



Conservative Mandate

CFG Model Portfolio

Reporting as of April 30, 2019

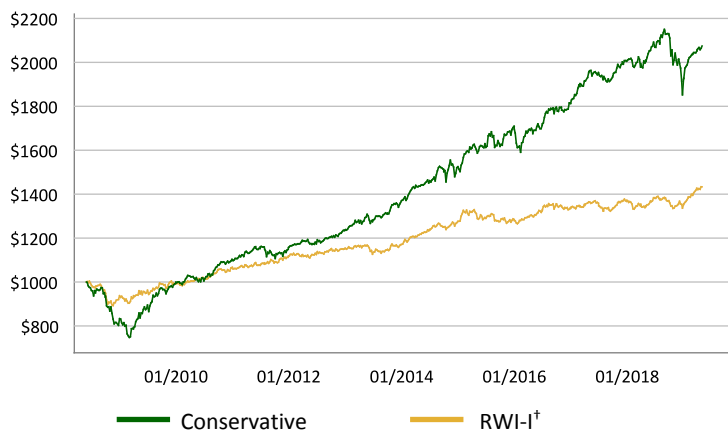
Portfolio Description

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	0.85%	3.15%	3.20%	3.23%	7.38%	7.63%	6.91%
	0.75%	3.38%	7.21%	6.42%	3.34%	3.32%	3.35%
Sharpe Ratio	2.49	4.77	0.35	0.09	0.79	0.85	0.78
	1.92	3.26	2.79	0.93	0.45	0.54	0.56
Maximum Drawdown	-0.48%	-0.48%	-9.27%	-13.84%	-13.84%	-13.84%	-25.22%
	-0.22%	-0.42%	-2.28%	-3.94%	-3.94%	-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
REIUCN 3.85 06/28/19	5.42%
HYDONE 1.62 04/30/20	4.18%
SJRCN 5.65 10/01/19	3.79%
ATDBCN 3.319 11/01/19	3.75%
WFC 2.944 07/25/19	3.74%
RY 2.98 05/07/19	3.73%
RCICN 5.38 11/04/19	3.32%
FINANCIAL 15 SPLIT CORP PFD	2.83%
PREMIUM INCOME CORP -PFD-	2.83%
MS 2.65 01/27/20	2.50%

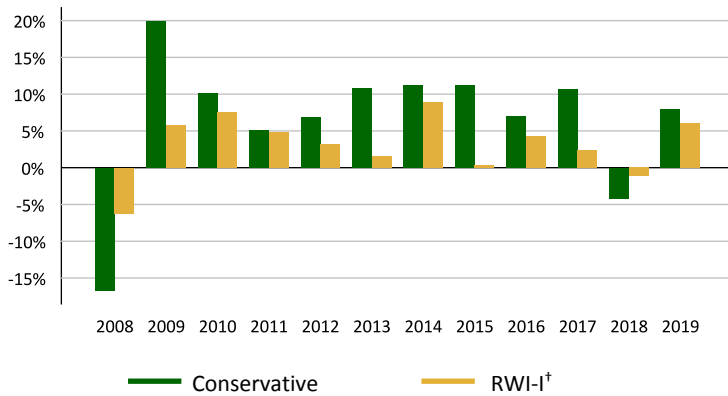
Annual Returns

Period	Conservative Mandate	RWI-I [†]
2019	7.89%	6.02%
2018	-4.18%	-1.11%
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%

Standard Deviation

Period	Conservative Mandate	RWI-I [†]
Since Inception	7.17%	4.22%
3 years	6.13%	3.44%
5 years	6.79%	3.74%

Annual Returns



Disclaimer and Notes

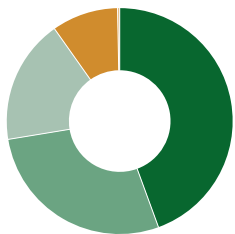
¹ Asset Allocation – CAD actual, marked to market as of close on the date quoted

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%

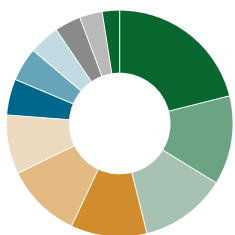
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Asset Allocation¹



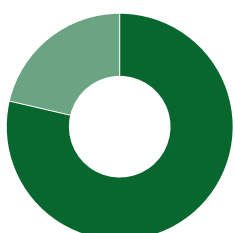
Bonds & Debentures	44.6%
Equity	28.1%
Preferred	17.9%
Cash	9.5%
Private Equity	0.3%
Option	-0.4%

Sector Allocation²



Health Care	21.1%
Industrials	12.7%
Materials	12.4%
Communication Services	10.9%
Utilities	10.8%
Real Estate	8.4%
Energy	5.1%
Financials	4.8%
Information Technology	4.4%
Consumer Descretionary	3.7%
Consumer Discretionary	3.2%
Consumer Staples	2.5%

Geographic Allocation³



Canada	78.6%
United States	21.4%