,995	14,688
Kerry Properties Ltd.	13,000	60,821	81,848
Li & Fung Ltd.	154,000	105,494	74,365
Link REIT	30,500	234,080	366,414
MTR Corp. Ltd.	79,000	557,577	574,875
NWS Holdings Ltd.	71,788	135,160	163,459
PCCW Ltd.	138,000	127,919	102,272
Power Assets Holdings Ltd.	4,000	50,970	36,787
Sun Hung Kai Properties Ltd.	4,000	70,516	79,409
Swire Pacific Ltd., Class 'A'	1,000	13,157	13,933
WH Group Ltd.	394,500	438,091	422,673
Yue Yuen Industrial Holdings Ltd.	59,000	219,641	219,120
		<b>4,644,559</b>	<b>4,969,662</b>
<b>Italy — 0.18%</b>			
Intesa Sanpaolo SPA-RSP	21,462	86,418	85,636
Mediobanca SPA	65	963	795
		<b>87,381</b>	<b>86,431</b>
<b>Japan — 6.95%</b>			
Brother Industries Ltd.	200	6,487	5,197
Canon Inc.	15,000	734,675	646,829
Fujitsu Ltd.	6,000	58,220	47,870
Hoya Corp.	4,600	224,366	344,113
Japan Airlines Co. Ltd.	200	8,682	9,330
JXTG Holdings Inc.	10,500	63,415	96,043
Marubeni Corp.	27,700	218,801	278,009
McDonald's Holdings Co. (Japan) Ltd.	800	43,821	53,680
Mitsubishi Gas Chemical Co. Inc.	6,900	160,099	205,681
Mitsui & Co. Ltd.	6,200	111,631	136,034
mixi Inc.	1,400	76,147	46,621
Nippon Express Co. Ltd.	6,699	556,000	639,643
Oracle Corp. Japan	3,400	164,089	365,426
Osaka Gas Co. Ltd.	4,500	112,857	122,516
OTSUKA CORP.	1,100	58,517	56,762
Ricoh Co. Ltd.	6,100	82,692	73,603
Showa Shell Sekiyu K.K.	12,000	213,694	235,573
		<b>2,894,193</b>	<b>3,362,930</b>
<b>Luxembourg — 0.53%</b>			
RTL Group SA	1,372	153,868	122,428
RTL Group SA	1,477	147,513	132,251
		<b>301,381</b>	<b>254,679</b>
<b>Netherlands — 0.90%</b>			
ABN AMRO Group NV	2,157	72,677	73,611
NN Group NV	6,548	375,900	350,378
Randstad NV	139	11,424	10,764
		<b>460,001</b>	<b>434,753</b>
<b>New Zealand — 2.59%</b>			
Contact Energy Ltd.	68,153	338,760	355,088
Fletcher Building Ltd.	30,277	214,780	187,410
Mercury NZ Ltd.	28,752	73,579	86,296
Meridian Energy Ltd.	3,313	9,023	9,206
Ryman Healthcare Ltd.	17,081	129,581	182,097
Spark New Zealand Ltd.	130,360	332,339	433,060
		<b>1,098,062</b>	<b>1,253,157</b>
<b>Singapore — 4.36%</b>			
Ascendas REIT	300	637	764
CapitaLand Commercial Trust Ltd.	233,300	387,964	373,630
CapitaMall Trust	355,200	682,119	709,353
Genting Singapore Ltd.	146,400	154,976	172,314
Hutchison Port Holdings Trust	82,000	60,744	30,457
SATS Ltd.	18,400	88,936	88,758
Singapore Press Holdings Ltd.	22,200	74,582	55,686
Singapore Technologies Engineering Ltd.	78,000	271,682	247,577

StarHub Ltd.	150,900	524,417	241,667
Venture Corp. Ltd.	10,900	229,359	187,603
		<b>2,475,416</b>	<b>2,107,809</b>
<b>Spain — 0.04%</b>			
CaixaBank SA	3,328	21,596	18,942
Grifols SA, Class 'A'	1	28	40
		<b>21,624</b>	<b>18,982</b>
<b>Sweden — 0.53%</b>			
ICA Gruppen AB	3,093	126,634	124,935
Swedish Match AB	2,010	87,716	131,139
		<b>214,350</b>	<b>256,074</b>
<b>Switzerland — 3.85%</b>			
Lindt & Spruengli AG	49	364,858	417,401
Schindler Holding AG	899	211,809	254,395
Sonova Holding AG, Registered	1,372	236,039	323,262
Swiss Prime Site AG, Registered	3,055	308,214	368,905
Swisscom AG	849	505,683	498,488
		<b>1,626,603</b>	<b>1,862,451</b>
<b>United Kingdom — 3.26%</b>			
Carnival PLC	446	37,692	33,671
Coca-Cola European Partners PLC	229	12,591	12,233
Coca-Cola European Partners PLC	10,001	486,218	534,652
Michael Kors Holdings Ltd.	1,866	147,727	163,478
Next PLC	6,894	724,649	724,365
Royal Mail PLC	12,649	128,581	111,025
		<b>1,537,458</b>	<b>1,579,424</b>
<b>United States — 46.37%</b>			
AGNC Investment Corp .	48,291	1,249,644	1,180,919
Allstate Corp. (The)	415	49,950	49,825
American Electric Power Co. Inc.	2,884	242,307	262,718
Annaly Capital Management Inc.	54,301	791,095	735,017
Baxter International Inc.	8,100	549,041	786,776
Booking Holdings Inc.	107	252,605	285,319
Broadridge Financial Solutions Inc., ADR	367	51,094	55,567
Brown-Forman Corp., Class 'B'	167	10,899	10,767
Carnival Corp.	265	21,449	19,978
Clorox Co.	4,020	518,829	715,217
Coca-Cola Co. (The)	11,240	625,084	648,499
Colgate-Palmolive Co.	1,034	91,007	88,153
Consolidated Edison Inc.	2,918	289,376	299,325
Cooper Cos. Inc. (The)	549	158,536	170,038
Darden Restaurants Inc.	6,500	582,971	915,408
Dollar General Corp.	2,182	253,901	283,013
DTE Energy Co.	117	16,140	15,949
Duke Energy Corp.	827	77,836	86,029
Estée Lauder Cos. Inc., Class 'A'	4,506	770,014	845,783
Exelon Corp.	15,552	699,468	871,506
Expeditors International of Washington Inc.	462	45,559	44,426
Gap Inc. (The)	19,198	720,057	817,977
Gilead Sciences Inc.	2,185	240,138	203,612
Hershey Co. (The)	3,225	411,817	394,791
Humana Inc.	1,171	374,644	458,467
Lockheed Martin Corp.	2,343	1,022,293	910,545
Lululemon Athletica Inc.	4,698	518,580	771,571
McDonald's Corp.	4,796	703,872	988,541
Merck & Co. Inc.	11,739	965,279	937,333
Monster Beverage Corp.	2,409	192,955	181,579
Motorola Solutions Inc.	3,960	556,290	606,193
Newmont Mining Corp.	4,517	221,200	224,069
NextEra Energy Inc.	694	129,881	152,485
Norfolk Southern Corp.	495	88,752	98,239
Northrop Grumman Corp.	1,097	500,684	444,026
Omnicom Group Inc.	720	69,969	72,237
PepsiCo Inc.	4,347	581,996	622,547
PPL Corp.	4,401	215,748	165,284
Procter & Gamble Co. (The)	8,592	919,372	882,261
Progressive Corp. (The)	4,200	281,262	326,797

Raytheon Co.	3,533	951,549	897,801
Southern Co. (The)	8,393	539,008	511,289
Synopsys Inc.	1,831	206,396	206,103
Sysco Corp.	9,011	496,918	809,477
Total System Service Inc.	5,927	625,990	658,975
Tyson Foods Inc., Class 'A'	4,712	408,223	426,760
Ulta Beauty Inc.	511	132,507	156,931
United Therapeutics Corp.	2,748	469,124	409,021
Walmart Inc.	6,062	578,599	682,995
Xcel Energy Inc.	804	42,503	48,312
		<b>20,512,411</b>	<b>22,436,450</b>
<b>TOTAL EQUITIES — 99.43%</b>		<b>45,035,592</b>	<b>48,104,628</b>
<b>TRANSACTION COSTS</b>		<b>(23,660)</b>	
<b>TOTAL INVESTMENT PORTFOLIO — 99.43%</b>		<b>45,011,932</b>	<b>48,104,628</b>
<b>OTHER ASSETS, NET OF LIABILITIES — 0.57%</b>			<b>276,776</b>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS — 100.00%</b>			<b>48,381,404</b>

See accompanying notes to financial statements.

# ICL GLOBAL LOW VOLATILITY EQUITY FUND

Risk Disclosures (unaudited)

June 30, 2018

---

## 1. Financial instruments risk:

Investment activities of the ICL Global Low Volatility Equity Fund (formerly the “Analytic Global Low Volatility Equity Fund”) (the "Fund") expose the Fund to some financial instrument risks. The Fund's overall risk management program seeks to minimize the potentially adverse effect of risk on the Fund's financial performance in a manner consistent with the Fund's investment objectives and long-term investment time horizon.

## 2. Risk management:

The Fund's objective is to pursue a low volatility strategy by constructing a portfolio of stocks with forecasted below average risk characteristics in an effort to achieve market-like returns with considerably less volatility than the global equity market as a whole. Analytic Investors LLC is the sub-advisor ("Sub-Advisor") of the Fund and seeks to achieve this objective by employing an actively managed, liquid, long-only equity strategy.

The Fund is expected to demonstrate a lower correlation to the overall market than traditional long-only strategies. The Fund is expected to outperform in falling markets and to lag during sharply rising markets. On a five-year moving average basis, the targeted risk reduction is 20% - 40% in standard deviation terms.

The portfolio is managed by the Sub-Advisor, and has the following characteristics:

- The Fund may hold up to an aggregate of 5% in cash and cash equivalents;
- No more than 5% of the market value of the portfolio may be invested in any single security;
- No more than 15% of the portfolio may be concentrated in any one industry;
- No more than 50% of the portfolio may be concentrated in securities of issuers domiciled in any one region. American depository receipts ("ADR's") and global depository receipts ("GDR's") are considered to be domiciled in the country where the ADR/GDR is listed for trading; and
- Minimum weight of any one region in the portfolio must be at least 50% of that region's weight in the MSCI World ND Index.

# ICL GLOBAL LOW VOLATILITY EQUITY FUND

Risk Disclosure (unaudited) (continued)

June 30, 2018

---

## 2. Risk management (continued):

While it is expected that currency exposures shall be typically unhedged, currency hedging, which use is restricted to reducing risk as part of a hedging strategy, is permitted.

The Fund may enter into securities lending transactions. Securities lending transactions will be used in conjunction with the Fund's other investment strategies in a manner considered most appropriate by Integra Capital Limited (the "Trustee" and "Manager") to achieve the Fund's investment objectives and to enhance the Fund's returns.

To assist with managing risk, the Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations.

The Fund invests in a range of investment strategies that exposes it to various types of risks, as follows:

### (a) Credit risk:

Credit risk on financial instruments is the risk of a loss occurring as a result of the default of an issuer on its obligation to an investment fund. Credit risk is managed by dealing with issuers that are believed to be creditworthy and by regular monitoring of credit exposures. Additionally, credit risk is reduced by diversification of issuer, industry and geography.

The carrying amount of the Fund's assets on the statement of financial position represents the maximum exposures to credit risk relating to financial assets and liabilities.

The Fund's activities may give rise to settlement risk. Settlement risk is the risk of loss due to the failure of an entity to honour its obligations to deliver cash, securities or other assets as contractually agreed. For the majority of transactions, the Fund mitigates this risk by conducting settlements through a broker to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations.

As at June 30, 2018 and December 31, 2017, the Fund had no significant investments in debt instruments and/or derivatives.

# ICL GLOBAL LOW VOLATILITY EQUITY FUND

Risk Disclosure (unaudited) (continued)

June 30, 2018

---

## 2. Risk management (continued):

### (b) Counterparty credit risk:

Counterparty credit risk primarily emanates from the use of over-the-counter derivatives. This risk is minimized by selecting counterparties who have a minimum of "A" credit rating. Ongoing monitoring of credit events/rating developments occurs to ensure the sustainable credit quality of the counterparty. Various factors are considered in the assessment process, including fundamental components of the counterparty's profile (such as capital adequacy, asset quality, profitability and liquidity) and credit ratings assigned to the counterparty.

See Derivatives section below for exposures from foreign exchange forward contracts.

### (c) Currency risk:

Changes in the value of the Canadian dollar compared to foreign currencies will affect the value, in Canadian dollars, of any foreign securities and account balances held in the Fund. From time to time, the Sub-Advisor may manage currency risk through foreign currency hedging strategies.

Currency risk arises on financial instruments denominated in foreign currencies. Fluctuations in foreign exchange rates impact the valuation of assets and liabilities denominated in foreign currencies.

# ICL GLOBAL LOW VOLATILITY EQUITY FUND

Risk Disclosure (unaudited) (continued)

June 30, 2018

## 2. Risk management (continued):

The tables below indicate the currencies to which the Fund had exposure directly on its trading monetary and non-monetary assets and liabilities, as well as the underlying principal amount of foreign exchange contracts:

June 30, 2018	Currency risk-exposed holdings (including derivatives)*	Foreign exchange contracts	Net exposure	% of net assets
U.S. Dollar	\$ 23,238,663	\$ —	\$ 23,238,663	48.03
Australian Dollar	5,503,028	—	5,503,028	11.37
Hong Kong Dollar	5,005,936	—	5,005,936	10.35
Japanese Yen	3,382,724	—	3,382,724	6.99
Euro	2,914,049	—	2,914,049	6.02
Singapore Dollar	2,148,844	—	2,148,844	4.44
Swiss Franc	1,883,075	—	1,883,075	3.89
New Zealand Dollar	1,263,133	—	1,263,133	2.61
British Pound	973,087	—	973,087	2.01
Swedish Krona	256,074	—	256,074	0.53
Danish Krone	44,295	—	44,295	0.09

\*Amounts reflect the carrying value of monetary and non-monetary items.

# ICL GLOBAL LOW VOLATILITY EQUITY FUND

Risk Disclosure (unaudited) (continued)

June 30, 2018

## 2. Risk management (continued):

December 31, 2017	Currency risk-exposed holdings (including derivatives)*	Foreign exchange contracts	Net exposure	% of net assets
U.S. Dollar	\$ 21,344,148	\$ —	\$ 21,344,148	45.62
Australian Dollar	5,598,724	—	5,598,724	11.97
Hong Kong Dollar	4,832,712	—	4,832,712	10.33
Japanese Yen	3,974,834	—	3,974,834	8.49
Swiss Franc	3,003,866	—	3,003,866	6.42
Singapore Dollar	2,127,465	—	2,127,465	4.55
Euro	1,388,487	—	1,388,487	2.97
New Zealand Dollar	1,296,263	—	1,296,263	2.77
British Pound	631,908	—	631,908	1.35
Danish Krone	526,985	—	526,985	1.13
Swedish Krona	247,729	—	247,729	0.53

\*Amounts reflect the carrying value of monetary and non-monetary items.

As at June 30, 2018, had the Canadian dollar strengthened or weakened by 5% in relation to all currencies, with all other variables held constant, net assets attributable to holders of redeemable units would have decreased or increased, respectively, by \$2,330,645 (December 31, 2017- \$2,248,656). In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

### (d) Derivatives:

The Fund utilizes foreign exchange forward contract hedging in the management of currency risk associated with its investment in foreign securities. The objective is to protect the Fund from the possibility of capital losses on foreign-currency-denominated investments due to increases in the value of the Canadian dollar. However, credit and market risks associated with foreign exchange forward contracts potentially expose the Fund to losses.

# ICL GLOBAL LOW VOLATILITY EQUITY FUND

Risk Disclosure (unaudited) (continued)

June 30, 2018

---

## 2. Risk management (continued):

In order to minimize the possibility of losses arising from credit risk, the Fund deals only with large financial institutions with a minimum of "A" credit rating.

Currency risk relates to the possibility that foreign exchange forward contracts change in value due to fluctuations in currency prices. The foreign exchange forward contracts are marked to market daily and the resulting unrealized gains or losses are recognized in the statement of financial position.

The result of employing foreign exchange forward contracts is that the foreign exchange gains and losses in the securities portfolio move substantially in opposite directions from the gains and losses in the hedging portfolio.

As at June 30, 2018 and December 31, 2017, the Fund did not directly hold any foreign exchange forward contracts.

### (e) Interest rate risk:

Changes in market interest rates expose fixed-income securities, such as bonds, to interest rate risk. Funds that hold income investments are exposed to this risk since changes in prevailing market interest rates will affect the value of fixed-income securities.

Cash and cash equivalents comprise deposits with banks and highly liquid financial assets with maturities of three months or less; as a result, there is no significant risk of changes in their fair value and not subject to interest rate risk.

The majority of the Fund's financial assets and liabilities are non-interest bearing. Accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

# ICL GLOBAL LOW VOLATILITY EQUITY FUND

Risk Disclosure (unaudited) (continued)

June 30, 2018

---

## 2. Risk management (continued):

### (f) Liquidity risk:

Liquidity risk is the possibility that investments of the Fund cannot be readily converted into cash when required. The Fund may be subject to liquidity constraints because of insufficient volume in the markets for the securities of the Fund or the securities may be subject to legal or contractual restrictions on their resale. In addition, holders of redeemable units may redeem their units on each valuation date. Liquidity risk is managed by investing in securities that are traded in active markets and can be readily disposed, and by retaining sufficient cash and cash equivalent positions to maintain liquidity.

The liabilities are all current and are due within 90 days, with the exception of net assets attributable to holders of redeemable units which are due upon request by the unitholder (note 3).

### (g) Other market risk:

Other market risk is the risk that the fair 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, whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital.

The Sub-Advisor moderates this risk through a careful use of investment strategies and selection of securities and other financial instruments within the parameters of the investment strategy developed by the Manager of the Fund.

The impact on net assets attributable to holders of redeemable units of the Fund as at June 30, 2018, due to a 5% increase or decrease in the Fund's benchmark (MSCI World ND Index), with all other variables held constant, would have been \$1,580,862 (December 31, 2017 - \$1,713,720). This calculation is based on the ex-ante tracking error of the Fund. In practice, the actual trading results may differ from the sensitivity analysis and the difference could be material.

# ICL GLOBAL LOW VOLATILITY EQUITY FUND

Risk Disclosure (unaudited) (continued)

June 30, 2018

## 2. Risk management (continued):

### (h) Concentration risk:

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type, industry sector or counterparty type. The following is a summary of the Fund's concentration risk:

	As a % of net assets	
	June 30, 2018	December 31, 2017
<b>Common shares</b>		
Australia	11.37	11.96
Belgium	0.73	0.94
Bermuda	–	0.40
Canada	3.53	3.53
China	0.13	0.10
Denmark	0.08	1.12
Finland	–	0.01
France	0.12	–
Germany	3.64	1.07
Hong Kong	10.27	10.33
Italy	0.18	0.16
Japan	6.95	8.47
Jersey C.I.	–	0.85
Luxembourg	0.53	0.27
Netherlands	0.90	0.48
New Zealand	2.59	2.77
Singapore	4.36	4.53
Spain	0.04	–
Sweden	0.53	0.53
Switzerland	3.85	6.39
United Kingdom	3.26	0.48
United States	46.37	44.94
Total investment portfolio	99.43	99.33
Other assets, net of liabilities	0.57	0.67
<b>Net assets attributable to holders of redeemable units</b>	<b>100.00</b>	<b>100.00</b>

# ICL GLOBAL LOW VOLATILITY EQUITY FUND

Risk Disclosure (unaudited) (continued)

June 30, 2018

---

### 3. Capital risk management:

The capital of the Fund is represented by issued redeemable units with no par value. The units of the Fund are entitled to distributions, if any, and any redemptions are based on the Fund's net asset value ("NAV") per unit. The Fund has no restrictions or specific capital requirements on the subscriptions and redemptions of units. The relevant movements are shown on the statement of changes in net assets attributable to holders of redeemable units. The Fund endeavours to invest its subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions.

### 4. Fair value measurements:

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Changes in valuation methods may result in transfers into or out of an investment's assigned level.

If inputs of different levels are used to measure an asset's or liability's fair value, the classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement and changes in valuation methods may result in transfers into or out of an investment's assigned level.

# ICL GLOBAL LOW VOLATILITY EQUITY FUND

Risk Disclosure (unaudited) (continued)

June 30, 2018

## 4. Fair value measurements (continued):

The tables below summarize the inputs used in valuing the Fund's financial assets carried at fair values:

June 30, 2018	Level 1	Level 2	Level 3	Total
Financial assets:				
Equities	\$ 48,009,215	\$95,413	\$ –	\$ 48,104,628

December 31, 2017	Level 1	Level 2	Level 3	Total
Financial assets:				
Equities	\$ 46,477,269	\$ –	\$ –	\$ 46,477,269

All fair value measurements above are recurring. Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs; in which case, it is classified as Level 3.

The Fund's equity positions are classified as Level 1 when the security is actively traded and a reliable price is observable.

For the periods ended June 30, 2018 and December 31, 2017, no investments were transferred from any level as a result of the securities no longer being traded in an active market and no investments were transferred from any level as a result of the securities now being traded in an active market.

# ICL GLOBAL LOW VOLATILITY EQUITY FUND

Notes to Financial Statements (unaudited)

June 30, 2018

---

## 1. Establishment of the Fund:

The ICL Global Low Volatility Equity Fund is an open-ended investment unincorporated trust created under the laws of the Province of Ontario by a Declaration of Trust. The address of the Fund's registered office is Suite 200, 2020 Winston Park Drive, Oakville, Ontario. The Fund was established on February 28, 2012 and commenced operations on October 1, 2012.

Integra Capital Limited is the Manager and Trustee of the Fund and is the corporate entity registered with the Canadian regulatory authorities. The Fund's assets are custodied at the Canadian Imperial Bank of Commerce. The Manager is registered in every province as a portfolio manager and exempt market dealer and is registered in the Provinces of Newfoundland and Labrador, Ontario and Quebec as an investment fund manager. In the Province of Ontario, the Manager is additionally registered as commodity trading manager.

The Fund is not a reporting issuer and is exempt, pursuant to National Instrument 81-106, Investment Fund Continuous Disclosure, from the requirement to file its financial statements with the regulatory authorities and has notified the Ontario Securities Commission that it is relying on this exemption.

## 2. Basis of preparation:

### (a) Basis of accounting:

The financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS").

These financial statements were authorized for issue by the Manager on August 27, 2018.

### (b) Basis of measurement:

These financial statements have been prepared on a historical cost basis, except for financial assets and financial liabilities at fair value through profit or loss ("FVTPL"), which are presented at fair value.

# ICL GLOBAL LOW VOLATILITY EQUITY FUND

Notes to Financial Statements (unaudited) (continued)

June 30, 2018

---

## 2. Basis of preparation (continued):

### (c) Functional and presentation currency:

These financial statements are presented in Canadian dollar, which is the Fund's functional currency.

## 3. Significant accounting policies:

### (a) Financial instruments:

#### (i) Recognition, initial measurement and classification:

Financial assets and financial liabilities at FVTPL are initially recognized on the trade date, which is the date on which the Fund becomes a party to the contractual provisions of the instrument. Other financial assets and financial liabilities are recognized on the date on which they are originated.

Financial assets and financial liabilities at FVTPL are initially recognized at fair value, with transaction costs recognized in the statement of comprehensive income. Financial assets or financial liabilities not at FVTPL are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue.

The Fund classifies financial assets and financial liabilities into the following categories:

Financial assets at FVTPL:

- Held-for-trading ("HFT"): derivative financial instruments;
- Designated as FVTPL: debt securities and equity investments; and
- Financial assets at amortized cost: all other financial assets are classified as loans and receivables.

# ICL GLOBAL LOW VOLATILITY EQUITY FUND

Notes to Financial Statements (unaudited) (continued)

June 30, 2018

---

### 3. Significant accounting policies (continued):

Financial liabilities at FVTPL:

- HFT: derivative financial instruments; and
- Financial liabilities at amortized cost: all other financial liabilities are classified as other financial liabilities.

(ii) Fair value measurement:

Fair value 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 in the principal or, in its absence, the most advantageous market to which the Fund has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Fund measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as "active" if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The Fund measures instruments quoted in an active market at last sale or close price, where the close price falls within the day's bid-ask spread. In circumstances where the close price is not within the day's bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on specific facts and circumstances. Investments held include equities, listed warrants, options, short-term notes, treasury bills, bonds, asset-backed securities and other debt instruments.

# ICL GLOBAL LOW VOLATILITY EQUITY FUND

Notes to Financial Statements (unaudited) (continued)

June 30, 2018

---

### 3. Significant accounting policies (continued):

Investments held that are not traded in an active market are valued based on the results of valuation techniques using observable market inputs where possible, on such basis and in such manner established by the Manager. Investments in other pooled funds are valued at the NAV per unit reported by each pooled fund. See risk disclosures for more information about the Fund's fair value measurements.

The fair value of a forward contract is the gain or loss that would be realized if, on the valuation date, the positions were closed out. The forward contract is valued using an interpolation of the foreign exchange rate based on the length of the forward contract. The change in fair value on forward contracts are reflected in the statement of comprehensive income as change in unrealized appreciation (depreciation) on derivatives. When the forward contracts are closed out, any gains or losses realized are included in net realized gain (loss) on derivatives.

The fair values of foreign-currency-denominated investments and other foreign-currency-denominated assets and liabilities are translated into Canadian dollars at exchange rates prevailing on the reporting dates.

The fair values of other financial assets and liabilities approximate their carrying values due to the short-term nature of these instruments.

#### (iii) Offsetting:

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention 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 for gains and losses from financial instruments at FVTPL and foreign exchange gains and losses.

# ICL GLOBAL LOW VOLATILITY EQUITY FUND

Notes to Financial Statements (unaudited) (continued)

June 30, 2018

---

### 3. Significant accounting policies (continued):

#### (b) Cash and cash equivalents:

Cash and cash equivalents consist of cash on deposit and short-term, interest-bearing notes with a term to maturity of less than three months from the date of purchase.

#### (c) Investment transactions and income recognition:

The Fund follows the accrual method of recording investment income and expenses. Security transactions are recorded on the trade date. Dividends are accrued as of the ex-dividend date. Stock dividends are recorded in income based on the fair value of the security on the ex-dividend date.

The interest available for distribution purposes shown on the statement of comprehensive income represents the coupon interest received by the Fund accounted for 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 on sale of investments and unrealized appreciation (depreciation) of investments are determined on an average cost basis. Average cost does not include amortization of premiums or discounts on fixed income securities with the exception of zero-coupon bonds.

The Fund generally incurs withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the statement of comprehensive income.

# ICL GLOBAL LOW VOLATILITY EQUITY FUND

Notes to Financial Statements (unaudited) (continued)

June 30, 2018

---

### 3. Significant accounting policies (continued):

(d) Cost of investments:

The cost of investments represents the amount paid for each security and is determined on an average cost basis, excluding commissions and other transaction costs.

(e) Transaction costs:

Commissions and other transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisors, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Commissions and transaction costs are included as expenses in the statement of comprehensive income.

(f) Securities lending transactions:

The Fund is permitted to enter into securities lending transactions. These transactions involve the temporary exchange of securities for collateral with a commitment to redeliver the same securities at a future date. Income is earned from these transactions in the form of fees paid by the counterparty. Income earned from these transactions is recognized on an accrual basis and included in the statement of comprehensive income.

(g) Foreign currency translation:

The fair values of foreign-currency-denominated investments are translated into Canadian dollars, using the prevailing rate of exchange on each valuation date. Income, expenses and investment transactions in foreign currencies are translated into Canadian dollars at the rate of exchange prevailing on the respective dates of such transactions. Foreign exchange gains and losses are presented as net realized gain (loss) on foreign exchange, except for those arising from financial instruments at FVTPL, which are recognized as a component within net realized gain on sale of investments and change in net unrealized appreciation (depreciation) of investments in the statement of comprehensive income.

# ICL GLOBAL LOW VOLATILITY EQUITY FUND

Notes to Financial Statements (unaudited) (continued)

June 30, 2018

---

### 3. Significant accounting policies (continued):

#### (h) Income taxes:

The Fund presently qualifies as a unit trust under the provisions of the Income Tax Act (Canada) and, accordingly, is not taxed on that portion of its taxable income, which is paid or payable to unitholders at the end of the taxation year. The Fund has elected for a December 31 taxation year end. The Fund pays out sufficient net income and net realized capital gains so that it will not be subject to income taxes. Accordingly, no provision for income taxes has been made in these financial statements.

Capital losses and non-capital losses incurred by the Fund cannot be allocated to unitholders but capital losses may be carried forward indefinitely to reduce future realized capital gains and non-capital losses may be carried forward for 20 taxation years to reduce future net income for tax purposes. As at December 31, 2017 the Fund had non-capital losses of nil (2016 - nil) and net capital losses carryforward of nil (2016 - nil).

Certain dividends and interest income received by the Fund are subject to withholding tax imposed in the country of origin.

#### (i) Redeemable units:

For each Fund unit sold, the Fund receives an amount equal to the NAV per unit at the date of sale, which amount is included in net assets attributable to holders of redeemable units. Units are redeemable at the option of unitholders at their NAV on the redemption date. For each unit redeemed, net assets attributable to holders of redeemable units are reduced by the NAV of the unit at the date of redemption. The redeemable units are measured at the present value of the redemption amounts and are considered a residual amount of the net assets attributable to holders of redeemable units.

# ICL GLOBAL LOW VOLATILITY EQUITY FUND

Notes to Financial Statements (unaudited) (continued)

June 30, 2018

### 3. Significant accounting policies (continued):

The capital of the Fund is represented by issued redeemable units with no par value. The units of the Fund are entitled to distributions, if any, and any redemptions are based on the Fund's net asset attributable to holders of redeemable shares per unit. The Fund has no restrictions or specific capital requirements on the subscriptions and redemptions of the units. The relevant movements are shown on the statement of changes in net assets attributable to holders of redeemable units. The Fund endeavours to invest its subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions.

Redeemable unit transactions during the period were as follows:

	June 30, 2018		December 31, 2017	
	Number of Fund units	Amount	Number of Fund units	Amount
Redeemable units issued	223,263	\$ 2,695,602	113,963	\$ 1,421,212
Redeemable units redeemed	(136,976)	(1,692,526)	(300,461)	(3,764,538)
Redeemable units issued on reinvestments	–	–	265,357	3,289,348

The number of issued and outstanding units as at June 30, 2018 is 3,887,055 (December 31, 2017 - 3,800,768).

Net assets attributable to holders of redeemable units are calculated for each unit of the Fund by taking the proportionate share of the Fund's net assets attributable to holders of redeemable units and dividing by the number of units outstanding on the valuation date.

The increase in net assets attributable to holders of redeemable units per unit in the statement of comprehensive income represents the change in net assets attributable to holders of redeemable units divided by the weighted average number of units outstanding during the reporting period. Income, expenses other than management fees, and realized and unrealized capital gains (losses) are distributed in proportion to the amount invested in them.

The weighted average number of units outstanding for the period ended June 30, 2018 is 3,810,282 (June 30, 2017 - 3,708,934).

# ICL GLOBAL LOW VOLATILITY EQUITY FUND

Notes to Financial Statements (unaudited) (continued)

June 30, 2018

---

### 3. Significant accounting policies (continued):

The Fund's units are classified as a liability under International Accounting Standard ("IAS") 32, Financial Instruments - Presentation as there is a requirement to make cash distributions to unitholders, if requested. The units are measured at the present value of the redemption amount and are considered a residual amount.

As at June 30, 2018 and December 31, 2017, there is no difference between net assets attributable to holders of redeemable units and net asset value attributable to holders of redeemable units.

(j) Receivables or payables for portfolio securities sold or purchased:

In accordance with the Fund's policy of trade date accounting for regular way sale and purchase transactions, sales/purchase transactions awaiting settlement represent amounts receivable/payable for portfolio securities sold/purchased, but not yet settled as at the reporting date.

(k) Future accounting changes:

The International Accounting Standards Board ("IASB") has issued the following new standards and amendments to existing standards that are not yet effective.

IFRS 9, Financial Instruments ("IFRS 9"):

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments, which addresses classification and measurement, impairment and hedge accounting. The new standard requires assets to be carried at amortized cost, FVTPL or fair value through other comprehensive income based on the entity's business model for managing financial assets and the contractual cash flow characteristics of the financial asset. The classification and measurement of liabilities remains generally unchanged with the exception of liabilities recorded at FVTPL. For these liabilities, fair value changes attributable to changes in the entity's own credit risk are to be presented in other comprehensive income unless they affect amounts recorded in income. The new standard is effective for the Fund for its fiscal year beginning January 1, 2018. Based on the Manager's assessment, this new standard is not expected to have a material impact on the Fund's financial assets and liabilities.

# ICL GLOBAL LOW VOLATILITY EQUITY FUND

Notes to Financial Statements (unaudited) (continued)

June 30, 2018

## 4. Critical accounting estimates and judgments:

In preparing these financial statements, the Manager has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively. The most significant accounting judgment and estimate that the Fund has made in preparing the financial statements is determining the fair value measurement of derivatives and investments not quoted in an active market, if any. See note 3 for more information on the fair value measurement of the Fund's financial instruments.

## 5. Net changes from financial instruments at FVTPL:

Net changes in fair value on financial assets and financial liabilities at FVTPL are presented in the statement of comprehensive income and comprise the following: net realized gain on sale of investments, net change in unrealized appreciation (depreciation) of investments and dividends. Their classifications between HFT and designated at FVTPL are presented in the following table:

	Total income	
	June 30, 2018	June 30, 2017
Financial assets (liabilities) at FVTPL:		
HFT	\$ 158	\$ –
Designated at inception	745,171	4,084,175
Total financial assets (liabilities) at FVTPL	\$ 745,329	\$ 4,084,175

## 6. Brokerage commissions:

Brokerage commissions on portfolio transactions may also include research services provided to the Sub-Advisor. The value of the research services paid to certain brokers for period ended June 30, 2018 and June 30, 2017 was nil.

# ICL GLOBAL LOW VOLATILITY EQUITY FUND

Notes to Financial Statements (unaudited) (continued)

June 30, 2018

## 7. Securities lending:

The Fund lends portfolio securities from time to time in order to earn additional income. The Fund has entered into a securities lending program with Bank of New York Mellon. The aggregate market value of all securities cannot exceed 50% of the net assets attributable to holders of redeemable units of the Fund. The Fund receives collateral in the form of debt obligations of the Government of Canada and any other Sovereign States and Canadian provincial governments, against the loaned securities. The Fund maintains a minimum collateral requirement of 102% for North American equities and 105% for Non-North American equities of the market value of the loaned securities during the period of the loan. As at June 30, 2018, certain securities shown in the statement of financial position with a market value of \$3,035,981 (December 31, 2017 - \$2,347,385) had been loaned as part of the securities lending program. The counterparty has pledged securities with a market value of \$3,213,719 (December 31, 2017 - \$2,478,474) as collateral for such loans. Under the terms of the program, the Fund may instruct that securities be returned within three days.

The table below shows a reconciliation of the gross amount generated from the securities lending transactions of the Fund to the revenue from the securities lending disclosed in the Statement of Comprehensive Income:

	June 30, 2018		June 30, 2017	
	Amount	% of gross securities lending revenue	Amount	% of gross securities lending revenue
Gross securities lending revenue	\$ 7,279	100.0	\$ 8,356	100.0
Withholding taxes	(154)	(2.1)	(988)	(11.8)
Agent fees - Bank of New York Mellon Corp. (The)	(2,849)	(39.1)	(2,947)	(35.3)
Securities lending revenue	\$ 4,276	58.7	\$ 4,421	52.9

# ICL GLOBAL LOW VOLATILITY EQUITY FUND

Notes to Financial Statements (unaudited) (continued)

June 30, 2018

---

## **8. Related party transactions and fund expenses:**

The Manager administers and regulates the day-to-day operations of the Fund. In return for the services provided, the Manager receives management fees from the Fund's holders of redeemable units, based on the NAV of the Fund. These management fees are paid either by a redemption of units or the unitholder, if an institution, may be invoiced and payment will be delivered to the Manager.

The Manager may allocate various operating costs to the Fund. These expenses include a portion of the expenses related to trust accounting, fund accounting and administration functions that are performed by the Manager on behalf of the Fund. These costs are reported in the operating expenses of the Fund reported in the statement of comprehensive income.

The Fund is responsible for its operating expenses relating to the carrying on of its business, including custodial services, legal, Independent Review Committee fees (if applicable), audit fees, transfer agency services relating to the issue and redemption of units, and the cost of financial and other reports in compliance with all applicable laws, regulations and policies. The Manager pays for such expenses on behalf of the Fund, except for certain expenses, such as interest and taxes, and is then reimbursed by the Fund.

The Manager, at its discretion, may agree to waive or absorb certain expenses associated with the Fund. For the period ended June 30, 2018, expenses waived or absorbed by the Manager in the amount of nil. (June 30, 2017 - nil) are shown in the statement of comprehensive income. Such absorption or waiver, where applicable, may be terminated by the Manager at any time without notice.

Employees of the Manager may hold interests in the Fund via the company's group retirement plan or through a broker. However, the employees' interests cumulatively represent less than 5% of the Fund's outstanding units.