



Conservative Mandate

CFG Model Portfolio

Reporting as of March 29, 2018

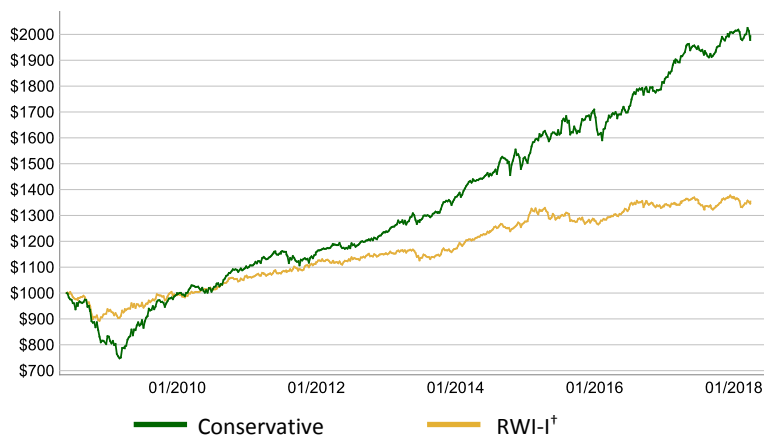
Portfolio Description

The **Conservative Mandate** seeks to generate above average cash flow that will appeal to investors who are making regular withdrawals from their portfolio. Cash flow is generated by a direct investment in covered calls, exposure to yield-bearing assets (such as bonds, preferred shares and REITs) via the Income Share Class and exposure to higher-risk, growth-oriented assets via the Equity Share Class.

Investment Objective

The objective of the **Conservative Mandate** is to achieve better risk-adjusted returns than a passive, low-cost, diversified portfolio benchmark (The Real World Income Index). The **Conservative Mandate** aims to achieve this objective by holding in client accounts two Share Classes in target proportions of 70% Income Share Class and 30% 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.

Growth of \$1000



Key Statistics

	1 M	3 M	6 M	1 Y	3 Y*	5 Y*	SI*
Returns	-0.25%	-0.67%	2.85%	4.05%	7.39%	9.24%	7.27%
	0.55%	-0.97%	1.38%	0.40%	0.90%	3.04%	3.13%
Sharpe Ratio	-0.30	-0.43	1.10	0.86	1.14	1.41	0.93
	1.08	-1.08	0.30	-0.24	0.04	0.60	0.55
Maximum Drawdown	-2.28%	-2.28%	-2.28%	-2.64%	-6.93%	-6.93%	-25.22%
	-0.82%	-2.78%	-3.28%	-3.40%	-4.79%	-4.79%	-11.06%

■ Conservative Mandate ■ RWI-I[†]

*Annualized returns
Inception date May 31, 2008

Portfolio

Symbol	Security	Weight
TCG534	Income Share Class	70%
TCG531	Equity Share Class	30%
Distribution		Monthly
Benchmark [†]		Real World Index – Income

Top 10 Holdings (effective)

Security	Weight
ISHARES 20+ YEAR TREASURY BOND	4.22%
ISHARES S&P/TSX CDN PFD	3.53%
BMO LADDERED PREFERRED SHARE	3.51%
PREMIUM INCOME CORP -PFD-	3.13%
FINANCIAL 15 SPLIT CORP PFD	2.41%
ISHARES FLOATING RATE BOND ETF	2.41%
F 3.7 08/02/18 CORP	2.41%
CINEPLEX INC	2.11%
RDSALN 4.3 09/22/2019 CORP	2.08%
EQUINIX INC	2.02%

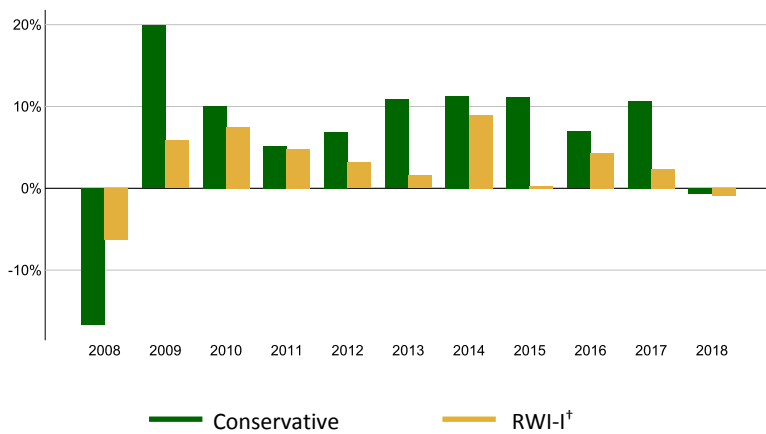
Annual Returns

Period	Conservative Mandate	RWI-I [†]
2018	-0.67%	-0.97%
2017	10.71%	2.40%
2016	6.93%	4.30%
2015	11.16%	0.31%
2014	11.26%	8.97%
2013	10.84%	1.55%
2012	6.90%	3.14%
2011	5.16%	4.80%
2010	10.09%	7.53%
2009	19.92%	5.84%

Standard Deviation

Period	Conservative Mandate	RWI-I [†]
Since Inception	7.00%	4.31%
3 years	5.66%	3.68%
5 years	5.89%	3.81%

Annual Returns



Disclaimer and Notes

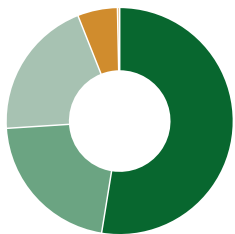
¹ Asset Allocation – CAD actual, marked to market as of close on the date quoted

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%

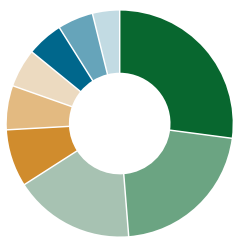
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Asset Allocation¹



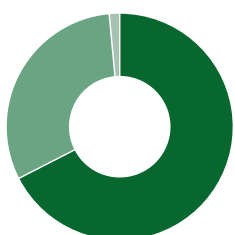
Equity	53.4%
Preferred	21.8%
Bonds & Debentures	20.3%
Cash	5.8%
Private Equity	0.3%
Option	-1.6%

Sector Allocation²



Financials	27.1%
Information Technology	21.7%
Industrials	17.2%
Consumer Discretionary	8.2%
Materials	6.3%
Utilities	5.5%
Health Care	5.2%
Energy	5.1%
Consumer Staples	3.9%

Geographic Allocation³



Canada	67.5%
United States	31.1%
Europe	1.5%