

Financial Statements of

**INTEGRA EMERGING
MARKETS EQUITY FUND**

Year ended December 31, 2018



KPMG LLP
Bay Adelaide Centre
333 Bay Street, Suite 4600
Toronto ON M5H 2S5
Canada
Tel 416-777-8500
Fax 416-777-8818

INDEPENDENT AUDITORS' REPORT

To the Unitholders of Integra Emerging Markets Equity Fund

Opinion

We have audited the financial statements of Integra Emerging Markets Equity Fund (the Entity), which comprise:

- the the statement of financial position as at December 31, 2018
- the statement of comprehensive income (loss) for the year then ended
- the statement of changes in net assets attributable to holders of redeemable units for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2018, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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



Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.



Page 3

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Canada

March 27, 2019

INTEGRA EMERGING MARKETS EQUITY FUND

Statement of Financial Position

December 31, 2018, with comparative information for 2017

	2018	2017
Assets		
Cash	\$ 392,073	\$ 690,025
Receivable for securities sold	—	461
Accrued interest receivable	278	159
Accrued dividend receivable	60,646	55,500
Investments, at fair value	33,491,415	44,339,035
Total assets	33,944,412	45,085,180
Liabilities		
Redemptions payable	39,204	103,661
Accrued expenses	38,310	30,744
Total liabilities, excluding net assets attributable to holders of redeemable units	77,514	134,405
Net assets attributable to holders of redeemable units	\$ 33,866,898	\$ 44,950,775
Redeemable units (note 3)	3,148,735	3,396,003
Net assets attributable to holders of redeemable units per unit	\$ 10.76	\$ 13.24

See accompanying notes to financial statements.

On behalf of the Manager,
Integra Capital Limited:



Graham Rennie

Director



Steven Carlson

Director

INTEGRA EMERGING MARKETS EQUITY FUND

Statement of Comprehensive Income (Loss)

Year ended December 31, 2018, with comparative information for 2017

	2018	2017
Income:		
Interest income for distribution purposes	\$ 1,893	\$ 673
Dividends	772,664	974,027
Revenue from securities lending (note 6)	8,711	7,020
Other changes in fair value of investments:		
Net realized gain on sale of investments	1,821,760	3,932,687
Net foreign exchange gain (loss) on cash	(13,181)	14,042
Net other loss	(30,132)	(53,083)
Net change in unrealized appreciation (depreciation) of investments	(7,284,384)	8,198,190
Total income (loss)	(4,722,669)	13,073,556
Expenses (income):		
Custodial fees	123,054	92,455
Operating fees	1,701	27,549
Audit fees	29,999	29,999
Filing fees	23,696	—
Investment performance monitoring fees	—	(623)
Securityholder reporting costs	1,000	1,000
Transaction costs	90,792	123,324
Withholding taxes	115,611	77,740
Harmonized sales tax	11,098	(4,015)
	396,951	347,429
Expenses waived or absorbed by manager (note 7)	(22,184)	(27,120)
Total expenses	374,767	320,309
Increase (decrease) in net assets attributable to holders of redeemable units	\$ (5,097,436)	\$ 12,753,247
Increase (decrease) in net assets attributable to holders of redeemable units per unit (based on the weighted average number of units outstanding during the year)	\$ (1.65)	\$ 3.90

See accompanying notes to financial statements.

INTEGRA EMERGING MARKETS EQUITY FUND

Statement of Changes in Net Assets Attributable to Holders of Redeemable Units

Year ended December 31, 2018, with comparative information for 2017

	2018	2017
Net assets attributable to holders of redeemable units, beginning of year	\$ 44,950,775	\$ 58,095,621
Increase (decrease) in net assets attributable to holders of redeemable units	(5,097,436)	12,753,247
Distributions paid or payable to holders of redeemable units:		
From net investment income	(485,921)	(753,983)
From net realized capital gains	(1,687,971)	(3,751,093)
Total distributions to holders of redeemable units	(2,173,892)	(4,505,076)
Redeemable unit transactions (note 3):		
Issuance of units	3,147,402	1,345,114
Reinvestment of distributions	2,173,891	4,505,076
Redemptions of units	(9,133,842)	(27,243,207)
Net decrease from redeemable unit transactions	(3,812,549)	(21,393,017)
Net decrease in net assets attributable to holders of redeemable units	(11,083,877)	(13,144,846)
Net assets attributable to holders of redeemable units, end of year	\$ 33,866,898	\$ 44,950,775

See accompanying notes to financial statements.

INTEGRA EMERGING MARKETS EQUITY FUND

Statement of Cash Flows

Year ended December 31, 2018, with comparative information for 2017

	2018	2017
Cash flows from (used in) operating activities:		
Increase (decrease) in net assets attributable to holders of redeemable units	\$ (5,097,436)	\$ 12,753,247
Change in non-cash operating working capital:		
Net foreign exchange gain (loss) on cash	13,181	(14,042)
Net realized gain on sale of investments	(1,821,760)	(3,932,687)
Net change in unrealized appreciation (depreciation) of investments	7,284,384	(8,198,190)
Purchase of investments	(17,362,269)	(15,869,301)
Proceeds from the sale of investments	22,747,726	39,245,320
Accrued interest receivable	(119)	(76)
Accrued dividend receivable	(5,146)	73,260
Accrued expenses	7,566	(58,743)
Cash provided by operating activities	5,766,127	23,998,788
Cash flows from (used in) financing activities:		
Amount received from the issuance of units	3,147,402	1,345,114
Amount paid on redemptions of units	(9,198,300)	(27,144,096)
Cash used in financing activities	(6,050,898)	(25,798,982)
Decrease in cash	(284,771)	(1,800,194)
Net change in unrealized foreign exchange gain on cash	(13,181)	14,042
Cash, beginning of year	690,025	2,476,177
Cash, end of year	\$ 392,073	\$ 690,025
Supplemental information:		
Dividends received, net of withholding taxes	\$ 1,774	\$ 969,547

See accompanying notes to financial statements.

INTEGRA EMERGING MARKETS EQUITY FUND

Schedule of Investments

December 31, 2018

	Number of shares	Average cost	Fair value
Common shares - 98.89%			
Canadian equities - 1.89%			
Energy - 0.73%:			
Parex Resources Inc.	15,193	\$ 263,051	\$ 248,406
Materials - 0.45%:			
First Quantum Minerals Ltd.	13,698	192,547	151,226
Consumer Discretionary - 0.71%:			
Azul SA	19,100	237,372	242,308
Total Canadian equities		692,970	641,940
International equities - 97.00%			
Brazil - 10.06%:			
Arco Platform Ltd.	3,597	107,954	108,671
B3 SA - Brasil Bolsa Balcao	22,601	156,504	213,528
Companhia Brasileira de Distribuicao	4,700	133,104	134,124
Fleury SA	29,300	229,955	204,233
Hypera SA	21,200	201,474	225,618
Itau Unibanco Holding SA, ADR	58,447	581,883	729,618
Localiza Rent a Car SA	21,000	163,354	220,160
Lojas Americanas SA, Preferred	26,500	131,209	183,968
PagSeguro Digital Ltd.	12,367	372,991	316,366
Petróleo Brasileiro SA, ADR	25,168	398,277	447,212
StoneCo Ltd., Class 'A'	4,870	181,549	122,653
Vale SA, ADR	27,815	482,859	501,084
		3,141,113	3,407,235
China 27.72%:			
58 Com Inc., ADR	2,645	250,920	195,836
Alibaba Group Holding Ltd., ADR	10,478	1,167,972	1,961,589
Baidu Inc.	913	252,056	197,770
BeiGene Ltd., ADR	1,999	413,174	382,943
China Animal Healthcare Ltd.	137,000	115,926	—
China Merchants Bank Co. Ltd.	46,000	178,827	230,304
CNOOC Ltd.	202,000	449,984	426,381
CSPC Pharmaceutical Group Ltd.	80,000	144,892	157,699
Industrial and Commercial Bank of China, Class 'H'	431,000	367,381	420,291
Kingdee International Software Group Co. Ltd.	162,000	87,542	195,561
NetEase Inc., ADR	1,181	390,873	379,654
New Oriental Education & Technology Group Inc., ADR	4,004	407,520	299,737
Ping An Insurance (Group) Co. of China Ltd.	52,500	463,815	633,305

INTEGRA EMERGING MARKETS EQUITY FUND

Schedule of Investments (continued)

December 31, 2018

	Number of shares	Average cost	Fair value
International equities - 97.00% (continued)			
Shenzhou International Group	16,000	252,961	247,714
Silergy Corp.	8,000	211,422	161,033
Sunny Optical Technology Group Co. Ltd.	20,400	345,309	247,686
TAL Education Group, ADR	3,708	136,095	135,118
Tencent Holdings Ltd.	40,700	887,990	2,229,387
Tencent Music Entertainment, ADR	27,211	471,622	491,322
Weibo Corp., ADR	1,452	109,271	115,875
WuXi AppTec Co. Ltd.	7,900	92,313	93,712
WuXi Biologics Cayman Inc.	21,000	101,682	183,718
		7,299,547	9,386,635
Cyprus - 0.57%:			
TCS Group Holdings PLC	9,106	217,120	193,519
Hong Kong - 3.78%			
AIA Group Ltd.	40,600	327,525	460,363
China Resources Beer (Holdings) Co. Ltd.	62,000	325,811	295,808
China Resources Cement Holding Ltd.	220,000	313,730	270,566
Techtronic Industries Co. Ltd.	35,000	185,818	253,994
		1,152,884	1,280,731
Hungary - 0.43%:			
Richter Gedeon Nyrt.	5,492	135,179	145,140
India - 12.22%:			
Adani Ports and Special Economic Zone Ltd.	20,820	140,832	157,912
AU Small Finance Bank Ltd.	10,879	123,704	132,400
Bajaj Finance Ltd.	2,605	79,168	134,802
Balkrishna Industries Ltd.	6,568	141,388	118,713
Biocon Ltd.	12,471	150,716	153,471
Eicher Motors Ltd.	1,170	520,852	530,068
HDFC Asset Management Co. Ltd.	5,553	188,921	163,489
HDFC Bank Ltd., ADR	4,708	427,693	666,103
HDFC Standard Life Insurance Co. Ltd.	40,738	269,842	308,544
Indraprastha Gas Ltd.	61,142	184,505	319,666
IndusInd Bank Ltd.	10,296	275,993	322,134
Jubilant Foodworks Ltd.	7,137	143,143	174,807
Natco Pharma Ltd.	10,721	114,300	142,631
Petronet LNG Ltd.	51,271	333,081	224,827
Reliance Industries Ltd.	19,531	378,318	428,339
Tejas Networks Ltd.	39,650	209,440	160,914
		3,681,896	4,138,820

INTEGRA EMERGING MARKETS EQUITY FUND

Schedule of Investments (continued)

December 31, 2018

	Number of shares	Average cost	Fair value
Indonesia - 6.92%:			
ACE Hardware Indonesia	1,640,000	151,508	232,091
PT Astra International TBK	406,200	250,136	317,325
PT Bank Central Asia TBK	317,300	536,805	783,559
PT Bank Rakyat Indonesia (Persero) TBK	2,334,800	587,728	811,631
PT Pakuwon Jati TBK	3,394,600	166,053	199,898
		1,692,230	2,344,504
Luxembourg - 0.26%:			
Ternium SA, ADR	2,416	99,087	89,424
Mexico - 1.95%:			
C Grupo Financiero Banorte SAB de CV	53,900	384,962	358,593
Mexichem SAB de CV	86,800	357,420	300,446
		742,382	659,039
Netherlands - 1.06%:			
Yandex NV, Class 'A'	9,630	277,678	359,725
Panama - 0.61%:			
Copa Holdings SA, Class 'A'	1,925	211,911	206,942
Peru - 1.37%:			
Credicorp Ltd.	1,538	239,079	465,640
Philippines - 0.84%:			
Ayala Land Inc.	268,900	266,223	283,558
Poland - 1.39%:			
Dino Polska SA	9,264	133,043	322,824
Kruk SA	2,593	252,140	147,722
		385,183	470,546
Russia - 2.74%:			
Detsky Mir PJSC	64,802	122,299	115,078
LUKOIL PJSC, ADR	3,492	226,675	340,915
Mail.ru Group Ltd.	8,296	272,794	265,818
Sberbank of Russia PJSC, ADR	13,745	169,355	205,751
		791,123	927,562
South Africa - 6.34%:			
AVI Ltd.	23,076	166,194	222,757
Capitec Bank Holdings Ltd.	2,254	201,518	239,261
Clicks Group Ltd.	4,808	40,222	87,397
Mr. Price Group Ltd.	5,318	115,300	124,287
Naspers Ltd., Class 'N'	4,427	757,493	1,215,698
Sasol Ltd.	6,362	312,517	256,720
		1,593,244	2,146,120

INTEGRA EMERGING MARKETS EQUITY FUND

Schedule of Investments (continued)

December 31, 2018

	Number of shares	Average cost	Fair value
South Korea - 9.08%:			
Cafe24 Corp.	992	152,439	133,326
KB Financial Group Inc.	5,507	314,209	313,450
Pearl Abyss Corp.	515	123,665	131,058
POSCO	553	167,176	164,487
Samsung Electronics Co. Ltd.	27,582	831,813	1,306,584
Samsung Electronics Co. Ltd., Preferred	6,012	157,316	233,649
SK Hynix Inc.	4,185	181,258	309,921
SK Innovation Co. Ltd.	1,428	248,947	313,757
SK Telecom Co. Ltd.	507	146,984	167,251
		2,323,807	3,073,483
Taiwan - 6.26%:			
Asmedia Technology Inc.	9,000	185,946	199,958
Cathay Financial Holding Co. Ltd.	177,000	357,824	369,655
MediaTek Inc.	18,000	192,547	183,561
Taiwan Semiconductor Manufacturing Co. Ltd.	128,000	719,550	1,282,573
Taiwan Semiconductor Manufacturing Co. Ltd., ADR	1,665	80,841	83,936
		1,536,708	2,119,683
Thailand - 2.20%:			
Mega Lifesciences PCL	99,800	78,598	120,357
Muangthai Capital PCL	206,200	183,052	423,826
Tisco Financial Group PCL	59,600	202,505	202,191
		464,155	746,374
United States - 1.20%:			
Nexteer Automotive Group Ltd.	109,000	197,589	212,203
Universal Display Corp.	1,507	148,097	192,592
		345,686	404,795
Total international equities - 97.00%		26,596,235	32,849,475
Total equities - 98.89%		27,289,205	33,491,415
Transaction costs		(54,048)	—
Total investment portfolio - 98.89%		<u>\$ 27,235,157</u>	33,491,415
Other assets, net of liabilities - 1.11%			375,483
Net assets attributable to holders of redeemable units - 100.00%			<u>\$ 33,866,898</u>

See accompanying notes to financial statements.

INTEGRA EMERGING MARKETS EQUITY FUND

Risk Disclosures

Year ended December 31, 2018

1. Financial instruments risk:

Investment activities of the Integra Emerging Markets 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 achieve long-term capital appreciation through a portfolio of stocks in various emerging or developing countries around the world. This will include stocks in both large and small capitalization issuers. The portfolio is sufficiently diversified to reduce some of the investment risk inherent when investing in Emerging Market countries, which can be potentially volatile.

The Fund may hold up to an aggregate of 10% in cash and cash equivalents.

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.

INTEGRA EMERGING MARKETS EQUITY FUND

Risk Disclosures (continued)

Year ended December 31, 2018

2. Risk management (continued):

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

(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 Fund 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.

INTEGRA EMERGING MARKETS EQUITY FUND

Risk Disclosures (continued)

Year ended December 31, 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:

2018	Currency risk-exposed holdings*	Foreign exchange contracts	Net exposure	% of net assets
United States Dollar	\$ 9,462,621	\$ —	\$ 9,462,621	27.94
Hong Kong Dollar	6,558,693	—	6,558,693	19.37
Indian Rupee	3,472,717	—	3,472,717	10.25
South Korean Won	3,117,482	—	3,117,482	9.21
Indonesian Rupiah	2,344,504	—	2,344,504	6.92
New Taiwan Dollar	2,196,780	—	2,196,780	6.49
South African Rand	2,146,120	—	2,146,120	6.34
Brazilian Real	1,433,414	—	1,433,414	4.23
Thai Baht	746,375	—	746,375	2.20
Mexican Peso	659,039	—	659,039	1.95
Polish Zloty	470,546	—	470,546	1.39
Philippine Peso	283,558	—	283,558	0.84
Hungarian Forint	145,140	—	145,140	0.43
Russian Ruble	119,839	—	119,839	0.35

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

INTEGRA EMERGING MARKETS EQUITY FUND

Risk Disclosures (continued)

Year ended December 31, 2018

2. Risk management (continued):

2017	Currency risk-exposed holdings (including derivatives)*	Foreign exchange contracts	Net exposure	% of net assets
U.S. Dollar	\$ 11,723,569	\$ –	\$ 11,723,569	26.08
Hong Kong Dollar	7,497,821	–	7,497,821	16.68
South Korean Won	5,746,330	–	5,746,330	12.78
Indian Rupee	5,270,853	–	5,270,853	11.73
New Taiwan Dollar	3,282,921	–	3,282,921	7.30
South African Rand	3,237,130	–	3,237,130	7.20
Indonesian Rupiah	2,062,356	–	2,062,356	4.59
Brazilian Real	1,701,851	–	1,701,851	3.79
Thai Baht	1,506,146	–	1,506,146	3.35
Polish Zloty	655,939	–	655,939	1.46
Mexican Peso	483,918	–	483,918	1.08
Philippine Peso	251,412	–	251,412	0.56
Russian Ruble	165,262	–	165,262	0.37
British Pound	140,917	–	140,917	0.31
Kenyan Shilling	129,586	–	129,586	0.29

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

As at December 31, 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 \$1,657,841 (2017 - \$2,192,801). In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

INTEGRA EMERGING MARKETS EQUITY FUND

Risk Disclosures (continued)

Year ended December 31, 2018

2. Risk management (continued):

(d) Derivatives:

The Fund may utilize 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.

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 December 31, 2018 and 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.

INTEGRA EMERGING MARKETS EQUITY FUND

Risk Disclosures (continued)

Year ended December 31, 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 of, 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 selection 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 December 31, 2018, due to a 5% increase or decrease in the Fund's benchmark (MSCI Emerging Markets ND Index), with all other variables held constant, would have been \$1,680,137 (2017 - \$2,127,295). This calculation is based on the beta of the Fund over the past 36 months. In practice, the actual trading results may differ from the sensitivity analysis indicated above and the difference could be material.

INTEGRA EMERGING MARKETS EQUITY FUND

Risk Disclosures (continued)

Year ended December 31, 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:

	<u>As a % of net assets</u>	
	2018	2017
Common and preferred shares		
Argentina	–	1.30
Brazil	10.06	6.74
Canada	1.89	1.20
China	27.72	23.65
Cyprus	0.57	0.45
Hong Kong	3.78	3.23
Hungary	0.43	–
India	12.22	12.59
Indonesia	6.92	4.59
Jersey C.I.	–	0.31
Kenya	–	0.29
Luxembourg	0.26	0.21
Malaysia	–	–
Mexico	1.95	1.17
Netherlands	1.06	1.19
Panama	0.61	–
Peru	1.37	0.97
Philippines	0.84	0.56
Poland	1.39	1.46
Russia	2.74	6.69
South Africa	6.34	7.20
South Korea	9.08	12.72
Switzerland	–	0.47
Taiwan	6.26	6.72
Thailand	2.20	3.35
United Kingdom	–	–
United States	1.20	1.58
Total investment portfolio	98.89	98.64
Other assets, net of liabilities	1.11	1.36
Net assets attributable to holders of redeemable units	100.00	100.00

INTEGRA EMERGING MARKETS EQUITY FUND

Risk Disclosures (continued)

Year ended December 31, 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 not based on observable market data (unobservable inputs).

If inputs of different levels are used to measure an asset's or a 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.

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

2018	Level 1	Level 2	Level 3	Total
Financial assets:				
Equities	\$ 32,745,040	\$ 746,375	\$ –	\$ 33,491,415

2017	Level 1	Level 2	Level 3	Total
Financial assets:				
Equities	\$ 44,071,452	\$ 267,583	\$ –	\$ 44,339,035

INTEGRA EMERGING MARKETS EQUITY FUND

Risk Disclosures (continued)

Year ended December 31, 2018

4. Fair value measurements (continued):

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 year ended December 31, 2018, no investments were transferred from Level 1 to Level 2 as a result of the securities no longer being traded in an active market. No investments were transferred from any level as a result of the securities now being traded in an active market.

During the year ended December 31, 2018, the reconciliation of investments measured at fair value using unobservable inputs (Level 3) is presented as follows:

	2018	2017
Balance, beginning of year	\$ —	\$ 12,322
Purchases	—	—
Sales	—	—
Net transfers into and/or out of Level 3	—	—
Realized gains/losses	—	—
Change in unrealized appreciation	—	(12,322)
Balance, end of year	\$ —	\$ —
Total change in unrealized appreciation during the year for assets held	\$ —	\$ (12,322)

As at December 31, 2018 and 2017, the potential impact of using reasonable possible alternative assumptions for valuing Level 3 financial instruments would have minimal impact on net assets.

INTEGRA EMERGING MARKETS EQUITY FUND

Notes to Financial Statements

Year ended December 31, 2018

1. Establishment of the Fund:

The Integra Emerging Markets 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 December 10, 2009 and commenced operations on this date.

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 a commodity trading manager.

The Fund is not a reporting issuer and is exempt, pursuant to National Instrument 81-106, Investment Fund Continuous Disclosure ("NI 81-106") 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.

On February 1, 2019, the previously announced sale of Integra Capital Limited, the Manager of the Fund, to Willis International Limited, a Willis Towers Watson company, was completed.

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 March 27, 2019.

(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.

INTEGRA EMERGING MARKETS EQUITY FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

2. Basis of preparation (continued):

(c) Functional and presentation currency:

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

3. Significant accounting policies:

(a) IFRS 9, Financial Instruments Transition:

Effective January 1, 2018, the Fund adopted the IFRS 9, Financial Instruments ("IFRS 9") reporting standard. The new standard introduced a model for classification and measurement of financial assets and liabilities including those carried at amortized cost; fair value, with changes in fair value recognized in FVTPL; or fair value through other comprehensive income ("FVOCI") based on the entity's business model for managing financial assets and the contractual cash flow characteristics of these financial assets.

The Fund is comprised of a portfolio of financial assets that is managed and whose performance is evaluated on a fair value basis that is primarily focused on fair value information and uses that information to assess the assets' performance in accordance with the Fund's investment strategy. For such a portfolio the collection of contractual cash flows is only incidental to achieving the Fund's investment objectives. The assessment and decision on the business model approach used is an accounting judgement. Upon transition to IFRS 9, the Fund's financial assets and financial liabilities previously classified as FVTPL or held-for-trading under International Accounting Standard ("IAS") 39, Financial Instruments - Recognition and Measurement ("IAS 39"), are now classified as FVTPL and there were no changes in the measurement attributes. Any assets previously classified as loans and receivables under IAS 39 are now classified and measured at amortized cost under IFRS 9. The classification and measurement of liabilities under the new standard remains generally unchanged. The adoption of IFRS 9 has been applied retrospectively and did not result in any changes in net assets.

IFRS 9 replaces the "incurred loss" model in IAS 39 with an expected credit loss ("ECL") model. The new impairment model applies to financial assets measured at amortized cost and debt investments at FVOCI, but not investment in equity instruments. The Fund has determined that the application of IFRS 9's impairment requirements at January 1, 2018 does not result in any impairment of cash and cash equivalents, balances due from brokers or any other receivables.

INTEGRA EMERGING MARKETS EQUITY FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

3. Significant accounting policies (continued):

(b) Financial instruments:

(i) Recognition, initial measurement and classification:

Upon initial recognition, financial instruments are measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. All financial assets and liabilities are recognized in the statements of financial position when a Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or a Fund has transferred substantially all risks and rewards of ownership. Financial assets and financial liabilities at FVTPL are initially recognized on the trade date.

(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 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.

INTEGRA EMERGING MARKETS EQUITY FUND

Notes to Financial Statements (continued)

Year ended December 31, 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 is reflected in the statement of comprehensive income (loss) 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 date.

The fair value of other financial assets and liabilities approximates 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.

(c) 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.

INTEGRA EMERGING MARKETS EQUITY FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

3. Significant accounting policies (continued):

(d) 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 (loss) 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 (loss) on sale of investments and unrealized appreciation (depreciation) in 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.

(e) 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.

(f) 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.

INTEGRA EMERGING MARKETS EQUITY FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

3. Significant accounting policies (continued):

(g) 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.

(h) 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 (loss) on sale of investments and change in net unrealized appreciation (depreciation) in the statement of comprehensive income.

(i) 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, 2018, the Fund had non-capital losses of nil (2017 - nil) and net capital loss carry forwards of nil (2017 - nil).

INTEGRA EMERGING MARKETS EQUITY FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

3. Significant accounting policies (continued):

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

(j) 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 redemption amounts and are considered a residual amount of the net assets attributable to holders of redeemable units.

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 units 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 years were as follows:

	2018		2017	
	Number of Fund units	Amount	Number of Fund units	Amount
Redeemable units issued	269,034	\$ 3,147,402	108,254	\$ 1,345,114
Redeemable units redeemed	(717,629)	(9,133,843)	(2,449,398)	(27,243,207)
Redeemable units issued on reinvestments	201,327	2,173,891	341,181	4,505,076

The number of issued and outstanding units as at December 31, 2018 is 3,148,735 (2017 - 3,396,003).

INTEGRA EMERGING MARKETS EQUITY FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

3. Significant accounting policies (continued):

Net assets attributable to holders of redeemable units is 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 (loss) represents the change in net assets attributable to holders of redeemable units divided by the weighted average number of units outstanding during the reporting years. 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 year ended December 31, 2018 is 3,091,903 (2017 - 3,269,952).

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 redemption and are considered a residual amount.

As at December 31, 2018, there is no difference between net assets attributable to holders of redeemable units and NAV attributable to holders of redeemable units.

(k) Receivable or payable for 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 securities sold/purchased, but not yet settled as at the reporting date.

(l) Future accounting changes:

A number of new and amendment standards are effective for annual periods beginning after January 1, 2018 and earlier application is permitted; however, the Fund has not early adopted these new or amended standards in preparing these financial statements. Of the standards that are not yet effective, none is expected to have a material impact on the Fund's financial statements in the period of initial application.

INTEGRA EMERGING MARKETS EQUITY FUND

Notes to Financial Statements (continued)

Year ended December 31, 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. The Manager of the Fund has also made significant accounting judgment regarding the business model of the Fund in determining the classification and measurement of financial instruments. See note 3 for more information on the fair value measurement of the Fund's financial instruments.

5. Brokerage commissions:

Brokerage commissions on portfolio transactions may also include research services provided by Columbia Management Investment Advisors, LLC (the "Sub-Advisor"). The value of the research services paid to certain brokers for the year ended December 31, 2018 is \$19,690 (2017 - \$51,915).

6. 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 the 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 December 31, 2018, certain securities shown in the statement of financial position with a market value of \$4,383,095 (2017 - \$4,363,965) had been loaned as part of the securities lending program. The counterparty has pledged securities with a market value of \$4,647,296 (2017 - \$4,602,495) as collateral for such loans. Under the terms of the program, the Fund may instruct that securities be returned within three days.

INTEGRA EMERGING MARKETS EQUITY FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

6. Securities lending (continued):

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 (loss):

	2018		2017	
	Amount	% of gross securities lending revenue	Amount	% of gross securities lending revenue
Gross securities lending revenue	\$ 14,859	100.0	\$ 11,698	100.0
Withholding taxes	(343)	(2.3)	–	–
Agent fees - Bank of New York Mellon Corp. (The)	(5,805)	(39.1)	(4,678)	(40.0)
Securities lending revenue	\$ 8,711	58.6	\$ 7,020	60.0

7. 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 and its parent company, Integra Capital Management Corporation allocates 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 and its parent company, Integra Capital Management Corporation on behalf of the Fund. These costs are reported in the operating expenses of the Fund reported in the statement of comprehensive income (loss).

The Fund is responsible for its operating expenses relating to the carrying on of its business, including custodial services, legal, Independent Review Committee fees, 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.

INTEGRA EMERGING MARKETS EQUITY FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

7. Related party transactions and fund expenses (continued):

The Manager at its discretion may agree to waive or absorb certain expenses associated with the Fund. For the year ended December 31, 2018, the expenses waived or absorbed by the Manager in the amount of \$22,184 (2017 - \$27,120) are shown in the statement of comprehensive income (loss) as applicable. 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.