



ADVISORY BOARD MEETING

<u>Board Member</u>	<u>Alternate</u>	<u>Board Member</u>	<u>Alternate</u>
David Morritt	Lyndon Barnes	Donald Milner	S. Bruce Blain
Robert Love	Kate Menear	Gordon Goodman	John Birch
Mike Swartz	Paul Wilson	Ken Crofoot	Eugene Cipparone
Julia Holland	James C. Tory	Melanie Koszegi	Natasha MacParland
William Scott	David E. Woollcombe	Margaret McNee	Christopher Garrach

Tuesday, September 22, 2020 at 8:30 a.m.
Goodmans LLP
34th Floor, Bay Adelaide Centre, West Tower
333 Bay Street
Toronto, Ontario

ZOOM login information: Advisory Board of CLLAS

To join meeting using a computer:

<https://us02web.zoom.us/j/85641679192?pwd=a2h3OUF2eHV3TXpIM3pMVENXK0h5QT09>

Meeting ID: 856-4167-9192

Meeting Password: 522442

To join meeting by phone:

+1 647 558 0588 Canada

Meeting ID: 856 4167 9192

Passcode: 522442

AGENDA

	<u>Responsibility</u>	<u>Est. Time</u>	<u>Tab</u>
1. Constitution of Meeting	Ken Crofoot		
2. Appointment of Secretary	Ken Crofoot		
3. Approval of the Minutes of June 23, 2020 Meeting	Ken Crofoot	5 mins	3.1

Proposed Resolution: To approve the minutes.



	<u>Responsibility</u>	<u>Est. Time</u>	<u>Tab</u>
4. Business Arising Out of the Minutes	Ken Crofoot		
5. Comments of Chair	Ken Crofoot	5 mins	
6. Reinsurance Renewal and State of the Market Outlook	Ryan Durrell	10 mins	
7. Report of the General Manager's Office	Patrick Mahoney	25 mins	
7.1 Management Financial Statements as at June 30, 2020			7.1
7.2 Systemic Loss Discussion			7.2
7.3 Overview of CLLAS Governance Policies			7.3
8. Committee Reports		20 mins	
8.1 Audit Committee	Gord Goodman		
8.2 Claims Committee	Bill Scott		8.2
8.3 Risk Management Committee	Julia Holland		
8.4 Policy Committee	Donald Milner		
9. Other Business		5 mins	
9.1 Quarterly Report of the Investment Manager	Patrick Mahoney		9.1
10. Proposed Meeting Dates for 2021:			
• February 23, 2021			
• June 22, 2021			
• September 14, 2021			
• December 7, 2021			
11. Next Meeting – December 8, 2020			

Anticipated Adjournment Time: 10:00 a.m.

**CANADIAN LAWYERS LIABILITY ASSURANCE SOCIETY
("CLLAS")**

Minutes of a Meeting of the Advisory Board

8:45 a.m.
Goodmans LLP (via videoconference)

Tuesday, June 23, 2020

Present:

Ken Crofoot (Chair)	Goodmans LLP
Robert Love	Borden Ladner Gervais LLP
Melanie Koszegi	Davies Ward Phillips & Vineberg LLP
Gordon Goodman	Cassels Brock & Blackwell LLP
Donald Milner	Fasken Martineau DuMoulin LLP
Bill Scott	McCarthy Tétrault LLP
Margaret McNee	McMillan LLP
David Morritt	Osler, Hoskin & Harcourt LLP
Julia Holland	Torys LLP
Patrick Mahoney	Office of the General Manager, CLLAS
Norma Ibbetson	Office of the General Manager, CLLAS
Ryan Durrell	Axxima

Absent:

Mike Swartz	WeirFoulds LLP
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1. Constitution of Meeting

The Chair brought the meeting to order.

2. Appointment of Secretary

Norma Ibbetson acted as Secretary.

3. Approval of Minutes of the February 25, 2020 Meeting of the Advisory Board

It was moved by Margaret McNee and seconded by Gordon Goodman that the minutes of the February 25, 2020 meeting of the Advisory Board be approved. The motion was carried unanimously.

4. Business Arising Out of the Minutes

All business arising out of the minutes is being dealt with elsewhere in the agenda.

5. Comments of the Chair

Ken Crofoot reported to the Board on the reinsurance renewal meetings. This year, Ken Crofoot and Julie Holland from the CLLAS Board and Patrick Mahoney, Ryan Durrell and Christopher Marley from Axxima pre-recorded a video presentation for the markets and had telephone meetings with those markets that requested a follow-up discussion. He said that the hard market had been exacerbated by COVID-19 concerns and that CLLAS was proposing rate increases on all layers.

Interesting questions centered around cyber risks. CLLAS' relationship with the markets remains positive, however the business requirements of the individual markets varied, and COVID has had a significant impact on all markets.

6. Pro-Form Insurance Services

Bob Wilson joined the meeting. The insurance marketplace has changed dramatically in the last 24 months. Insurers are cutting back lines and some not taking on new business as a result of COVID-19. He said that the appetite for business in the domestic markets seems to be slightly bigger than in London, but rate increases are still required on all layers. He was pleased to report that all of the current excess insurers have agreed to renew their participation for a further year.

There are no changes to the structure of the program this year, with the two commercial layers being as follows:

- Layer 1 - \$50 million excess of \$50 million
- Layer 2 - \$60 million excess of \$100 million

The rate on layer 1 is increasing by 10% and the rate on layer 2 is going up 7.5%.

Mr. Wilson indicated that there will be no substantive changes to the policy wordings in 2020. Encon has changed its name to Victor and that has required some cosmetic changes to the wordings.

The CLLAS International program is renewing with a 15% rate increase. There is also an option with a 5% increase that requires a higher firm retention. Overall, Mr. Wilson views this as a good result given the program's claims experience. He reminded the Board that the International program is marketed as a group but each firm is rated separately based on claims experience. Currently five firms participate in the international program.

A schedule summarizing the AM Best and S&P ratings of all the insurers on the excess and international programs was included in the hand-out materials. Also included was a rate summary going back to 2001 which highlights the decrease in rates since 2004 up to 2018. Rates increased for the first time in 2019 and again this year. While no-one like to see an increase, the rate is still competitive at \$805 for \$110 million of coverage.

With respect to non-CLLAS renewals that Pro-Form handles, Mr. Wilson advised that firms without any claims activity are still seeing rate increases of 15% and some firms are not being renewed.

Mr. Wilson indicated that firms will be renewed based on expiring limits, unless he is advised otherwise. He then left the meeting.

7. Reinsurance Renewal

Ryan Durrell reported on the reinsurance renewal.

Reinsurance Renewal

The Board received a copy of a June 16, 2020 memo reporting on the placement. The primary renewal objective for this year was to achieve the best renewal terms possible for CLLAS members given the current market conditions.

The proposed renewal terms were a 12.5% increase on the primary layer, 7.5% on the optional excess and 5% on the umbrella layer. This was met with mixed reaction. As happened last year, some markets indicated support for the proposed terms but were likely doing so in the expectation that the lead on each layer would seek more. The most difficult discussions were with Argo, the lead on the primary layer. Argo's actuary suggested a 50% increase but, after lengthy discussions, the Argo underwriter agreed to a 15% increase. This rate still needs to be confirmed with the following markets but Mr. Durrell indicated that he expected this to happen. He advised that he expected no substantive changes to the CLLAS insurance or reinsurance structures form expiring.

On the excess layers, the leads have confirmed their agreement to 20%. Both Swiss Re and the Brit syndicate were independently requiring for the renewal.

We opened a dialogue with underwriters regarding adding another layer of optional excess coverage to the structure for 2020/2021 and we have received positive support for a \$50 million excess of \$250 million umbrella layer. This is not firmed up yet. Mr. Durrell indicated that he did not expect that all firms will take up the layer should it become available and that there may be a minimum take-up requirement for the markets to confirm the offer. However, he said that it was important to start building up the capacity to add another layer as market intelligence is indicating that some Canadian firms have higher limits than CLLAS. This is not a decision that needs to be made by July 1, 2020, as markets would likely be receptive to adding the layer mid-year. The Board requested a summary document to explain the benefits to the firms of the new layer.

Mr. Durrell noted that the cost of reinsurance is still well below the actuarially projected loss costs, which have remained relatively stable over the past number of years. Even with the increases this year and last year, it makes sense to continue to purchase reinsurance versus retaining the risk in CLLAS.

Surplus Position and Impact on 2020/21 Premium

CLLAS' surplus position at December 31, 2019 was \$13,600,000. In considering the appropriate surplus level for CLLAS, it is important to consider regulatory requirements and surplus attributable to departed firms. Taking all factors into account, and building in a prudent "cushion" over the minimum regulatory requirements, there is \$3.4 million of available surplus. CLLAS'

actuary recommends the application of \$700,000 of surplus towards premium credits for 2020/2021, which is the same amount as in the previous two years.

During last year's rate discussion, the Board agreed that the return of a certain amount of surplus was appropriate to smooth premium increases but that it should be at a level that is sustainable for the next three or four years.

Overall, the rate increase for the coming year will be 12.5%. Mr. Durrell discussed the need to return to "technical" rates. In the past number of years, CLLAS rates have moved by fixed percentages in all layers (e.g. -25% in 2017, +20% in 2019). However, the costs on each layer do not uniformly change due to asymmetric reinsurance cost increases. This means that the overall CLLAS rate is accurate, but the individual rates by layer are not. In other words, as time has gone by, the rates by layer are moving too far from the technical cost over time and should be adjusted.

In order to smooth out the impact on the firms the return to technical rates will take place in two steps. This year, the rates by layer will be adjusted, in particular by increasing the primary \$50 million layer by more than the 12.5% average, and the upper layers by less. Next year, we will consider adjusting the rates by jurisdiction (i.e. the Quebec/non-Quebec differential) to move those closer the technical rates.

It was moved by Donald Milner and seconded by Robert Love that the surplus of \$700,000 be distributed by way of premium credit and that the 2020/21 premium rate be set at a 12.5% overall increase, with the change on each layer adjusted to move towards the technical rate. The motion was carried unanimously.

The first instalment of premium invoices will go out as soon as rates are finalized, which we expect to happen in next few days. As has been previously approved by the Board, the collection of premium has changed from semi-annual to quarterly installments.

Update on Associate Firm Initiative

With the change in the market conditions, it appears CLLAS will be well positioned to be able to provide competitive quotes and it will be interesting to see how those discussions go in the upcoming year.

8. Report of the General Manager's Office

Patrick Mahoney reported.

Financial Statements Quarter Ending March 31, 2020

CLLAS's financial management report for the three months ended March 31, 2020 was included with the meeting materials.

CLLAS experienced a small underwriting loss (premiums minus claims and expenses) of \$80,000 first three months of 2020. After taking into account investment income (including unrealized gains arising during the quarter) CLLAS' total comprehensive income was just over \$141,000. At

March 31, 2020, CLLAS had a surplus of \$13.7 million. Expenses to date are approximately 23% under budget.

The key regulatory solvency test that CLLAS is required to comply with is known as the Alberta Maintenance of Reserve and Guarantee Fund (“AMRGF”). CLLAS must maintain “cash and approved securities” in excess of the reserve fund plus the guarantee fund required by the Alberta regulator. The AMRGF required for CLLAS at March 31, 2020 was \$9.4 million. CLLAS’ cash and approved securities are well in excess of the minimum requirement.

CLLAS also monitors its Minimum Capital Test ratio. At March 31, 2020, CLLAS’ MCT ratio is estimated to be 746%, well above CLLAS’ minimum internal requirements of 210% and above the December 31, 2019 result of 712%.

Mr. Mahoney also referred the Board to the risk metrics, Exhibit V, monitored by CLLAS on a quarterly basis. The results for March 31, 2020 are within CLLAS’ risk tolerances with the exception of the “maximum concentration with a single reinsurer” as the Argo Syndicate reinsures 19.6% of CLLAS’ total liabilities. The increase is not due to an increase in Argo’s participation and in fact Argo’s percentage share of the primary \$50 million layer has decreased over time. The reason for the increase in percentage terms is the overall reduction in CLLAS’ total liabilities due to the closing of some significant claims in 2018 and early 2019. This is a situation that bears monitoring and appropriate moves to continue diversifying CLLAS’ reinsurance support should be made when market conditions permit.

Business Plan for Regulator – FY19 to FY21

The Business Plan, which has been filed with the regulator in May, was included with the Board materials and is for the period December 31, 2020 to December 31, 2022. The plan includes the return of the \$700,000 surplus in the financial numbers.

9. Committee Reports

Report of the Audit Committee

Gordon Goodman reported. The Committee met on February 13, 2020 and that report was provided to the Board at their February meeting. There was a June 8, 2020 recent call with Deloitte, during which we were advised that Laurie Markus is being replaced by Elaine Hultzer as the Audit Partner for 2020. Ms. Hultzer has worked on the CLLAS account before and gives continuity to Deloitte’s engagement.

Report of the Claims Committee

Bill Scott reported. The Committee continues to meet quarterly in person, and as needed by phone and email. The next meeting is scheduled for early July 2020.

Report of the Risk Management Committee

Julia Holland reported. The firm audits were scheduled to get underway this year. John Walker was to lead the audits with different questionnaires going out to different members in the firms

for responding. Questionnaires are shorter and more focused as a result of the target audience. The associate firms will again be part of the audit process. The audits were put on pause with COVID-19 but the Board should consider whether it is appropriate to go ahead now. It was agreed to proceed, highlighting for the firms the importance of proceeding in the current insurance market environment, as reinsurers are keen to have us do so.

Report of the Policy Committee

Don Milner reported. There is currently no new activity.

10. Other Business

Report of the Investment Manager at March 31, 2020

The report of the investment manager was included with the Board materials for information. Mr. Mahoney said that he had had a number of conversations with CLLAS' investment manager since the current investment market turmoil began in March. The investment manager reports that the bond market has experienced considerable volatility but the impact on CLLAS will largely be felt in the future,, when bonds mature and are reinvested at lower rates.

Updated Committee membership

An updated committee list was provided. No changes. Appreciation was expressed for the work being done by the committees.

There was no other business.

11. Next Meeting

The next scheduled meeting of the Board will be on September 22, 2020. It will likely also take place by videoconference.

There being no further business, the meeting was terminated.

Chairman

Secretary



MEMORANDUM

DATE: September 9, 2020
TO: CLLAS Advisory Board
FROM: Patrick Mahoney
COPY:
RE: June 30, 2020 Financial Management Report

CLLAS' financial management report for the six months ended June 30, 2020 is attached. Included are the following exhibits:

Exhibit I:	Statement of Financial Position
Exhibit II:	Statement of Comprehensive Income
Exhibit III:	Statement of Changes in Equity
Exhibit IV:	Budget Variance Analysis
Exhibit V:	Summary of Risk Metrics
Exhibit VI:	Alberta Maintenance of Reserve and Guarantee Fund

Financial Results

As shown on Exhibit II, CLLAS experienced an underwriting loss (i.e. premiums minus claims and expenses) of \$102,000 for the first six months, with the total comprehensive gain (after taking into account realized and unrealized gains/losses on the investment portfolio) of \$319,000.

As shown on Exhibit I, CLLAS' surplus at June 30, 2020 stood at just over \$13.9 million.

The Budget Variance (Exhibit IV) shows that expenses were about \$285,000, or 24%, under budget for the quarter. Each line of Axxima fees is under budget for the year-to-date, with the largest favourable variance being on the Strategic line. Premium taxes were also well below budget due to an accounting requirement which forced the recognition of part of the 2020 premium tax expense in 2019 (i.e. a timing issue). The risk management line is also under budget as the risk management audits were deferred due to the pandemic.

Risk Metrics

Exhibit V presents the results of various "risk metrics" monitored by CLLAS based on what have been identified through the ORSA process as its material risks. The Exhibit shows the year-end results for 2018 and 2019, and the second quarter result for 2020 against risk targets and risk limits.



The metrics at June 30, 2020 are within CLLAS' risk targets. Notable items are discussed below.

- Line 1: The key regulatory solvency test that CLLAS is required to comply with is known as AMRGF. Details of this calculation are shown in Exhibit VI, with the result summarized in Exhibit V. CLLAS must maintain "cash and approved securities" in excess of the reserve fund plus the guarantee fund required by the Alberta regulator. Exhibit VI shows that the CLLAS held cash and approved securities well in excess of the AMRGF requirement at June 30, 2020.
- Line 2: CLLAS also monitors its Minimum Capital Test ratio. At June 30, 2020 CLLAS' MCT ratio was 730%. The result is well above CLLAS' internal target of 210%. Note that mid-year MCT calculations are done on a simplified basis in the interest of efficiency; the "official" MCT calculation is done at year-end.
- Line 9: As has been discussed as part of CLLAS' Reinsurance Security Report, a couple of CLLAS reinsurers have A- ratings with AM Best and/or S&P. This metric will be updated in the Fall to take into account the recent reinsurance renewal.
- Line 10: Again as noted as part of CLLAS' Reinsurance Security Report, the Argo Syndicate (Lloyds) reinsures 19.6% of CLLAS' total liabilities. This is an increase from the previous year's number of 12.7% and exceeds CLLAS' risk limit. The increase is not due to an increase in Argo's participation and in fact the dollar value of CLLAS' liabilities with Argo has reduced from \$12.6 million to \$11.6 million. The reason for the increase in percentage terms is the overall reduction in CLLAS' total liabilities due to the closing of some significant claims over the past year. Still, this is a situation that bears monitoring and appropriate moves to continue diversifying CLLAS' reinsurance support should be made when market conditions permit. Again, this metric will be updated in the Fall to take into account the recent reinsurance renewal.

Please contact me if you have any questions with respect to the statements or the risk metrics.

Sincerely,

Patrick Mahoney, General Manager

Exhibit I

CANADIAN LAWYERS LIABILITY ASSURANCE SOCIETY
STATEMENT OF FINANCIAL POSITION
June 30, 2020

	As at June 30, 2020	As at June 30, 2019
ASSETS		
Cash	1,938,275	5,647,618
Short term investments	12,454,655	7,225,181
Bonds	6,281,737	6,075,517
Interest income due and accrued	22,448	21,949
Premium receivable	0	0
Other receivable	0	0
Prepaid expenses	99,394	79,246
Deferred policy acquisition costs	0	0
Unearned reinsurance premium ceded	0	0
Reinsurance recoverable	332,666	525,696
Provision for unpaid claims and adjustment expenses recoverable from reinsurers	63,229,000	55,883,000
	<u>84,358,175</u>	<u>75,458,206</u>
LIABILITIES		
Accounts payable & accrued charges	122,993	134,432
Premium taxes payable	0	0
Unearned premium	0	0
Due to reinsurers	(1)	0
Provision for unpaid claims and adjustment expenses	70,296,000	62,634,000
Premium deficiency liability	0	0
	<u>70,418,992</u>	<u>62,768,431</u>
SUBSCRIBERS' EQUITY		
Surplus	13,627,075	12,567,139
Accumulated Other Comprehensive Income (Loss)	312,107	122,636
	<u>13,939,182</u>	<u>12,689,775</u>
	<u>84,358,175</u>	<u>75,458,206</u>

Exhibit II

CANADIAN LAWYERS LIABILITY ASSURANCE SOCIETY
STATEMENT OF COMPREHENSIVE INCOME
For the Period Ending June 30, 2020

	Current Year		Prior Year	
	Quarter June 30, 2020	Year to Date June 30, 2020	Quarter June 30, 2019	Year to Date June 30, 2019
Written Premium	0	0	0	0
Gross Written Premiums	0	0	0	0
Less: Reinsurance Ceded	0	0	0	0
Net Written Premiums	0	0	0	0
Change in Unearned Premiums	496,144	992,287	467,015	928,899
Earned Premiums	496,144	992,287	467,015	928,899
Claims Paid	7,307	16,946	11,477	500,206
Change in IBNR	173,000	267,000	41,000	(175,000)
Change in Case Reserve	(75,000)	(84,000)	(17,000)	(563,000)
Premium Deficiency Expense	0	0	0	0
Incurred Claims	105,307	199,946	35,477	(237,794)
Management and operating expenses	328,240	724,366	428,200	896,845
Reinsurance fees	71,875	143,750	69,750	139,500
Premium taxes	13,183	26,365	53,291	106,582
Total Operating Expenses	413,298	894,481	551,241	1,142,928
Underwriting Gain (Loss)	(22,461)	(102,139)	(119,703)	23,765
Investment Income	50,723	156,051	79,538	175,629
Income on Claim Related Matters	0	0	0	0
Interest Income on Premium Tax	0	0	0	0
NET GAIN/(LOSS)	<u>28,261</u>	<u>53,912</u>	<u>(40,165)</u>	<u>199,394</u>
Other comprehensive income (loss)				
Unrealized gains (losses) on available for sale financial assets arising during the year	148,961	264,677	47,429	157,226
Recognition of realized (gain) loss included in income	-	-	0	0
Other comprehensive income (loss) for the year	<u>148,961</u>	<u>264,677</u>	<u>47,429</u>	<u>157,226</u>
Total comprehensive income (loss)	<u>177,222</u>	<u>318,589</u>	<u>7,264</u>	<u>356,620</u>

Exhibit III

CANADIAN LAWYERS LIABILITY ASSURANCE SOCIETY
STATEMENT OF CHANGES IN EQUITY
June 30, 2020

	Minimum Surplus	Additional Surplus	Unrealized gains and losses on AFS financial assets	Total Equity
Balance, beginning of year	50,000	13,523,163	47,430	13,620,593
Prior year adjustment		-		-
Comprehensive income (loss) for the year				
Net gain (loss) for the year		53,912		53,912
Other comprehensive income (loss)				
Change in unrealized gain on available-for-sale assets			264,677	264,677
Recognition of realized (gain) loss on available-for-sale assets			-	-
Total comprehensive income (loss) for the year		53,912	264,677	318,589
Distribution of premium surplus		-		-
Balance at June 30, 2020	50,000	13,577,075	312,107	13,939,182

Exhibit IV

CANADIAN LAWYERS LIABILITY ASSURANCE SOCIETY
STATEMENT OF OPERATIONS AND SURPLUS - VARIANCE ANALYSIS
FOR THE PERIOD ENDED June 30, 2020

	Annual Budget	Year to Date Budget %	Year to Date Budget \$	Year to Date Actual \$	Fav/(Unfav) Variance \$
MANAGEMENT SERVICES* (See Note 1)	396,000	50%	198,000	176,908	21,092
PROFESSIONAL SERVICES					
Actuarial Services	75,000	62%	46,500	39,609	6,891
Reinsurance Matters	300,000	62%	186,000	159,909	26,091
Strategic Matters	160,000	62%	99,200	35,155	64,045
Sub-Total Professional Services	535,000		331,700	234,673	97,027
GST/HST on Consulting Fees	121,030		68,861	53,506	15,355
Total Management & Professional Services * (See Note 2)	1,052,030		598,561	465,086	133,475
OTHER EXPENSES					
Audit Expenses	127,000	50%	63,500	60,539	2,961
Annual Dinner	7,500	50%	3,750	(1,000)	4,750
Premium Taxes	174,000	50%	87,000	26,365	60,635
Chairman's Honourium	150,000	100%	150,000	150,000	-
Reinsurance Expense	8,500	50%	4,250	158	4,092
D&O Insurance	20,000	0%	-	-	-
Office Expenses	25,000	50%	12,500	3,513	8,987
Claims: Borderaux (LawPro/LIF)	17,600	90%	15,800	14,515	1,285
Special Services	25,000	50%	12,500	-	12,500
Reinsurance Fee (BWI) (See Note 3)	287,500	50%	143,750	143,750	(0)
I.B.C Statistical Plan Fees	3,000	50%	1,500	498	1,002
Assessment Fees	3,000	50%	1,500	2,000	(500)
Investment counsel fees	33,000	50%	16,500	15,796	704
Investment - Custodial	19,000	50%	9,500	9,761	(261)
Risk Management/Loss Prevention (See Note 4)	110,000	50%	55,000	-	55,000
License Fee	5,000	80%	4,000	3,500	500
Insurance: Sundry	-		-	-	-
Sub-total	1,015,100		581,050	429,394	151,655
TOTAL	2,067,130		1,179,611	894,481	285,130

*** NOTE 1: MANAGEMENT SERVICES**

The budget of \$396,000 has been reduced from \$501,500 prior year budget as a result of slightly reduced fixed fee and an increased commissions on CLLAS associate program (including profit sharing).

*** NOTE 2: PROFESSIONAL SERVICES - SEASONALLY WEIGHTED BUDGET**

This is based upon an analysis of the current budget and previous years' experience, the anticipated pattern of seasonal workflow is as follows:

First Quarter, ending March 31st	22%
Second Quarter, ending June 30th	40%
Third Quarter, ending September 30th	18%
Fourth Quarter, ending December 31st	20%
	<u>100%</u>

*** NOTE 3: BWI INSURANCE FEES (Reins. Comm.)**

The annual budget is based upon the annual fee actual for the policy year 2019/2020 and no change for policy period 2020/2021 assumed.

*** NOTE 4: RISK MANAGEMENT/LOSS PREVENTION**

A significant increase from the last year budget due to Risk Management Audit to take place in 2020.

CANADIAN LAWYERS LIABILITY ASSURANCE SOCIETY
SUMMARY OF RISK METRICS
June 30, 2020

Exhibit V

Risk Category	Risk Metric	December 31, 2018	December 31, 2019	June 30, 2020	Green Zone (Meets Target)	Yellow Zone	Red Zone (Limit Exceeded)
General	(1) AMRGF - Excess of Cash and Approved Securities Over Regulatory Requirement	\$6,765,000	\$11,670,500	\$12,342,500	5,000,000 and above	\$2,500,000 to \$5,000,000	Less than \$2,500,000
	(2) MCT Ratio	521%	712%	730%	210% and above	n/a	Less than 210%
	(3) Status of Governance Policies	Up to date	Up to date	n/a	Up to date	Items outstanding	Materially behind schedule
Insurance	(4) Gross Loss Ratio	369%	42%	81%	Less than 150%	150% to 300%	Over 300%
	(5) Net Loss Ratio	-22%	-36%	15%	Less than 50%	50% to 100%	Over 100%
	(6) Risk of Systemic Loss	n/a	n/a	n/a	Nothing on horizon	Some concerns raised	Adverse experience anticipated
Premium & Strategy	(7) Actual Expenses vs. Budget	96%	95%	76%	Less than 105%	105% to 120%	Over 120%
	(8) State of the Market Outlook	n/a	n/a	n/a	Nothing on horizon	Some concerns raised	Adverse experience anticipated
Reinsurance	(9) Reinsurer Credit Rating	A- to A+	A- to A+	A- to A+	A or above	A-	B+ and below
	(10) Maximum Concentration with a Single Reinsurer excl. Colchester	12.7%	19.6%	19.6%	Less than 10%	10% to 15%	Over 15%
Operational	(11) Board Discussion of Prior Quarter Risk Metrics	Discussed corrective measures	Discussed corrective measures	Discussed corrective measures	Discussed corrective measures	Received but no discussion	Not received
	(12) Resiliency Capacity - People (e.g. redundancy, succession)	n/a	n/a	n/a	Score of 4 or 5 out of 5	Score of 3 out of 5	Score of 1 or 2 out of 5
	(13) Resiliency Capacity - Data/Systems	n/a	n/a	n/a	Score of 4 or 5 out of 5	Score of 3 out of 5	Score of 1 or 2 out of 5
	(14) Advisory Board Turnover in Last 12 Months	2	1	1	0 to 2 members	3 to 4 members	5 or more members
	(15) Key Management/Advisor Turnover in Last 36 Months	2	1	1	0 to 1 person	2 to 3 people	4 or more members
Investments	(16) Investment Manager Compliance Statement	In compliance	In compliance	In compliance	In compliance	Temporarily or slightly not in compliance	Consistently or materially not in compliance
Regulatory Compliance	(17) Regulatory Outlook Report	n/a	n/a	n/a	No significant issues noted	Issues being addressed	Significant issues outstanding

Notes

(1) = From Exhibit 6.

(2) Based on financial statements and quarterly actuarial valuation as of June 30, 2020. Target based on ORSA analysis.

(3) Reviewed annually in December.

(4) = Gross incurred losses / gross earned premiums. Gross losses from the actuarial valuations. Premiums exclude the effect of any return of surplus.

(5) = Net incurred losses / net earned premiums. Net losses derived from the financial statements. Premiums exclude the effect of any return of surplus.

(6) To be reviewed annually starting in 2020.

(7) = Actual expenses / budget expenses. From the financial statements.

(8) To be reviewed annually starting in 2020.

(9) Based on A.M. Best. information from report on reinsurance security (October 23, 2019).

(10) Based on claim liabilities exposure. Lloyds syndicates are assessed separately. 2019 information from report on reinsurance security (October 23, 2019).

(11) Reviewed quarterly.

(12) To be reviewed annually starting in 2020.

(13) To be reviewed annually starting in 2020.

(14) Reviewed quarterly based on turnover in the preceding 12-month period

(15) Senior Management/Key Advisor Turnover in Last 36 Months – Includes principal attorney, general manager, accountant, auditor, actuary, reinsurance broker and excess insurance broker.

(16) Reviewed quarterly.

(17) To be reviewed annually starting in 2020.

Exhibit VI

CANADIAN LAWYERS LIABILITY ASSURANCE SOCIETY
For the Period Ending June 30, 2020

ALBERTA MAINTENANCE OF RESERVE AND GUARANTEE FUNDS
 (Section 99 and 100)

	Current Year to Date 06/30/2020 (in \$000's)	Prior Year End 06/30/2019 (in \$000's)
<u>Reserve Fund</u>		
Premiums collected or credited having one year or less to run	(1) 9,288	7,391
Less: Amount paid to licensed reinsurers	(2) 7,233	5,465
Premiums collected with more than one year to run, less expired portion	(3) -	-
Less: Amount paid to reinsurers on premiums on line 3, less expired portion.	(4) -	-
Subtotal (lines 1, minus line 2, plus line 3, minus line 4)	(5) 2,055	1,926
Reserve Fund Required (50% of Line 5)	(6) 1,028	963
<u>Guarantee Fund</u>		
Total Liabilities	(7) 70,419	62,768
Less: Unearned Premiums	(8) -	-
Less: Recoverable from licensed reinsurers	(9) 63,165	55,806
Plus: Statutory Margin	(10) 50	50
Guarantee Fund Required (Line 7 minus Lines 8 and 9 plus line 10)	(11) 7,304	7,012
TOTAL RESERVE & GUARANTEE FUND REQUIRED (Line 6+11)	(12) 8,332	7,975
Cash & Approved Securities	(13) 20,674	18,949
Excess of Cash & Securities over Reserve & Guarantee Fund (line 13 minus line 12)	(14) 12,343	10,974



MEMORANDUM

DATE: September 14, 2020
TO: CLLAS Advisory Board
FROM: Patrick Mahoney
COPY:
RE: Systemic Risk Discussion

CLLAS has identified a series of risk metrics to monitor the material risks it has identified through the Own Risk and Solvency Assessment (ORSA) process. These metrics, which are included in the quarterly financial management report, were revamped as a part of last year's ORSA exercise. CLLAS now monitors some qualitative metrics, one of which is the risk of systemic loss.

Systemic risk arises from dynamics which produce shocks or uncertainty faced by all (or in any event multiple) insureds. Examples could include an economic recession or an adverse court ruling on a limitations issue. The risk of systemic loss is a difficult matter to assess but it is worth the effort to try. It was agreed that the Board would engage in a discussion on the risk of system loss once per year and that the discussion would result in an evaluation of the general level of risk, based on the following scale:

Green	Nothing on horizon
Yellow	Some concerns raised
Red	Adverse experience anticipated

One potential source of systemic risk in the current environment is obviously the COVID-19 pandemic. Risk could come from changes to the firms' work processes (e.g. work-from-home leading to an increased exposure to cyber attacks or a decreased level of supervision) or from increased complexity in the law itself (e.g. the impact of the suspension of myriad limitation and procedural time periods).

On the positive side, hopefully, are the recent amendments to Ontario's *Class Proceedings Act, 1992* which generally aim to balance the rights of plaintiffs and defendants more effectively.

Please give some thought to potential systemic risks faced by the firms and we will discuss this further at the upcoming Board meeting.



M E M O R A N D U M

TO: CLLAS Board
FROM: Patrick Mahoney
RE: Summary of CLLAS Governance Policies
DATE: September 10, 2020

CLLAS has adopted a number of governance policies over the past few years. The table below summarizes the status of these policies together with the anticipated dates for on-going review and approval.

Policy	Status	Regulatory requirement for approval	Last Reviewed/ Approved	Next Review/ Approval
Reinsurance Risk Management	Adopted	Annual	Dec 2019	Dec 2020
Surplus	Adopted	Annual	Feb 2020	Feb 2021
Investment	Adopted	Annual	Dec 2019	Dec 2020
Enterprise Risk Management	Adopted	Annual	Dec 2019	Dec 2020
Rate Setting	Adopted		June 2019	June 2024
Outsourcing	Adopted		Dec 2017	Dec 2022
Related Party Transactions	Adopted	Annual /1	Dec 2017	Dec 2022

/1 The Superintendent has agreed to a review every five years for CLLAS' related party transaction policy.



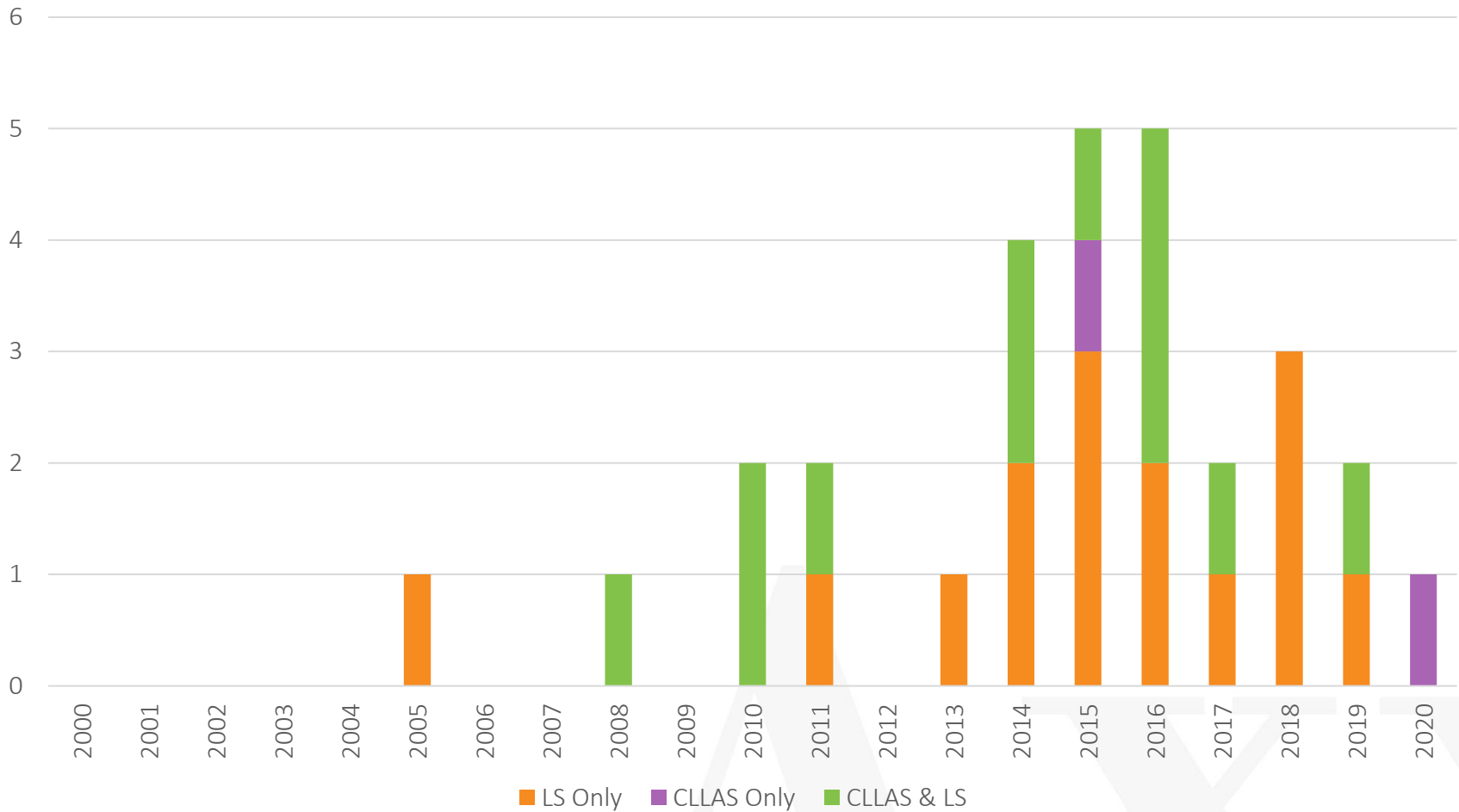
Actuaries & Insurance Management Advisors

CLLAS

Open Large Loss Claims Summary
As at June 30, 2020

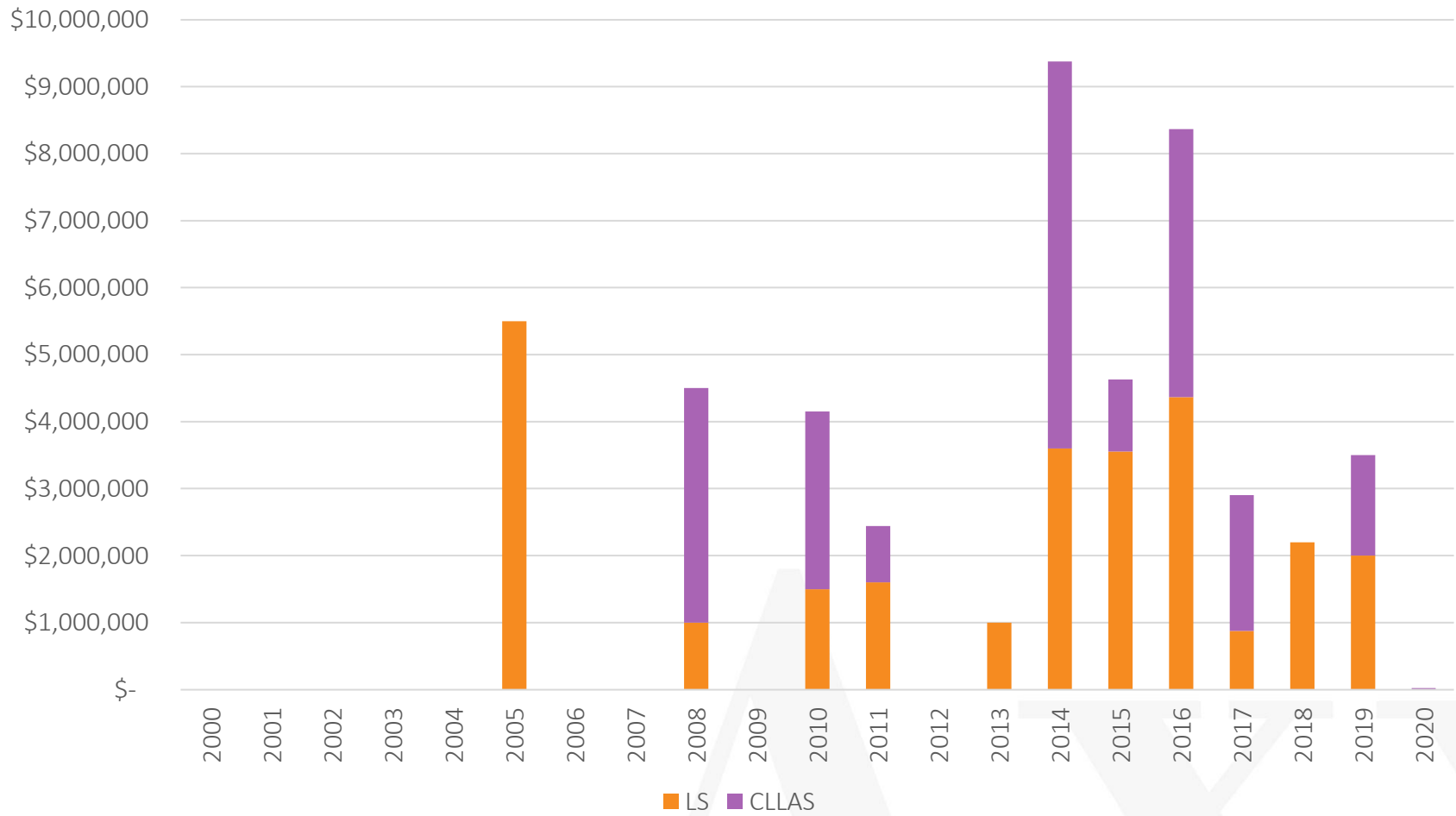
Open Large Loss Claims

Number of Claims by Insurer



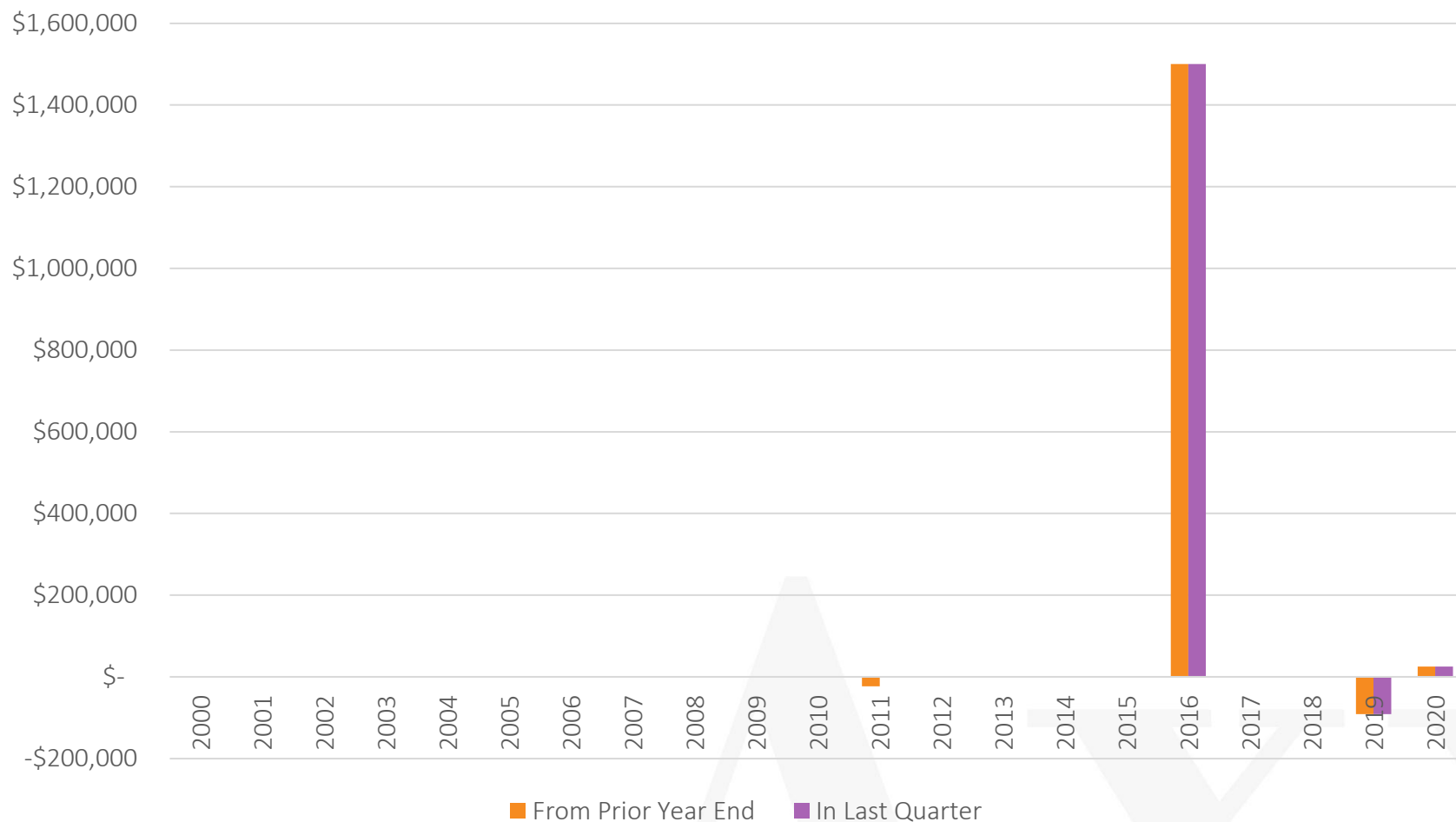
Open Large Loss Claims

Incurred Amounts by Insurer



Open Large Loss Claims

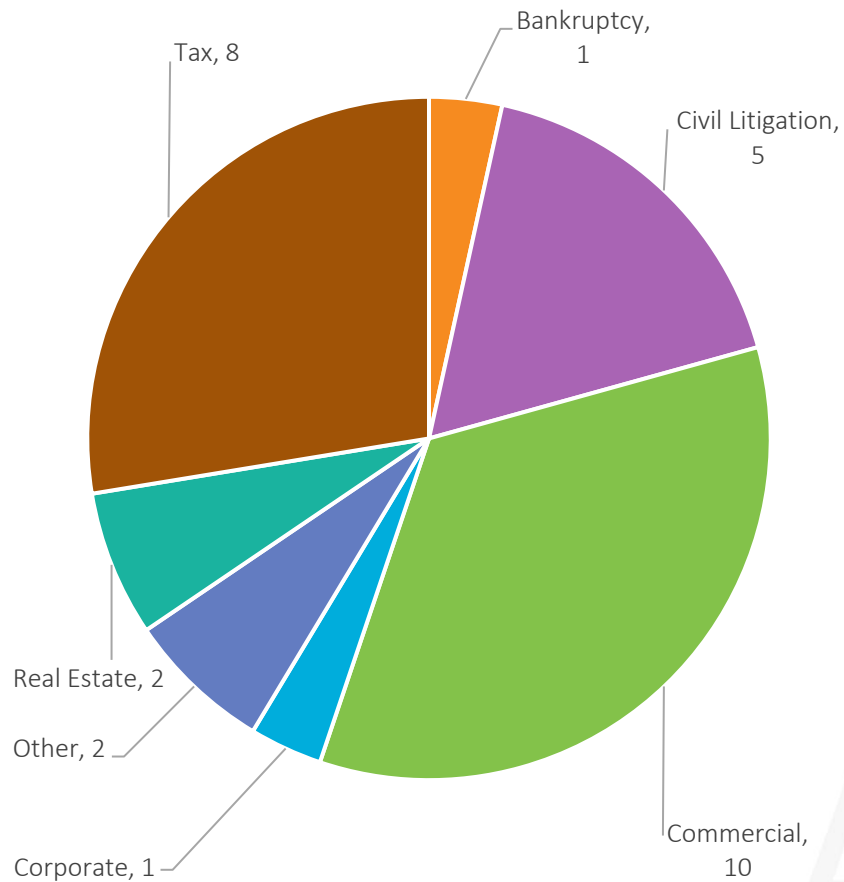
Change in Incurred Amounts (CLLAS)



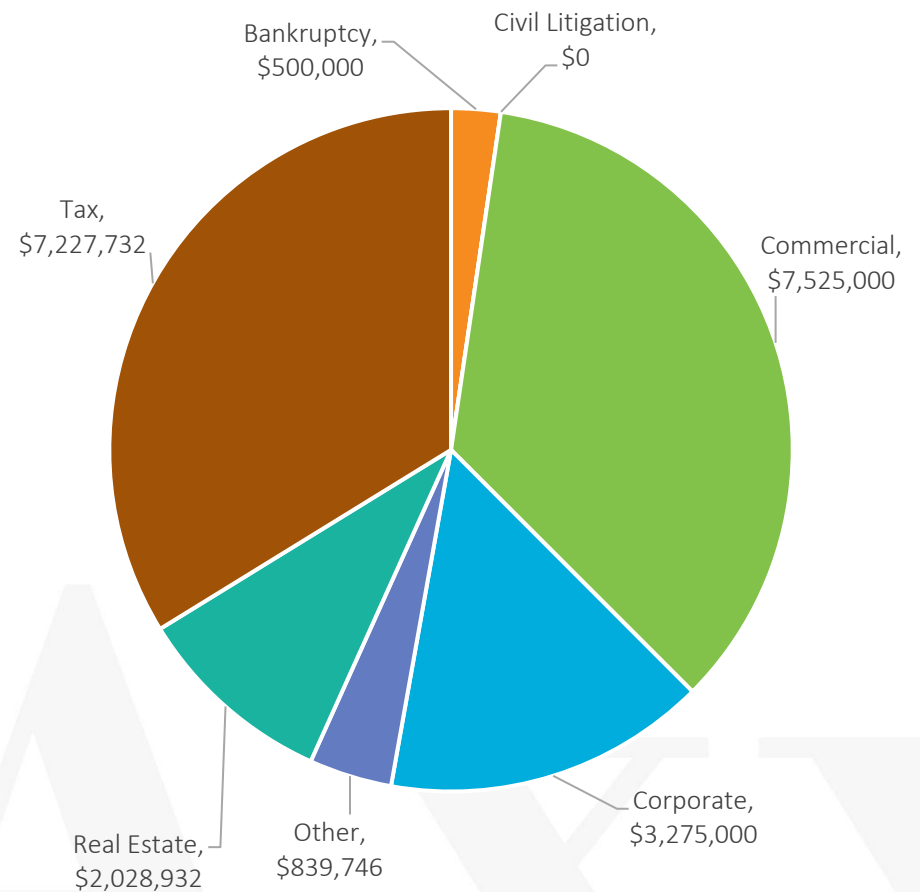
Open Large Loss Claims

By Area of Law

Number of Claims (CLLAS & LS)

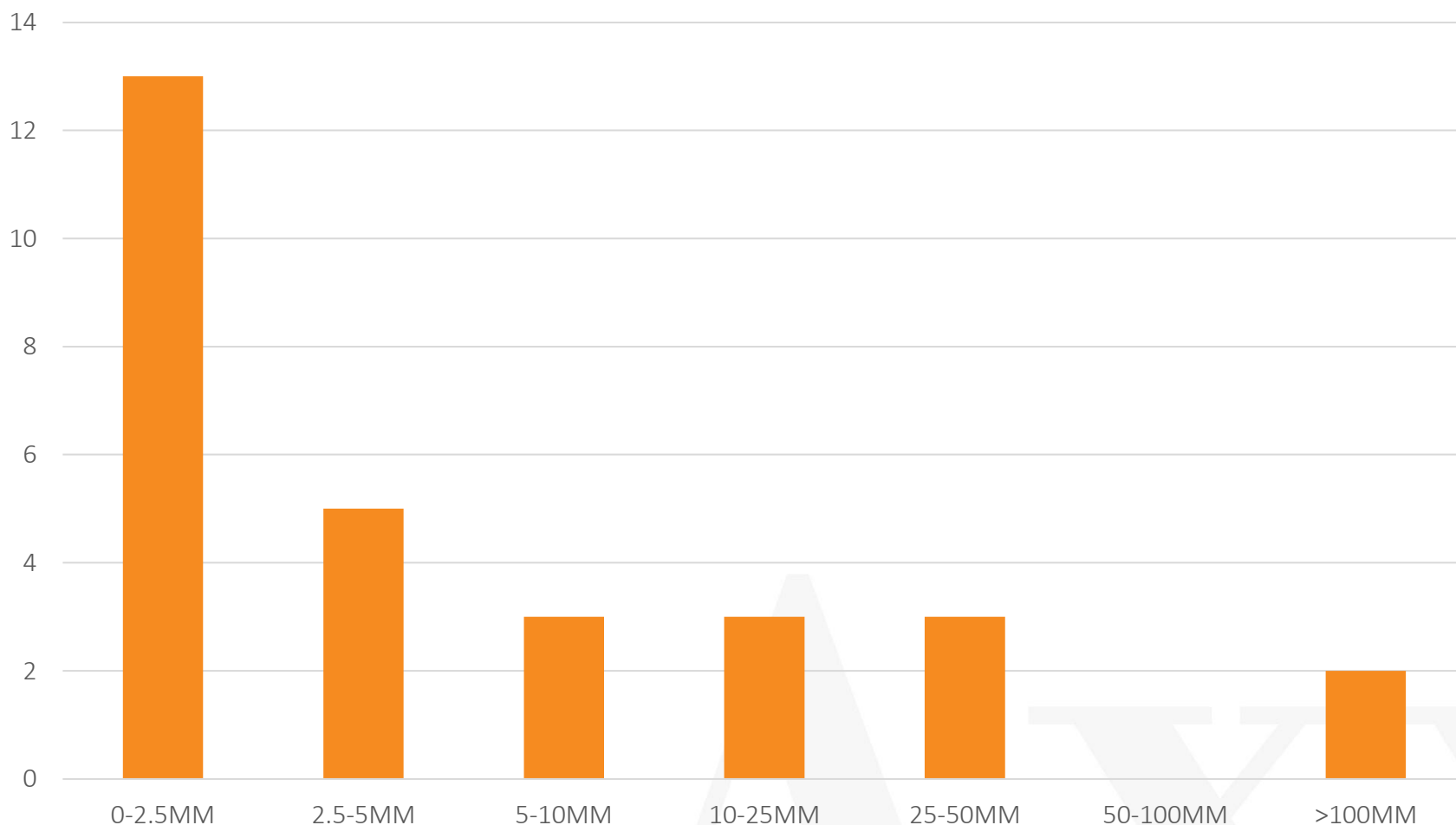


CLLAS Incurred



Open Large Loss Claims

Number of Claims by Best Estimate of Worst Case



Open Large Loss Claims

Claim Count Movement in Quarter

Policy Year	Law Society Only	CLLAS Only	CLLAS & Law Society
2005 and prior	0	0	0
2006	0	0	0
2007	0	0	0
2008	0	0	0
2009	0	0	0
2010	0	0	0
2011	0	0	-1
2012	0	0	0
2013	0	0	0
2014	0	0	0
2015	0	0	0
2016	0	0	0
2017	0	0	0
2018	0	0	0
2019	0	0	-1
2020	0	1	0

Notes

Slide 1

- Illustrates the number of open claims by insurer.
- LS Only: Large (\$500,000+) Law Society (“LS”) claims which have not yet developed into CLLAS (\$1,000,000+) claims
- CLLAS Only: Claims which are typically drop-down claims where the Law Society does not respond
- CLLAS & LS: Claims where amounts have been incurred by both the Law Society and CLLAS

Slide 2

- Illustrates the aggregate incurred amounts (paid + reserved) by policy year
- Identifies the quantum yet to be crystalized and highlights extraordinary years

Slide 3

- Illustrates movements in paid (always positive, except in cases of recovery) and reserved amounts
- Positive values highlight strengthening of reserves, or adverse claim development. Negative values highlight reduced reserves or better than expected outcomes

Notes (Cont'd)

Slide 4

- Illustrates the split between areas of law for the number of open claims and the incurred amounts (paid + reserved)
- Highlights the law areas of claims being actively managed

Slide 5

- Based on counsel's best estimate of the worst case outcome of each open claim
- Highlights the potential claim sized being actively managed

Slide 6

- Illustrates the emergence or closure (including reduction of incurred value below the large loss monitoring threshold of \$500,000) of claims over the previous quarter
- Note: Claims may move between Law Society Only, CLLAS & Law Society, and CLLAS Only

CLLAS
CANADIAN LAWYERS LIABILITY
ASSURANCE SOCIETY

INVESTMENT REPORT
JUNE 30, 2020

MARTIN, LUCAS & SEAGRAM LTD.
INDEPENDENT INVESTMENT COUNSEL

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CANADIAN LAWYERS LIABILITY ASSURANCE SOCIETY**COMMENTARY FOR THE QUARTER ENDING JUNE 30, 2020****Review of Market Yields**

Following a brief uptick early in the second quarter, bond yields moved lower throughout April and held in a relatively tight trading range for the balance of the quarter. While yields at the short end of the curve were little changed over the quarter, there was a fairly uniform drop that averaged approximately 21 basis points for maturities ranging from 3 to 10 years.

As a result of these shifts, the yield curve shifted lower and the slope became noticeably flatter. At the end of June, the yield advantage of 10-year issues over 3-month T-bills had decreased to 32 basis points from 50 basis points at the end of March.

	Jan. 01/95	Dec. 31/19	Mar. 31/20	Jun. 30/20
3-month Treasury Bills	6.80%	1.66%	0.21%	.20%
5-year Canadas	8.99%	1.68%	0.60%	.36%
10-year Canadas	9.09%	1.70%	0.71%	.52%

During the second quarter, activity in the Short Term Investment Fund involved the roll-over of money market securities.

Over the quarter, two corporate bonds matured and three new medium-term corporate bonds were purchased from the proceeds of the maturities. The market value of the Long Term Investment Fund increased \$127,590 which represents a capital increase of 2.1%.

At June 30, 2020, the average term to maturity of the Long Term Investment Fund was 4.02 years and the duration was 3.78 years.

The table below shows the distribution of the assets held in both the Short and Long Term Investment Funds at June 30.

<i>Distribution at June 30, 2020</i>	<i>Valuation</i>	<i>%</i>
Short Term Investment Fund	\$12,457,082	66.5%
Long Term Investment Fund	\$ 6,282,382	33.5%
TOTAL COMBINED VALUATION	\$18,739,464	100.0%

CANADIAN LAWYERS LIABILITY ASSURANCE SOCIETY

The following pages set out tables, commentary and schedules on the items listed below:

- Total Returns vs. Benchmarks - Gross and Net of Fees
- Distribution of Securities in the Long Term Investment Fund
by Credit Risk and by Maturity
- Compliance Statement
- Quarterly Performance Report - Gross of Fees: Long Term Investment Fund
- Bond Market Commentary and Future Policy
- Security Holdings in the Short Term and Long Term Investment Funds
Listed and Valued Separately as at June 30, 2020
- Security Purchases and Sales
- Cash Reconciliations
- External Individual Credit Rating Report

LONG TERM INVESTMENT FUND**TIME-WEIGHTED RATES OF TOTAL RETURN
FOR PERIODS ENDING JUNE 30, 2020**

	3 Years*	2 Years*	1 Year	Last 3 months
<i>Long Term Investment Fund – Gross of Fees</i>	<i>3.74%</i>	<i>5.51%</i>	<i>5.48%</i>	<i>2.70%</i>
<i>Long Term Investment Fund – Net of Fees</i>	<i>3.44%</i>	<i>5.21%</i>	<i>5.19%</i>	<i>2.63%</i>
Benchmark Portfolio **	3.83%	5.71%	5.92%	3.20%

*Annualized

** The Benchmark Portfolio is based on the sum of the following total return indices:

60% Canada Short Bond Index

40% Canada Mid Bond Index

SHORT TERM INVESTMENT FUND**TIME-WEIGHTED RATES OF TOTAL RETURN
FOR PERIODS ENDING JUNE 30, 2020**

	Since Inception Oct. 01/08 *	3 Years*	2 Years *	1 Year	Last 3 Months
<i>Short Term Investment Fund – Gross of Fees</i>	<i>0.92%</i>	<i>1.38%</i>	<i>1.51%</i>	<i>1.38%</i>	<i>0.06%</i>
<i>Short Term Investment Fund – Net of Fees</i>	<i>0.80%</i>	<i>1.26%</i>	<i>1.38%</i>	<i>1.24%</i>	<i>0.04%</i>
Benchmark Portfolio **	0.86%	1.29%	1.47%	1.39%	0.06%

* Annualized

** The Benchmark Portfolio, adopted from October 1, 2008, is based 100%
on the total return index of the 30-day Treasury Bill Index

LONG TERM INVESTMENT FUND**DISTRIBUTION OF SECURITIES BY CREDIT RISK**
(Based on Market Values)

	Dec. 17/13	Sep. 30/19	Dec. 31/19	Mar. 31/20	Jun. 30/20
Bonds, Treasury Bills & Cash Less than 1 year term	100.0%	9.1%	9.2%	9.0%	7.3%
Canadas Greater than 1 year term		24.6%	24.5%	25.0%	20.6%
Provincials Greater than 1 year term		38.4%	38.3%	38.5%	38.4%
Corporates Greater than 1 year term		27.9%	28.0%	27.5%	33.7%
TOTAL PORTFOLIO	100.0%	100.0%	100.0%	100.0%	100.0%

LONG TERM INVESTMENT FUND**DISTRIBUTION OF SECURITIES BY MATURITY**
(Based on Market Values)

	Sep. 30/19	Dec. 31/19	Mar. 31/20	Jun. 30/20
Under 1 year	9.1%	9.2%	9.0%	7.3%
1 - 3 years	25.1%	28.6%	31.0%	31.7%
3 - 5 years	26.5%	23.2%	20.6%	28.2%
5 - 7 years	25.6%	28.8%	28.9%	28.4%
7 - 10 years	13.7%	10.2%	10.5%	4.4%
TOTAL	100.0%	100.0%	100.0%	100.0%
Average Maturity (yrs)	4.31	4.05	3.83	4.02
Average Duration (yrs)	3.99	3.76	3.56	3.78

SHORT TERM INVESTMENT FUND

	Sep. 30/19	Dec. 31/19	Mar. 31/20	Jun. 30/20
Short Term Average Duration (yrs)	0.12	0.11	0.08	0.11

COMPLIANCE WITH INVESTMENT POLICY STATEMENT

AT JUNE 30, 2020

	Investment Limits	Investment Funds	Compliance
<i>Short Term Investment Fund</i>			
Maximum Term of Any Issue	1 year	0.3 years	Yes
Minimum Percentage of Total Fund (Short & Long)	40% of Total	66.5%	Yes
Minimum Canada & Provincial Percentage	50%	51.5%	Yes
Minimum Provincial Quality	A	N/A	Yes
Minimum Bank CD & BA Quality	R1 (high)	R1 (high)	Yes
<i>Long Term Investment Fund</i>			
Maximum Term of Any Issue	10 years	7.7 years	Yes
Maximum Percentage of Total Fund (Short & Long)	60% of Total	33.5%	Yes
Minimum Canada Percentage	20%	24.6%	Yes
Maximum Provincial Percentage	40%	38.4%	Yes
Minimum Canada & Provincial Percentage	60%	63.0%	Yes
Minimum Provincial Quality *	A	AA (low)	Yes
Maximum Corporate Percentage	40%	37.0%	Yes
Minimum Corporate Quality *	A	AA (low)	Yes

* At time of purchase

This will confirm that during the second quarter the Long Term Investment Fund was managed in compliance with the Investment Policy limits provided on December 3, 2013.

Similarly, during the same period the Short Term Fund remained in compliance with the Investment Policy Statement that became effective on May 5, 2012.

Martin, Lucas & Seagram Ltd.
 PERFORMANCE REPORT
 GROSS OF FEES
CLLAS – LONG TERM INVESTMENT FUND
(RBC Investor Services)
From 03-31-20 to 06-30-20

Portfolio Value on 03-31-20	6,126,012
Accrued Interest	43,787
Contributions	281,281
Withdrawals	-312,809
Realized Gains	-939
Unrealized Gains	128,529
Interest	60,307.79
Dividends	0
Change in Accrued Interest	-21,339
Portfolio Value on 06/30/20	6,282,382
Accrued Interest	22,448
Average Capital	6,156,931
Total Gains before Fees	166,559
IRR for 0.25 Years	2.71%

BOND MARKET COMMENTARY AND FUTURE POLICY

The longest-ever bull market for stocks, which began back in 2009, came to an abrupt end in late February. According to the Bureau of Economic Research, February also marked the start of the U.S. recession, which ended the longest expansion in U.S. history. Investor pessimism reached extreme levels in March and the global stock indices experienced some of the steepest declines on record. In the midst of the stock markets free fall there were also severe disruptions in the bond markets as investors scrambled for liquidity. Yield spreads between investment grade issues and government bonds widened to cyclical highs and yields spiked higher among all credits, including government issues. However, this proved temporary and government yields quickly retreated to record low levels as investors rushed into these traditional safe haven investments.

In response to the crises, increasingly aggressive monetary and fiscal policies were adopted worldwide in an effort to cushion the economic fallout from the outbreak. Both the Bank of Canada and the U.S. central bank lowered their benchmark rates to practically zero and launched successive rounds of quantitative easing. Additional targeted programs were also deployed that went far beyond what had been tried in the past. The U.S. Federal Reserve (Fed) announced a slew of new programs that included an additional \$2.3 trillion in loans and provided direct support to small business and corporations, including those that no longer had investment grade credit ratings, as well as direct loans to states and municipalities. These moves were greeted enthusiastically by bond investors. After peaking in late March, the yield spread between government and investment grade issues gaped lower early in April and have continued to trend down since then. The spreads on junk bonds have also compressed since reaching decade long highs in March, although they remain well above the levels before the health crises hit. On the fiscal front, the Canadian and U.S. governments adopted large-scale and targeted fiscal stimulus packages and lawmakers in both countries are considering additional spending packages.

While these monetary and fiscal measures eased financial strains in the markets, they only blunted the economic impact of public health policies that largely suspended economic activity. Since stocks reached their lows back in March, the markets have been confronted with a wave of negative numbers that are much worse than during the previous financial crises back in 2008. Furthermore, the drop in some economic indicators is expected to surpass those recorded during the Great Depression. The U.S. Congressional Budget Office estimates that real GDP contracted by 11 percent in the second quarter while the Bank of Canada expects domestic GDP fell 10-20 percent.

Despite the dreadful economic news, equity prices have been moving in a steep upward trend since late March. In Canada, the Toronto stock index has regained close to 60% of the ground lost while the U.S. market has been even stronger, with the S&P 500 index retracing over 80% of its downward move. As is often the case, the initial bounce off the lows coincided with the introduction of stimulative monetary and fiscal measures which have been unprecedented in terms of how quickly they were adopted as well as their size and scope. The Fed's de facto backstop for much of the credit market went a long way to alleviate fears of a financial accident and the Fed Chairman has since assured markets that it can and will do more to support the recovery, if needed. Investors have been further encouraged by developments on a number of other fronts. The health toll of the pandemic has been less than was originally feared back in April when infections were rising exponentially, particularly for those without preconditions, and

mortality rates have fallen short of the dire predictions early on. Aggressive social measures that were adopted by many countries also proved to be effective in controlling the virus and most major economies are now well along the process of reopening. This has buoyed expectations that the worst is behind us and the recovery phase is now underway. Over the past two months, payroll growth in both Canada and the U.S. has been much stronger than anticipated as lockdown measures were relaxed and businesses reopened. Investor confidence was given a further boost by optimistic news on the medical front. While the best case scenario for a vaccine was originally thought to be at least 12 to 18 months away, positive clinical trial results have been reported by several vaccine developers. With over 100 vaccine candidates in development worldwide, there are growing expectations that one or more may be available before year end, with large-scale trials now underway thanks to fast-track testing and regulatory review. Meanwhile, the massive ongoing global effort to find effective treatments has resulted in a growing number of therapeutics that assist recovery and reduce the risk of mortality.

The stock markets' strong performance since March raised expectations that a V-shaped economic recovery lay ahead. Adherents to this optimistic scenario point to the largest fiscal and monetary policy response ever tried. However, we believe this optimistic scenario is also largely dependent on a successful restart of the economy, which is now facing significant headwinds in the U.S. given the record-breaking spike in new infections across much of the South and West. While investors recently seemed confident that another economic shutdown was unlikely, measures to reopen the economy are now being slowed and, in some regions, rolled back. Meanwhile, high frequency data south of the border, which measures economic progress in real time, suggests the pace of improvement is stalling. Despite these challenges, the stock market averages have shown considerable resilience. Nevertheless, the elevated appetite for risk has not been reflected in government bond yields, which have remained in a sideways trading range throughout the stock markets' recovery and yields remain near the historic lows established at the height of the financial disruptions back in March.

Looking ahead, we continue to believe a saw toothed U-shaped recovery, where the economy gradually climbs out of a recessionary environment as regions and sectors reopen on a staggered basis, remains the more likely scenario. Significant economic damage has been incurred during the shutdowns and the impact on consumer behaviour is not expected to be transitory. As a result, the most distressed sectors will be slow to recover. A rising savings rate will also weigh on the recovery, as will the need for companies to focus on balance sheet repair given their elevated debt levels. In the Fed's most recent statement, they project the recovery will be slow-going and that the unemployment rate will remain elevated well into next year.

The more sombre scenario of a U-shaped recovery continues to be mirrored by the bond market despite developments that would normally put upward pressure on yields. The combination of lost revenue and increased fiscal spending has caused budget balances to deteriorate at an unprecedented pace. To fund the surge in borrowing needs, both Canada and the U.S. are increasing the term of their debt issuance. All things being equal, this increased supply of longer-term issues would usually steepen the yield curve. However, with both countries' use of aggressive quantitative easing measure, the upward supply-driven pressures on longer yields has been mitigated by central bank bond purchases as well as deflationary pressures.

This remains an extraordinarily challenging environment for investors given the degree of uncertainty on so many fronts. These include the shape of the recovery, future monetary and fiscal policies, risks of a second wave, the timing and efficacy of a vaccine, consumer behaviour post pandemic and trade and relations with China to name a few. Further clouding the outlook is the outcome of the upcoming U.S. elections, which could result in a reversal of policies that have been supportive of the economy and stock prices.

In the concluding paragraph of our previous report, we felt the demand for safe haven investments along with central bank purchases would keep bond yields in a trading range and this trend has prevailed over the past few months. Looking further ahead, we also felt that the drop in interest rates, fiscal stimulus and pent-up demand will set the stage for a more durable economic recovery and an upward shift in the yield curve when there are concrete signs that the pandemic is being contained and that health risks have diminished.

While there have been encouraging developments on the economic and health fronts, we think the upward pressure on yields has been pushed further into the future. Without a V-shaped recovery, which looks increasingly unlikely, it will take a considerable amount of time to close the unprecedented output gap and for deflationary pressures to subside. Furthermore, central banks have clearly communicated that policies will remain supportive of bonds for the foreseeable future, which will put a ceiling on yields. The monetary authorities have also indicated that they do not favour a move to negative rates, which leaves little room for further cuts given that administered rates are already near zero. As a result, we expect bond yields are most likely to remain in a sideways trading range for some time yet. In light of this and the extremely elevated debt levels in the private sector, we think it is prudent to maintain the portfolio's emphasis on the higher quality credits and believe the laddered maturity structure and duration of 3.8 years remains appropriate.

RWB/de

As stipulated in our Investment Management Agreement, please let ML&S know if there are major changes in your financial circumstances, income needs or risk tolerance in order for us to review the suitability of your investment objectives.

Martin, Lucas & Seagram Ltd.

CLLAS - SHORT TERM INVESTMENT FUND
(RBC Investor Services)

Portfolio Holdings at June 30, 2020

<u>Quantity</u>	<u>Security</u>	<u>Unit Cost</u>	<u>Price</u>	<u>Market Value</u>	<u>Annual Income</u>
CASH					
	Cash Account			7,485	0
MONEY MARKET ISSUES					
1,205,000	CIBC BA .35% due July 6, 2020	99.92	100.00	1,204,947	4,214
1,305,000	Canada Treasury Bill 0.05% due July 9, 2020	99.99	100.00	1,304,958	652
1,025,000	Bank of Nova Scotia BA .23% due July 14, 2020	99.98	99.99	1,024,895	2,357
1,300,000	FirstBank BA 0.25% due July 22, 2020	99.98	99.98	1,299,792	3,249
1,300,000	Canada Treasury Bill 0.16% due July 23, 2020	99.96	99.99	1,299,877	2,079
1,200,000	Canada Treasury Bill 0.20% due August 6, 2020	99.95	99.98	1,199,792	2,399
1,200,000	TD Bank BA 0.27% due August 21, 2020	99.94	99.96	1,199,531	3,238
1,315,000	CIBC BA 0.27% due August 27, 2020	99.94	99.96	1,314,420	3,548
1,305,000	Canada Treasury Bill .14% due September 10, 2020	99.97	99.96	1,304,485	1,826
1,305,000	Canada Treasury Bill 0.18% due September 24, 2020	99.96	99.95	1,304,385	2,348
				<u>12,457,082</u>	<u>25,912</u>
TOTAL PORTFOLIO				12,464,567	25,912

Disclosures:

1. Please note that the securities listed herein are held on your behalf by the above noted custodian. You may wish to contact them directly to determine if your account is covered by any recognized Investor Protection Plan and/or for information on how these securities are held.
2. The cost of each position shown in the account is the book cost (original cost adjusted for distributions, capital returns and re-orgs). For unit costs marked with an *, the book cost cannot be determined and the value shown is based on the closing market price on July 15, 2015.

Martin, Lucas & Seagram Ltd.
PURCHASE AND SALE
CLLAS - SHORT TERM INVESTMENT FUND
(RBC Investor Services)
From 04-01-20 To 06-30-20

Trade Date	Settle Date	Quantity	Security	Unit Price	Amount
PURCHASES					
04-01-20	04-02-20	1,305,000	Canada Treasury Bill 0.05% due July 9, 2020	99.99	1,304,825.13
04-01-20	04-01-20	1,020,000	Royal Bank BA 0.93% due May 15, 2020	99.89	1,018,857.60
04-14-20	04-15-20	1,205,000	CIBC BA .35% due July 6, 2020	99.92	1,204,052.87
04-15-20	04-16-20	1,315,000	Canada Treasury Bill .07% due June 25, 2020	99.99	1,314,823.79
04-22-20	04-23-20	1,285,000	Royal Bank B.A. 0.30% due May 22, 2020	99.98	1,284,694.17
04-24-20	04-27-20	1,200,000	TD Bank BA 0.30% due May 26, 2020	99.98	1,199,714.40
04-29-20	04-30-20	1,300,000	Canada Treasury Bill 0.16% due July 23, 2020	99.96	1,299,521.60
05-13-20	05-14-20	1,200,000	Canada Treasury Bill 0.20% due August 6, 2020	99.95	1,199,448.00
05-14-20	05-15-20	1,020,000	Bank of Nova Scotia BA 0.25% due June 11, 2020	99.98	1,019,811.30
05-21-20	05-21-20	1,285,000	Royal Bank BA 0.25% due June 23, 2020	99.98	1,284,718.59
05-25-20	05-26-20	1,200,000	TD Bank BA 0.27% due August 21, 2020	99.94	1,199,228.40
06-03-20	06-04-20	1,315,000	CIBC BA 0.27% due August 27, 2020	99.94	1,314,183.39
06-10-20	06-11-20	1,025,000	Bank of Nova Scotia BA .23% due July 14, 2020	99.98	1,024,784.75
06-10-20	06-11-20	1,305,000	Canada Treasury Bill .14% due September 10, 2020	99.97	1,304,544.56
06-22-20	06-23-20	1,300,000	FirstBank BA 0.25% due July 22, 2020	99.98	1,299,741.30
06-24-20	06-25-20	1,305,000	Canada Treasury Bill 0.18% due September 24, 2020	99.96	1,304,414.06
					19,577,363.91
SALES					
04-01-20	04-01-20	1,020,000	Royal Bank BA 1.50% due April 1, 2020	100.00	1,020,000.00
04-02-20	04-02-20	1,305,000	Canada Treasury Bill 1.60% due April 2, 2020	100.00	1,305,000.00
04-15-20	04-15-20	1,205,000	CIBC BA 1.82% due April 15, 2020	100.00	1,205,000.00
04-16-20	04-16-20	1,315,000	Canada Treasury Bill 1.56% due April 16, 2020	100.00	1,315,000.00

Martin, Lucas & Seagram Ltd.
PURCHASE AND SALE
CLLAS - SHORT TERM INVESTMENT FUND
(RBC Investor Services)
From 04-01-20 To 06-30-20

Trade Date	Settle Date	Quantity	Security	Unit Price	Amount
04-23-20	04-23-20	1,285,000	Bank of Nova Scotia BA 1.37% due April 23, 2020	100.00	1,285,000.00
04-27-20	04-27-20	1,200,000	Toronto Dominion Bank BA 0.90% due April 27, 2020	100.00	1,200,000.00
04-30-20	04-30-20	1,300,000	Canada Treasury Bill 1.60% due April 30, 2020	100.00	1,300,000.00
05-14-20	05-14-20	1,200,000	Canada Treasury Bill 1.05% due May 14, 2020	100.00	1,200,000.00
05-15-20	05-15-20	1,020,000	Royal Bank BA 0.93% due May 15, 2020	100.00	1,020,000.00
05-22-20	05-22-20	1,285,000	Royal Bank B.A. 0.30% due May 22, 2020	100.00	1,285,000.00
05-26-20	05-26-20	1,200,000	TD Bank BA 0.30% due May 26, 2020	100.00	1,200,000.00
06-04-20	06-04-20	1,295,000	CIBC BA 0.85% due June 4, 2020	100.00	1,295,000.00
06-11-20	06-11-20	1,020,000	Bank of Nova Scotia BA 0.25% due June 11, 2020	100.00	1,020,000.00
06-11-20	06-11-20	1,305,000	Canada Treasury Bill 0.07% due June 11, 2020	100.00	1,305,000.00
06-23-20	06-23-20	1,285,000	Royal Bank BA 0.25% due June 23, 2020	100.00	1,285,000.00
06-25-20	06-25-20	1,315,000	Canada Treasury Bill .07% due June 25, 2020	100.00	1,315,000.00
					19,555,000.00

Martin, Lucas & Seagram Ltd.
CASH RECONCILIATION
CLLAS - SHORT TERM INVESTMENT FUND
(RBC Investor Services)
From 03-31-20 to 06-30-20

Cash Balance at March 31, 2020		<u>11,053.68</u>
ADD: Proceeds from Sales	19,555,000.00	
Capital Contribution	0.00	
Bond Interest Credited (from Long Term Investment Fund)	60,307.79	
Transfers to Long Term Fund re: net sales and purchases	<u>-28,780.00</u>	<u>19,586,527.79</u>
LESS: Cost of Purchases	-19,577,363.91	
Q1 2020 Investment Counsel Fees - Short Term Investment Fund	-3,513.70	
Q1 2020 Investment Counsel Fees - Long Term Investment Fund	-4,326.50	
Trust Company Charges	<u>-4,892.20</u>	<u>-19,590,096.31</u>
Cash Balance at June 30, 2020		<u><u>7,485.16</u></u>

Martin, Lucas & Seagram Ltd.							
EXTERNAL INDIVIDUAL CREDIT RATING REPORT - JUNE 30, 2020							
CLLAS - SHORT TERM INVESTMENT FUND							
Quantity	Security	Rating	Unit Cost	Total Cost	Price	Market Value	% Assets
1,205,000	CIBC BA .35%	R-1 (high)	99.921	1,204,053	99.996	1,204,947	9.7%
	due July 6, 2020						
1,305,000	Canada Treasury Bill 0.05%	R-1 (high)	99.987	1,304,825	99.997	1,304,958	10.5%
	due July 9, 2020						
1,025,000	Bank of Nova Scotia BA .23%	R-1 (high)	99.979	1,024,785	99.990	1,024,895	8.2%
	due July 14, 2020						
1,300,000	FirstBank BA 0.25%	R-1 (high)	99.980	1,299,741	99.984	1,299,792	10.4%
	due July 22, 2020						
1,300,000	Canada Treasury Bill 0.16%	R-1 (high)	99.963	1,299,522	99.991	1,299,877	10.4%
	due July 23, 2020						
1,200,000	Canada Treasury Bill 0.20%	R-1 (high)	99.954	1,199,448	99.983	1,199,792	9.6%
	due August 6, 2020						
1,200,000	TD Bank BA 0.27%	R-1 (high)	99.936	1,199,228	99.961	1,199,531	9.6%
	due August 21, 2020						
1,315,000	CIBC BA 0.27%	R-1 (high)	99.938	1,314,183	99.956	1,314,420	10.6%
	due August 27, 2020						
1,305,000	Canada Treasury Bill .14%	R-1 (high)	99.965	1,304,545	99.960	1,304,485	10.5%
	due September 10, 2020						
1,305,000	Canada Treasury Bill 0.18%	R-1 (high)	99.955	1,304,414	99.953	1,304,385	10.5%
	due September 24, 2020						
				12,454,744		12,457,082	100%

Martin, Lucas & Seagram Ltd.

CLLAS - LONG TERM INVESTMENT FUND
(RBC Investor Services)

Portfolio Holdings at June 30, 2020

Quantity	Security	Unit Cost	Price	Market Value	Annual Income
GOVERNMENT BONDS					
250,000	Canada Housing Trust Ser 71 1.25% due June 15, 2021	96.83	100.91	252,280	3,125
200,000	Canada Housing Trust 2.4% Series 48 due December 15, 2022	100.37	104.81	209,626	4,800
200,000	Canada Housing Trust 2.35% due September 15, 2023	105.62	105.85	211,696	4,700
250,000	Canada Housing Trust 2.9% due June 15, 2024	102.64	109.26	273,160	7,250
300,000	Canada Housing Trust Ser. 70 2.25% due December 15, 2025	100.98	108.21	324,621	6,750
250,000	Canada Housing Trust No.1 2.350% due March 15, 2028	103.96	110.89	277,223	5,875
				<hr/> 1,548,606	<hr/> 32,500
PROVINCIAL BONDS					
250,000	British Columbia 3.25% due December 18, 2021	102.30	104.17	260,430	8,125
400,000	Ontario 3.15% due June 2, 2022	100.00	105.20	420,804	12,600
500,000	Ontario 2.85% due June 2, 2023	102.29	106.64	533,195	14,250
400,000	Ontario 2.60% due June 2, 2025	101.08	108.61	434,452	10,400
350,000	British Columbia 2.3% due June 18, 2026	104.40	107.98	377,916	8,050
350,000	Ontario 2.60% due June 2, 2027	97.56	109.85	384,472	9,100
				<hr/> 2,411,269	<hr/> 62,525
CORPORATE BONDS					
200,000	Bank of Montreal 3.4% due April 23, 2021	100.65	102.26	204,524	6,800
150,000	Royal Bank 1.968% due March 2, 2022	100.05	102.07	153,105	2,952
250,000	National Bank of Canada 2.105% due March 18, 2022	102.04	102.28	255,708	5,263
150,000	Wells Fargo 3.46% due January 24, 2023	102.36	105.34	158,016	5,190
300,000	Toronto Dominion Bank Dep. Note 1.909% due July 18, 2023	102.63	102.68	308,025	5,727

Martin, Lucas & Seagram Ltd.

CLLAS - LONG TERM INVESTMENT FUND
(RBC Investor Services)

Portfolio Holdings at June 30, 2020

Quantity	Security	Unit Cost	Price	Market Value	Annual Income
250,000	Toronto Dominion Bank Dep. Note 3.226% due July 24, 2024	102.02	108.39	270,982	8,065
250,000	CIBC Deposit Note 3.3% due May 26, 2025	100.24	109.92	274,800	8,250
200,000	Wells Fargo & Company 2.975% due May 19, 2026	102.15	104.82	209,648	5,950
300,000	Bank of Nova Scotia Dep. Notes 2.62% due December 2, 2026	102.07	108.09	324,273	7,860
150,000	Bank of Montreal Dep. Note 2.70% due December 9, 2026	108.76	108.95	163,428	4,050
				2,322,508	60,107
TOTAL PORTFOLIO				6,282,382	155,132

Disclosures:

1. Please note that the securities listed herein are held on your behalf by the above noted custodian. You may wish to contact them directly to determine if your account is covered by any recognized Investor Protection Plan and/or for information on how these securities are held.
2. The cost of each position shown in the account is the book cost (original cost adjusted for distributions, capital returns and re-orgs). For unit costs marked with an *, the book cost cannot be determined and the value shown is based on the closing market price on July 15, 2015.

Martin, Lucas & Seagram Ltd.
PURCHASE AND SALE
CLLAS - LONG TERM INVESTMENT FUND
(RBC Investor Services)
From 04-01-20 To 06-30-20

Trade Date	Settle Date	Quantity	Security	Unit Price	Amount
PURCHASES					
06-03-20	06-05-20	100,000	Bank of Nova Scotia Dep. Notes 2.62% due December 2, 2026	107.75	107,750.00
06-03-20	06-05-20	200,000	Toronto Dominion Bank Dep. Note 1.909% due July 18, 2023	102.58	205,160.00
06-24-20	06-26-20	150,000	Bank of Montreal Dep. Note 2.70% due December 9, 2026	108.76	163,140.00
06-24-20	06-26-20	100,000	Toronto Dominion Bank Dep. Note 1.909% due July 18, 2023	102.73	102,730.00
					578,780.00
SALES					
06-04-20	06-04-20	300,000	Bank of Montreal 2.84% due June 4, 2020	100.00	300,000.00
06-24-20	06-24-20	250,000	Toronto Dominion Bank Dep. Note 2.563% due June 24, 2020	100.00	250,000.00
					550,000.00

Martin, Lucas & Seagram Ltd.
CASH RECONCILIATION
CLLAS - LONG TERM INVESTMENT FUND
From 03-31-20 to 06-30-20

Cash Balance at March 31, 2020		<u>0.00</u>
ADD: Proceeds from Sales	550,000.00	
Bond Interest Credited to Long Term Investment Fund	60,307.79	
Transfer Bond Interest to Short Term Investment Fund	-60,307.79	
Transfer to Short Term Investment Fund net purchases & sales	<u>28,780.00</u>	<u>578,780.00</u>
LESS: Cost of Purchases	-578,780.00	<u>-578,780.00</u>
Cash Balance at June 30, 2020		<u><u>0.00</u></u>

EXTERNAL INDIVIDUAL CREDIT RATING REPORT - JUNE 30, 2020

CLLAS - LONG TERM INVESTMENT FUND

					Unit	Total		Market	Pct.
Quantity	CUSIP	Security		Rating	Cost	Cost	Price	Value	Assets
GOVERNMENT BONDS									
250,000	13509PFJ7	Canada Housing Trust Ser 71 1.25%	due June 15, 2021	AAA	96.83	242,075	100.91	252,280	4.0%
200,000	13509PDL4	Canada Housing Trust 2.4% Series 48	due December 15, 2022	AAA	100.37	200,740	104.81	209,626	3.3%
200,000	13509PDV2	Canada Housing Trust 2.35%	due September 15, 2023	AAA	105.62	211,240	105.85	211,696	3.4%
250,000	13509PEF6	Canada Housing Trust 2.9%	due June 15, 2024	AAA	102.64	256,600	109.26	273,160	4.3%
300,000	13509PFD0	Canada Housing Trust Ser. 70 2.25%	due December 15, 2025	AAA	100.98	302,940	108.21	324,621	5.2%
250,000	13509PGF4	Canada Housing Trust 2.35%	due March 15, 2028	AAA	103.96	259,900	110.89	277,223	4.4%
						1,473,495		1,548,606	24.6%
PROVINCIAL BONDS									
250,000	110709BJ0	British Columbia 3.25%	due December 18, 2021	AA (high)	102.30	255,750	104.17	260,430	4.1%
400,000	68323AAW4	Ontario 3.15%	due June 2, 2022	AA (low)	100.00	400,000	105.20	420,804	6.7%
500,000	68323ABN3	Ontario 2.85%	due June 2, 2023	AA (low)	102.29	511,430	106.64	533,195	8.5%
400,000	68323ACX0	Ontario 2.60%	due June 2, 2025	AA (low)	101.08	404,305	108.61	434,452	6.9%
350,000	68323AEE0	Ontario 2.60%	due June 2, 2027	AA (low)	97.56	341,460	109.85	384,472	6.1%
350,000	11070TAJ7	British Columbia 2.3%	due June 18, 2026	AA (high)	104.40	365,400	107.98	377,916	6.0%
						2,278,345		2,411,269	38.4%
CORPORATE BONDS									
200,000	06367VJN6	Bank of Montreal 3.4%	due April 23, 2021	AA	100.65	201,300	102.26	204,524	3.3%
150,000	06368AAA8	Bank of Montreal 2.7%	due December 9, 2026	AA	108.76	163,140	108.95	163,428	2.6%
300,000	064151QE6	Bank of Nova Scotia Dep. Note 2.62%	due December 2, 2026	AA	102.07	306,210	108.09	324,273	5.2%
250,000	13596Z3Y9	CIBC Deposit Note 3.3%	due May 26, 2025	AA	100.24	250,600	109.92	274,800	4.4%
250,000	633067C27	National Bank of Canada 2.105%	due March 18, 2022	AA (low)	102.04	255,100	102.28	255,708	4.1%
150,000	780086KD5	Royal Bank 1.968%	due Mar 2, 2022	AA (high)	100.05	150,075	102.07	153,105	2.4%
250,000	891145T79	Toronto Dominion Bank Dep. Note 3.226%	due July 24, 2024	AA (high)	102.02	255,050	108.39	270,982	4.3%
300,000	891160LV3	Toronto Dominion Bank Dep. Note 1.909%	due July 18, 2023	AA (high)	102.63	307,890	102.68	308,025	4.9%
150,000	94975ZBN5	Wells Fargo & Company 3.46%	due January 24, 2023	AA (low)	102.36	153,542	105.34	158,016	2.5%
200,000	949746RX1	Wells Fargo & Company 2.975%	due May 19, 2026	AA (low)	102.15	204,300	104.82	209,648	3.3%
						2,247,207		2,322,508	37.0%
TOTAL PORTFOLIO						5,999,047		6,282,382	100.0%

Martin, Lucas & Seagram Ltd.
DATE TO DATE GAINS AND LOSSES
CLLAS - LONG TERM INVESTMENT FUND
(RBC Investor Services)
From 12-31-19 to 06-30-20

Security	12-31-19 Market Value	Additions Withdrawals	06-30-20 Market Value	06-30-20 Cost Basis	Realized Gain or Loss		Unrealized Gain or Loss	
					Cost	Market	Cost	Market
CASH								
Cash Account	0	0	0	0				
GOVERNMENT BONDS								
Canada Housing Trust Ser 71 1.25% due June 15, 2021	248,103	-1,563	252,280	242,075	0	0	10,205	4,178
Canada Housing Trust 2.4% Series 48 due December 15, 2022	203,034	-2,400	209,626	200,740	0	0	8,886	6,592
Canada Housing Trust 2.35% due September 15, 2023	202,944	-2,350	211,696	211,240	0	0	456	8,752
Canada Housing Trust 2.9% due June 15, 2024	259,850	-3,625	273,160	256,600	0	0	16,560	13,310
Canada Housing Trust Ser. 70 2.25% due December 15, 2025	303,759	-3,375	324,621	302,940	0	0	21,681	20,862
Canada Housing Trust No.1 2.350% due March 15, 2028	254,748	-2,938	277,223	259,900	0	0	17,323	22,475
GOVERNMENT BONDS Total	<u>1,472,437</u>		<u>1,548,606</u>	<u>1,473,495</u>	<u>0</u>	<u>0</u>	<u>75,111</u>	<u>76,169</u>
PROVINCIAL BONDS								
British Columbia 3.25% due December 18, 2021	256,728	-4,063	260,430	255,750	0	0	4,680	3,703
Ontario 3.15% due June 2, 2022	411,900	-6,300	420,804	400,000	0	0	20,804	8,904
Ontario 2.85% due June 2, 2023	514,875	-7,125	533,195	511,430	0	0	21,765	18,320
Ontario 2.60% due June 2, 2025	410,172	-5,200	434,452	404,305	0	0	30,147	24,280
British Columbia 2.3% due June 18, 2026	353,966	-4,025	377,916	365,400	0	0	12,516	23,951
Ontario 2.60% due June 2, 2027	358,449	-4,550	384,472	341,460	0	0	43,012	26,023
PROVINCIAL BONDS Total	<u>2,306,089</u>		<u>2,411,269</u>	<u>2,278,345</u>	<u>0</u>	<u>0</u>	<u>132,924</u>	<u>105,180</u>
CORPORATE BONDS								
Bank of Montreal 2.84% due June 4, 2020	301,134	-304,260	0	0	-5,307	-1,134	0	0
Toronto Dominion Bank Dep. Note 2.563% due June 24, 2020	250,723	-253,204	0	0	-11,425	-723	0	0
Bank of Montreal 3.4% due April 23, 2021	203,506	-3,400	204,524	201,300	0	0	3,224	1,018
Royal Bank 1.968% due March 2, 2022	149,480	-1,476	153,105	150,075	0	0	3,030	3,626
National Bank of Canada 2.105% due March 18, 2022	249,850	-2,631	255,708	255,100	0	0	608	5,858
Wells Fargo 3.46% due January 24, 2023	155,406	-2,595	158,016	153,542	0	0	4,475	2,610
Toronto Dominion Bank Dep. Note 1.909% due July 18, 2023	0	310,181	308,025	307,890	0	0	135	135
Toronto Dominion Bank Dep. Note 3.226% due July 24, 2024	260,268	-4,033	270,982	255,050	0	0	15,932	10,713
CIBC Deposit Note 3.3% due May 26, 2025	261,963	-4,125	274,800	250,600	0	0	24,200	12,838

Martin, Lucas & Seagram Ltd.
DATE TO DATE GAINS AND LOSSES
CLLAS - LONG TERM INVESTMENT FUND
(RBC Investor Services)
From 12-31-19 to 06-30-20

Security	12-31-19 Market Value	Additions Withdrawals	06-30-20 Market Value	06-30-20 Cost Basis	Realized Gain or Loss		Unrealized Gain or Loss	
					Cost	Market	Cost	Market
Wells Fargo & Company 2.975% due May 19, 2026	201,022	-2,975	209,648	204,300	0	0	5,348	8,626
Bank of Nova Scotia Dep. Notes 2.62% due December 2, 2026	202,832	105,152	324,273	306,210	0	0	18,063	13,691
Bank of Montreal Dep. Note 2.70% due December 9, 2026	0	163,329	163,428	163,140	0	0	288	288
CORPORATE BONDS Total	2,236,183		2,322,508	2,247,207	-16,732	-1,857	75,302	59,402
TOTAL PORTFOLIO	6,014,709		6,282,382	5,999,047	-16,732	-1,857	283,336	240,750
TOTAL DATE TO DATE GAIN OR LOSS								238,893
% CHANGE DURING PERIOD								3.97