



Balanced Mandate

CFG Model Portfolio

Reporting as of October 31, 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.

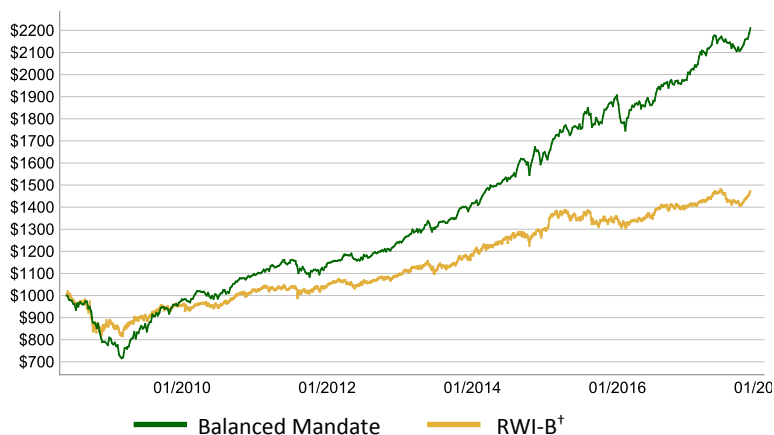
Portfolio

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	3.74%
ISHARES 20+ YEAR TREASURY BOND	3.05%
ISHARES S&P/TSX CDN PFD	2.75%
PREMIUM INCOME CORP -PFD-	2.44%
FINANCIAL 15 SPLIT CORP PFD	2.40%
TORONTO-DOMINION BANK	2.35%
BOYD GROUP INCOME FUND	2.10%
NEW FLYER INDUSTRIES INC.	2.08%
CCL INDUSTRIES INC - CLASS B	2.07%
ENBRIDGE INC	2.05%

Growth of \$1000



Annual Returns

Period	Balanced Mandate	RWI-B [†]
2017	10.46%	4.73%
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%

Key Statistics

	1 M	3 M	6 M	1 Y	3 Y*	5 Y*	SI*
Returns	3.18%	4.09%	1.85%	12.09%	11.07%	12.79%	8.79%
	2.85%	4.26%	0.73%	4.48%	4.92%	6.34%	4.20%
Sharpe Ratio	10.56	3.36	0.72	2.18	1.41	1.76	0.96
	9.98	3.71	0.05	0.70	0.64	0.74	0.37
Maximum Drawdown	0.00%	-1.49%	-3.27%	-3.27%	-8.36%	-8.36%	-28.39%
	-0.22%	-1.80%	-5.07%	-5.07%	-6.06%	-6.06%	-20.20%

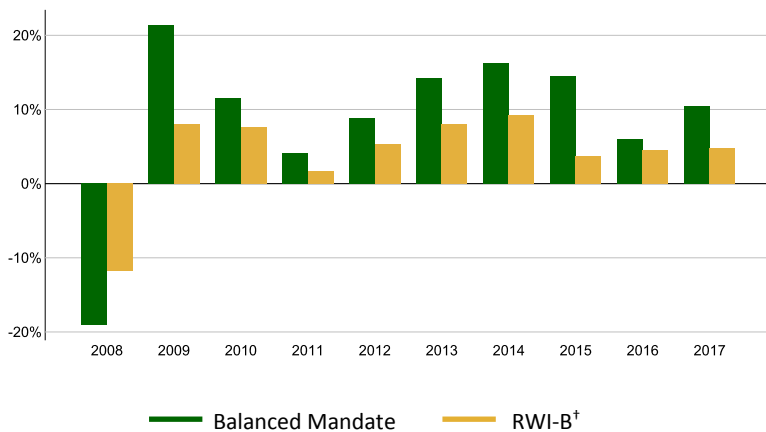
■ Balanced Mandate ■ RWI-B[†]

Standard Deviation

Period	Balanced Mandate	RWI-B [†]
Since Inception	8.25%	6.89%
3 years	6.95%	4.64%
5 years	6.51%	5.47%

*Annualized returns
Inception date May 31, 2008

Annual Returns



Disclaimer and Notes

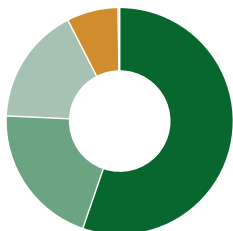
¹ Asset Allocation – CAD actual, marked to market as of close on the date quoted

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%

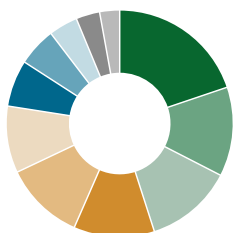
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Asset Allocation¹



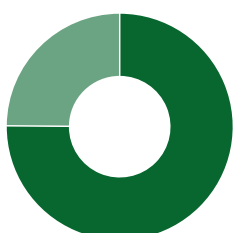
Equity	55.5%
Cash	20.5%
Preferred	16.8%
Bonds & Debentures	7.3%
Private Equity	0.2%
Option	-0.4%

Sector Allocation²



Consumer Discretionary	19.8%
Information Technology	12.7%
Financials	12.5%
Industrials	11.5%
Real Estate	11.4%
Consumer Staples	9.5%
Energy	6.6%
Health Care	5.5%
Materials	4.1%
Utilities	3.4%
Telecommunication Services	2.8%

Geographic Allocation³



Canada	75.1%
United States	24.9%