



Balanced Mandate

CFG Model Portfolio

Reporting as of September 29, 2017

Portfolio Description

The **Balanced Mandate** is a two-pool portfolio seeking capital appreciation and cash flow striking a 50/50 balance between more stable, yield-bearing assets (such as Fixed Income, Preferred Shares, REITs, and Covered Call Strategies), via the Income Share Class, and higher-risk, growth-oriented asset classes (primarily Common Shares of publicly listed companies), via the Equity Share Class.

Investment Objective

The objective of the **Balanced Mandate** is to achieve better risk-adjusted returns than a passive, low-cost, diversified portfolio benchmark (The Real World Balanced Index). The **Balanced Mandate** aims to achieve this objective by holding in client accounts two Share Classes in target proportions of 50% Income Share Class and 50% Equity Share Class. Croft Financial Group will rebalance back to this target at least annually. In addition, rebalancing takes place within each Share Class on a more frequent basis to manage market risk, take advantage of market opportunity, and manage cash positions. For further information, including a more detailed description of the investment objectives and strategy for each of the component Share Classes, please review our Relationship Disclosure Document and/or Share Class Fact Sheets, both available at www.croftgroup.com.

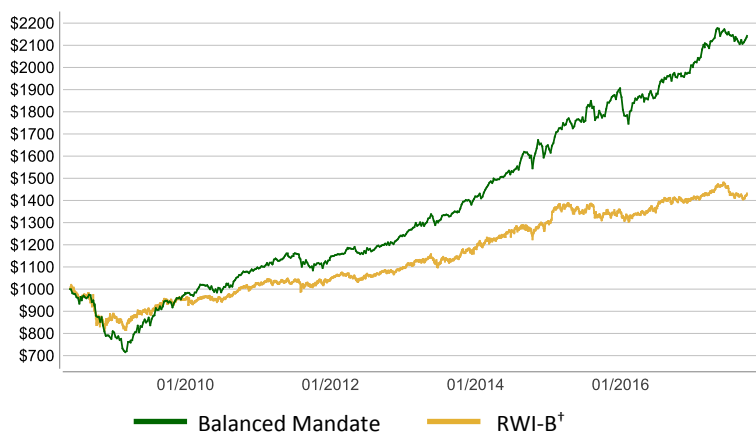
Portfolio

Symbol	Security	Weight
TCG534	Income Share Class	50%
TCG531	Equity Share Class	50%
Distribution		Monthly
Benchmark†	Real World Index – Balanced	

Top 10 Holdings (effective)

Security	Weight
ALIMENTATION COUCHE-TARD CL.B	3.52%
WALT DISNEY	2.88%
ISHARES S&P/TSX CDN PFD	2.77%
PREMIUM INCOME CORP -PFD-	2.50%
FINANCIAL 15 SPLIT CORP PFD	2.45%
TORONTO-DOMINION BANK	2.32%
MAGNA INTERNATIONAL INC	2.28%
ENBRIDGE INC	2.23%
NATIONAL BANK OF CANADA	2.10%
CCL INDUSTRIES INC - CLASS B	2.08%

Growth of \$1000



Key Statistics

	1 M	3 M	6 M	1 Y	3 Y*	5 Y*	SI*
Returns	0.90%	-0.42%	1.17%	8.86%	10.17%	12.27%	8.51%
	0.35%	-0.43%	-0.24%	1.48%	4.18%	5.79%	3.92%
Sharpe Ratio	2.44	-0.34	0.47	1.64	1.21	1.69	0.92
	0.69	-0.55	-0.31	0.11	0.51	0.67	0.34
Maximum Drawdown	-0.79%	-2.14%	-3.27%	-3.27%	-8.36%	-8.36%	-28.39%
	-1.54%	-2.30%	-5.07%	-5.07%	-6.06%	-6.06%	-20.20%

■ Balanced Mandate ■ RWI-B[†]

Annual Returns

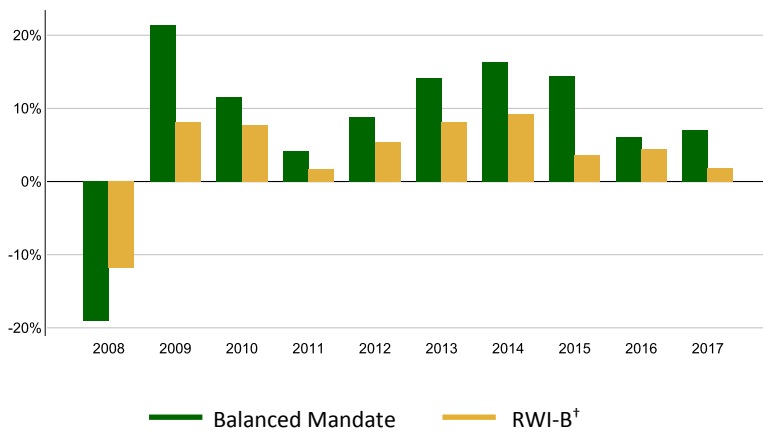
Period	Balanced Mandate	RWI-B [†]
2017	7.05%	1.83%
2016	6.04%	4.49%
2015	14.46%	3.68%
2014	16.29%	9.26%
2013	14.20%	8.08%
2012	8.84%	5.34%
2011	4.14%	1.66%
2010	11.50%	7.66%
2009	21.35%	8.07%
2008	-19.04%	-11.76%

Standard Deviation

Period	Balanced Mandate	RWI-B [†]
Since Inception	8.27%	6.92%
3 years	7.40%	4.94%
5 years	6.52%	5.49%

*Annualized returns
Inception date May 31, 2008

Annual Returns



Disclaimer and Notes

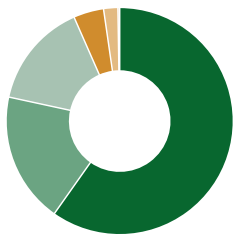
¹ Asset Allocation – CAD actual, marked to market as of close on the date quoted

² Sector Allocation – CAD notional, including option exposures with cash adjusted to total 100%

³Geographic Allocation – CAD notional, including option exposures with cash adjusted to total 100%

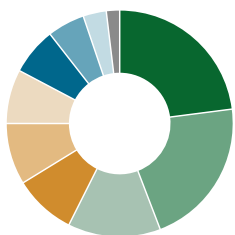
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Asset Allocation¹



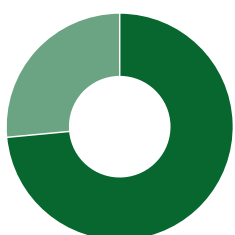
Equity	60.1%
Cash	18.7%
Preferred	15.1%
Bonds & Debentures	4.3%
Preferred	2.0%
Private Equity	0.3%
Option	-0.4%

Sector Allocation²



Financials	23.0%
Consumer Discretionary	21.2%
Information Technology	13.2%
Industrials	8.8%
Consumer Staples	8.8%
Health Care	7.7%
Energy	6.7%
Materials	5.3%
Utilities	3.3%
Real Estate	1.9%

Geographic Allocation³



Canada	73.5%
United States	26.5%