

# **Model Portfolio Summary Report**

March 15, 2017

---

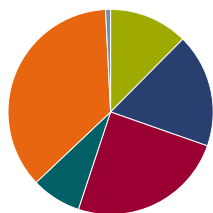
**Prepared by:**

Dave Paterson  
D.A. Paterson & Associates  
701 Rossland Road  
Suite 365  
Whitby, Ontario L1N 9K3  
(416) 706-5087  
dave@paterson-associates.ca

# Portfolio Summary Paterson Balanced

| Portfolio Value | Avg. Fund MER (%) | Est. Annual Fund Expense | Portfolio Yield (%) | Benchmark |
|-----------------|-------------------|--------------------------|---------------------|-----------|
| \$10,000.00     | 2.17              | \$222.21                 | 1.38                | Custom    |

## Asset Allocation 02-28-2017



| Asset Allocation     | Portfolio Net % |
|----------------------|-----------------|
| Cash                 | 12.43           |
| Canadian Equity      | 17.93           |
| US Equity            | 24.72           |
| International Equity | 7.84            |
| Fixed Income         | 36.29           |
| Other/Not Classified | 0.78            |

## Stock Analysis 02-28-2017

| Top 5 Sectors | Portfolio % |
|---------------|-------------|
| Consumer Cycl | 20.37       |
| Financial Svs | 14.75       |
| Healthcare    | 13.11       |
| Industrials   | 12.80       |
| Technology    | 11.91       |

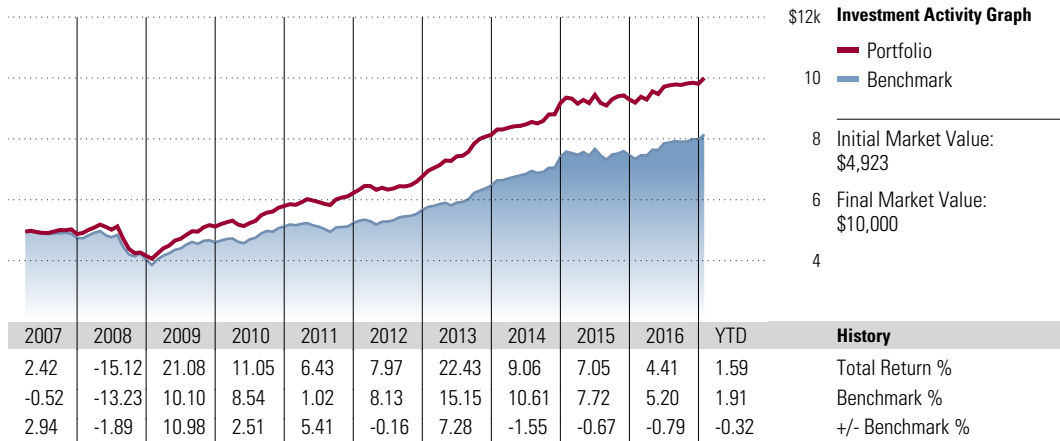
## Bond Analysis 02-28-2017

| Credit Quality | Portfolio % | Fixed-Income Sectors | Portfolio % |
|----------------|-------------|----------------------|-------------|
| AAA            | 17.49       | Government           | 23.63       |
| AA             | 26.87       | Municipal            | 9.59        |
| A              | 21.84       | Corporate            | 57.99       |
| BBB            | 21.20       | Securitized          | 0.49        |
| BB             | 4.52        | Cash & Equivalents   | 8.31        |
| B              | 1.51        | Derivative           | 0.00        |
| Below B        | 0.21        |                      |             |
| NR             | 6.36        |                      |             |

## World Regions 02-28-2017

| Top 5 Countries  | Portfolio % | Americas | Greater Europe | Greater Asia |
|------------------|-------------|----------|----------------|--------------|
| United States    | 48.96       |          |                |              |
| Canada           | 35.52       |          |                |              |
| Europe-Developed | 5.67        |          |                |              |
| Australasia      | 2.84        |          |                |              |
| United Kingdom   | 2.02        |          |                |              |

## Performance 02-28-2017



### Investment Activity Graph

— Portfolio  
— Benchmark

Initial Market Value:  
\$4,923  
Final Market Value:  
\$10,000

## Annualized Returns

| Returns  | Portfolio % | Benchmark % |
|----------|-------------|-------------|
| 1 Month  | 1.94        | 2.03        |
| 3 Months | 1.85        | 2.92        |
| 6 Months | 2.46        | 3.28        |
| 1 Year   | 8.80        | 10.98       |
| 3 Years  | 6.38        | 7.04        |
| 5 Years  | 9.59        | 8.93        |
| 10 Years | 7.37        | 5.18        |

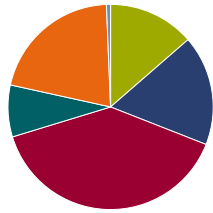
## Holdings 02-28-2017

| Top 6 holdings out of 6                | % Assets | 1 Year Ret % | 3 Year Ret % | 5 Year Ret % | 10 Year Ret % | Management Exp Ratio % | Morningstar Rating | Prospectus Risk |
|----------------------------------------|----------|--------------|--------------|--------------|---------------|------------------------|--------------------|-----------------|
| Fidelity Canadian Large Cap Sr B (CAD) | 25.00    | 8.86         | 7.09         | 12.01        | 9.98          | 2.28                   | ★★★★               | Average         |
| Dynamic Advantage Bond (CAD)           | 25.00    | 2.67         | 1.38         | 2.04         | 3.28          | 1.58                   | ★★                 | Low             |
| Mackenzie Ivy Foreign Equity A (CAD)   | 20.00    | 5.52         | 8.31         | 12.03        | 6.09          | 2.51                   | ★★★★               | Below Average   |
| TD US Blue Chip Equity - A (CAD)       | 10.00    | 17.70        | 13.32        | 19.08        | 8.51          | 2.56                   | ★★★★               | Average         |
| RBC Global Corporate Bond Sr A (CAD)   | 10.00    | 5.96         | 3.20         | 3.55         | 4.84          | 1.74                   | ★★★★               | Low             |
| Sentry Small/Mid Cap Income A (CAD)    | 10.00    | 25.30        | 8.51         | 13.99        | 13.04         | 2.75                   | ★★★★★              | Average         |

# Portfolio Summary Paterson Balanced Growth

| Portfolio Value | Avg. Fund MER (%) | Est. Annual Fund Expense | Portfolio Yield (%) | Benchmark |
|-----------------|-------------------|--------------------------|---------------------|-----------|
| \$10,000.00     | 2.30              | \$235.75                 | 0.84                | Custom    |

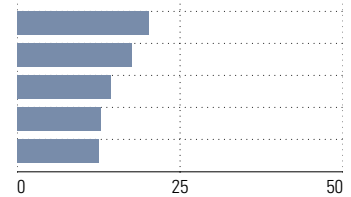
## Asset Allocation 02-28-2017



| Asset Allocation     | Portfolio Net % |
|----------------------|-----------------|
| Cash                 | 13.61           |
| Canadian Equity      | 17.35           |
| US Equity            | 39.33           |
| International Equity | 8.16            |
| Fixed Income         | 20.91           |
| Other/Not Classified | 0.65            |

## Stock Analysis 02-28-2017

| Top 5 Sectors | Portfolio % |
|---------------|-------------|
| Consumer Cycl | 20.25       |
| Industrials   | 17.52       |
| Healthcare    | 14.32       |
| Technology    | 12.84       |
| Financial Svs | 12.56       |

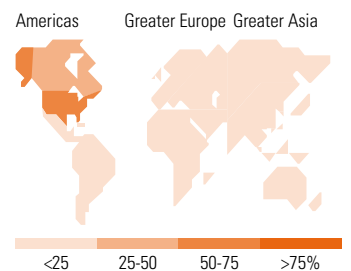


## Bond Analysis 02-28-2017

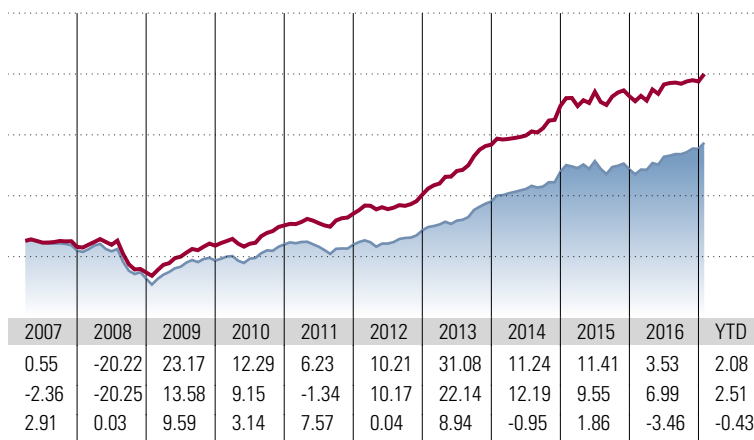
| Credit Quality | Portfolio % | Fixed-Income Sectors | Portfolio % |
|----------------|-------------|----------------------|-------------|
| AAA            | 14.71       | Government           | 19.93       |
| AA             | 21.13       | Municipal            | 6.42        |
| A              | 21.93       | Corporate            | 61.73       |
| BBB            | 24.09       | Securitized          | 0.62        |
| BB             | 5.29        | Cash & Equivalents   | 11.31       |
| B              | 2.53        | Derivative           | 0.00        |
| Below B        | 0.35        |                      |             |
| NR             | 9.97        |                      |             |

## World Regions 02-28-2017

| Top 5 Countries  | Portfolio % |
|------------------|-------------|
| United States    | 60.65       |
| Canada           | 26.76       |
| Europe-Developed | 4.49        |
| Australasia      | 2.20        |
| United Kingdom   | 1.57        |



## Performance 02-28-2017



### \$12k Investment Activity Graph

— Portfolio  
— Benchmark

Initial Market Value:  
\$4,495  
Final Market Value:  
\$10,000

## Annualized Returns

| Returns  | Portfolio % | Benchmark % |
|----------|-------------|-------------|
| 1 Month  | 2.53        | 2.63        |
| 3 Months | 2.48        | 4.11        |
| 6 Months | 3.07        | 5.79        |
| 1 Year   | 9.81        | 15.45       |
| 3 Years  | 8.28        | 8.80        |
| 5 Years  | 12.59       | 11.55       |
| 10 Years | 8.35        | 5.62        |

| 2007  | 2008   | 2009  | 2010  | 2011  | 2012  | 2013  | 2014  | 2015  | 2016  | YTD   | History         |
|-------|--------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-----------------|
| 0.55  | -20.22 | 23.17 | 12.29 | 6.23  | 10.21 | 31.08 | 11.24 | 11.41 | 3.53  | 2.08  | Total Return %  |
| -2.36 | -20.25 | 13.58 | 9.15  | -1.34 | 10.17 | 22.14 | 12.19 | 9.55  | 6.99  | 2.51  | Benchmark %     |
| 2.91  | 0.03   | 9.59  | 3.14  | 7.57  | 0.04  | 8.94  | -0.95 | 1.86  | -3.46 | -0.43 | +/- Benchmark % |

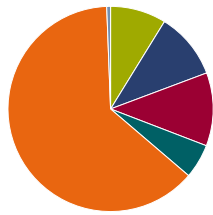
## Holdings 02-28-2017

| Top 7 holdings out of 7                | % Assets | 1 Year Ret % | 3 Year Ret % | 5 Year Ret % | 10 Year Ret % | Management Exp Ratio % | Morningstar Rating | Prospectus Risk |
|----------------------------------------|----------|--------------|--------------|--------------|---------------|------------------------|--------------------|-----------------|
| Fidelity Canadian Large Cap Sr B (CAD) | 23.72    | 8.86         | 7.09         | 12.01        | 9.98          | 2.28                   | ★★★★               | Average         |
| Mackenzie Ivy Foreign Equity A (CAD)   | 19.92    | 5.52         | 8.31         | 12.03        | 6.09          | 2.51                   | ★★★★               | Below Average   |
| TD US Blue Chip Equity - A (CAD)       | 16.12    | 17.70        | 13.32        | 19.08        | 8.51          | 2.56                   | ★★★★               | Average         |
| Fidelity Small Cap America Sr B (CAD)  | 11.30    | 4.54         | 12.21        | 20.50        | 9.67          | 2.31                   | ★★★★               | Average         |
| Sentry Small/Mid Cap Income A (CAD)    | 9.81     | 25.30        | 8.51         | 13.99        | 13.04         | 2.75                   | ★★★★★              | Average         |
| RBC Global Corporate Bond Sr A (CAD)   | 9.63     | 5.96         | 3.20         | 3.55         | 4.84          | 1.74                   | ★★★★               | Low             |
| Dynamic Advantage Bond (CAD)           | 9.49     | 2.67         | 1.38         | 2.04         | 3.28          | 1.58                   | ★★                 | Low             |

# Portfolio Summary Paterson Conservative

| Portfolio Value | Avg. Fund MER (%) | Est. Annual Fund Expense | Portfolio Yield (%) | Benchmark |
|-----------------|-------------------|--------------------------|---------------------|-----------|
| \$10,000.00     | 1.49              | \$151.87                 | 1.69                | Custom    |

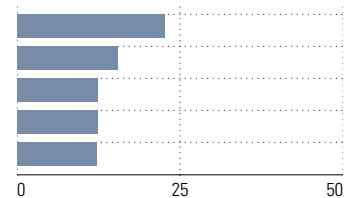
## Asset Allocation 02-28-2017



| Asset Allocation     | Portfolio Net % |
|----------------------|-----------------|
| Cash                 | 8.80            |
| Canadian Equity      | 10.50           |
| US Equity            | 11.55           |
| International Equity | 5.41            |
| Fixed Income         | 63.14           |
| Other/Not Classified | 0.61            |

## Stock Analysis 02-28-2017

| Top 5 Sectors | Portfolio % |
|---------------|-------------|
| Consumer Cycl | 22.64       |
| Industrials   | 15.45       |
| Healthcare    | 12.42       |
| Financial Svs | 12.28       |
| Consumer Def  | 12.21       |

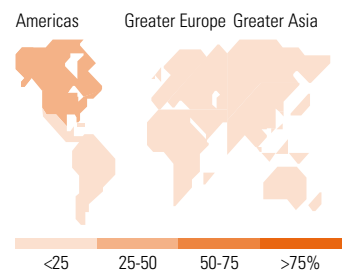


## Bond Analysis 02-28-2017

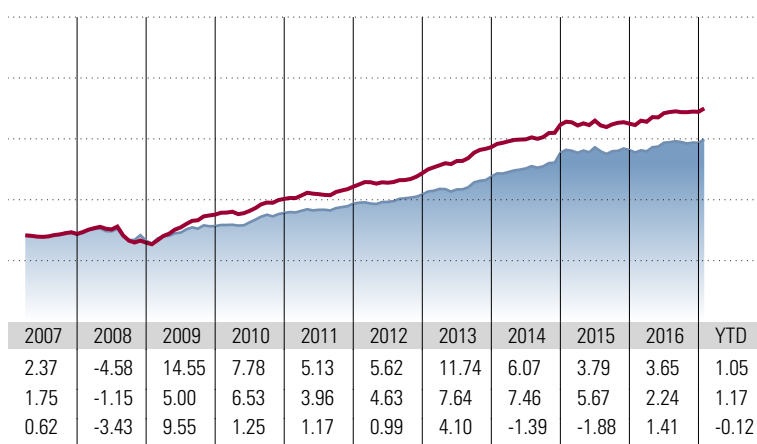
| Credit Quality | Portfolio % | Fixed-Income Sectors | Portfolio % |
|----------------|-------------|----------------------|-------------|
| AAA            | 33.77       | Government           | 39.77       |
| AA             | 21.96       | Municipal            | 3.34        |
| A              | 14.44       | Corporate            | 48.50       |
| BBB            | 16.74       | Securitized          | 3.69        |
| BB             | 1.81        | Cash & Equivalents   | 4.70        |
| B              | 0.86        | Derivative           | 0.00        |
| Below B        | 0.12        |                      |             |
| NR             | 10.30       |                      |             |

## World Regions 02-28-2017

| Top 5 Countries  | Portfolio % |
|------------------|-------------|
| United States    | 42.04       |
| Canada           | 38.25       |
| Europe-Developed | 7.38        |
| Australasia      | 4.29        |
| United Kingdom   | 3.11        |



## Performance 02-28-2017



## \$13k Investment Activity Graph

— Portfolio  
— Benchmark

9 Initial Market Value:  
\$5,814  
7 Final Market Value:  
\$10,000  
5

## Annualized Returns

| Returns  | Portfolio % | Benchmark % |
|----------|-------------|-------------|
| 1 Month  | 1.13        | 1.21        |
| 3 Months | 1.25        | 1.49        |
| 6 Months | 1.19        | 1.01        |
| 1 Year   | 5.77        | 4.99        |
| 3 Years  | 4.22        | 4.52        |
| 5 Years  | 5.91        | 5.40        |
| 10 Years | 5.60        | 4.46        |

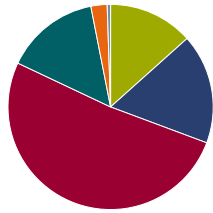
## Holdings 02-28-2017

| Top 6 holdings out of 6                 | % Assets | 1 Year Ret % | 3 Year Ret % | 5 Year Ret % | 10 Year Ret % | Management Exp Ratio % | Morningstar Rating | Prospectus Risk |
|-----------------------------------------|----------|--------------|--------------|--------------|---------------|------------------------|--------------------|-----------------|
| PH&N Short Term Bond & Mortgage D (CAD) | 44.78    | 1.66         | 1.94         | 2.06         | 3.21          | 0.60                   | ★★★★               | Low             |
| Mackenzie Ivy Foreign Equity A (CAD)    | 15.46    | 5.52         | 8.31         | 12.03        | 6.09          | 2.51                   | ★★★★               | Below Average   |
| Sentry Small/Mid Cap Income A (CAD)     | 10.15    | 25.30        | 8.51         | 13.99        | 13.04         | 2.75                   | ★★★★★              | Average         |
| RBC Global Corporate Bond Sr A (CAD)    | 9.96     | 5.96         | 3.20         | 3.55         | 4.84          | 1.74                   | ★★★★               | Low             |
| Dynamic Advantage Bond (CAD)            | 9.82     | 2.67         | 1.38         | 2.04         | 3.28          | 1.58                   | ★★                 | Low             |
| Fidelity Canadian Large Cap Sr B (CAD)  | 9.82     | 8.86         | 7.09         | 12.01        | 9.98          | 2.28                   | ★★★★               | Average         |

# Portfolio Summary Paterson Growth

| Portfolio Value | Avg. Fund MER (%) | Est. Annual Fund Expense | Portfolio Yield (%) | Benchmark |
|-----------------|-------------------|--------------------------|---------------------|-----------|
| \$10,000.00     | 2.47              | \$253.00                 | 0.31                | Custom    |

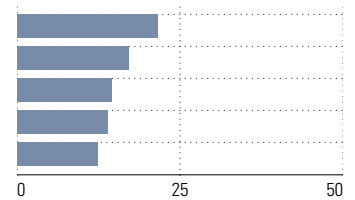
## Asset Allocation 02-28-2017



| Asset Allocation     | Portfolio Net % |
|----------------------|-----------------|
| Cash                 | 13.38           |
| Canadian Equity      | 17.31           |
| US Equity            | 51.34           |
| International Equity | 14.88           |
| Fixed Income         | 2.56            |
| Other/Not Classified | 0.53            |

## Stock Analysis 02-28-2017

| Top 5 Sectors | Portfolio % |
|---------------|-------------|
| Consumer Cycl | 21.57       |
| Industrials   | 17.14       |
| Technology    | 14.51       |
| Healthcare    | 13.83       |
| Financial Svs | 12.41       |

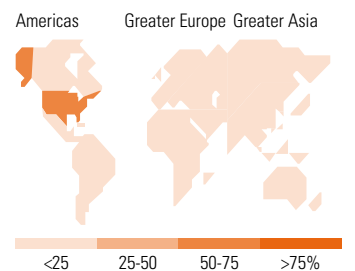


## Bond Analysis 02-28-2017

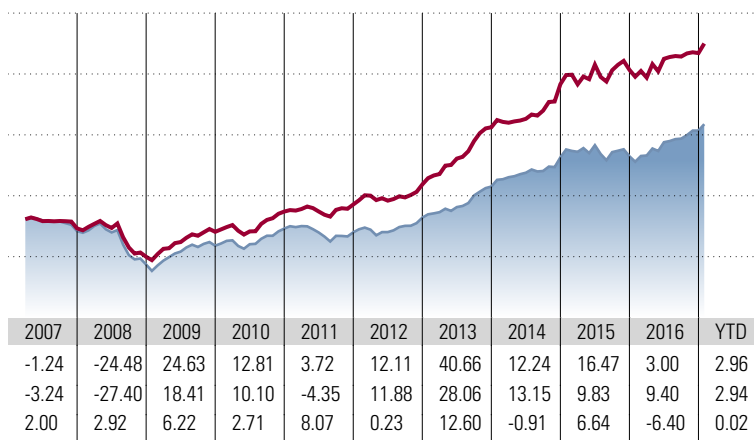
| Credit Quality | Portfolio % | Fixed-Income Sectors | Portfolio % |
|----------------|-------------|----------------------|-------------|
| AAA            | 38.69       | Government           | 29.18       |
| AA             | 0.00        | Municipal            | 0.00        |
| A              | 0.00        | Corporate            | 5.17        |
| BBB            | 0.00        | Securitized          | 0.00        |
| BB             | 0.00        | Cash & Equivalents   | 65.65       |
| B              | 4.94        | Derivative           | 0.00        |
| Below B        | 0.00        |                      |             |
| NR             | 56.37       |                      |             |

## World Regions 02-28-2017

| Top 5 Countries  | Portfolio % |
|------------------|-------------|
| United States    | 61.47       |
| Canada           | 20.72       |
| Europe-Developed | 7.62        |
| Asia-Emerging    | 2.52        |
| Japan            | 2.24        |



## Performance 02-28-2017



### \$11k Investment Activity Graph

— Portfolio  
— Benchmark

Initial Market Value:  
\$4,206  
Final Market Value:  
\$10,000

## Annualized Returns

| Returns  | Portfolio % | Benchmark % |
|----------|-------------|-------------|
| 1 Month  | 3.24        | 2.96        |
| 3 Months | 3.35        | 5.13        |
| 6 Months | 4.64        | 8.14        |
| 1 Year   | 12.24       | 20.12       |
| 3 Years  | 10.13       | 10.00       |
| 5 Years  | 15.56       | 13.52       |
| 10 Years | 9.05        | 5.80        |

## History

| 2007  | 2008   | 2009  | 2010  | 2011  | 2012  | 2013  | 2014  | 2015  | 2016  | YTD  |
|-------|--------|-------|-------|-------|-------|-------|-------|-------|-------|------|
| -1.24 | -24.48 | 24.63 | 12.81 | 3.72  | 12.11 | 40.66 | 12.24 | 16.47 | 3.00  | 2.96 |
| -3.24 | -27.40 | 18.41 | 10.10 | -4.35 | 11.88 | 28.06 | 13.15 | 9.83  | 9.40  | 2.94 |
| 2.00  | 2.92   | 6.22  | 2.71  | 8.07  | 0.23  | 12.60 | -0.91 | 6.64  | -6.40 | 0.02 |

Total Return %  
Benchmark %  
+/- Benchmark %

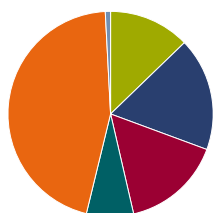
## Holdings 02-28-2017

| Top 6 holdings out of 6                     | % Assets | 1 Year Ret % | 3 Year Ret % | 5 Year Ret % | 10 Year Ret % | Management Exp Ratio % | Morningstar Rating | Prospectus Risk |
|---------------------------------------------|----------|--------------|--------------|--------------|---------------|------------------------|--------------------|-----------------|
| TD US Blue Chip Equity - A (CAD)            | 26.76    | 17.70        | 13.32        | 19.08        | 8.51          | 2.56                   | ★★★★               | Average         |
| Fidelity Canadian Large Cap Sr B (CAD)      | 23.63    | 8.86         | 7.09         | 12.01        | 9.98          | 2.28                   | ★★★★               | Average         |
| Mackenzie Ivy Foreign Equity A (CAD)        | 19.85    | 5.52         | 8.31         | 12.03        | 6.09          | 2.51                   | ★★★★               | Below Average   |
| Fidelity Small Cap America Sr B (CAD)       | 11.26    | 4.54         | 12.21        | 20.50        | 9.67          | 2.31                   | ★★★★               | Average         |
| Sentry Small/Mid Cap Income A (CAD)         | 9.78     | 25.30        | 8.51         | 13.99        | 13.04         | 2.75                   | ★★★★★              | Average         |
| CI Black Creek Global Leaders Class A (CAD) | 8.73     | 15.98        | 9.76         | 16.41        | 6.88          | 2.48                   | ★★★★               | Average         |

# Portfolio Summary Paterson Moderate Balanced

| Portfolio Value | Avg. Fund MER (%) | Est. Annual Fund Expense | Portfolio Yield (%) | Benchmark |
|-----------------|-------------------|--------------------------|---------------------|-----------|
| \$10,000.03     | 2.08              | \$212.62                 | 1.71                | Custom    |

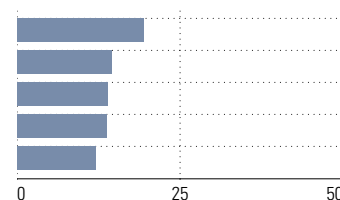
## Asset Allocation 02-28-2017



| Asset Allocation     | Portfolio Net % |
|----------------------|-----------------|
| Cash                 | 12.78           |
| Canadian Equity      | 17.85           |
| US Equity            | 15.76           |
| International Equity | 7.41            |
| Fixed Income         | 45.37           |
| Other/Not Classified | 0.83            |

## Stock Analysis 02-28-2017

| Top 5 Sectors | Portfolio % |
|---------------|-------------|
| Consumer Cycl | 19.39       |
| Financial Svs | 14.48       |
| Consumer Def  | 13.92       |
| Industrials   | 13.69       |
| Healthcare    | 12.00       |

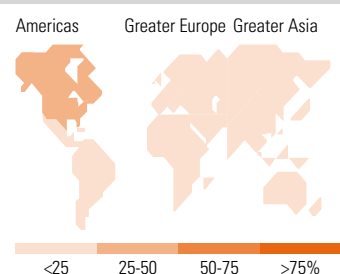


## Bond Analysis 02-28-2017

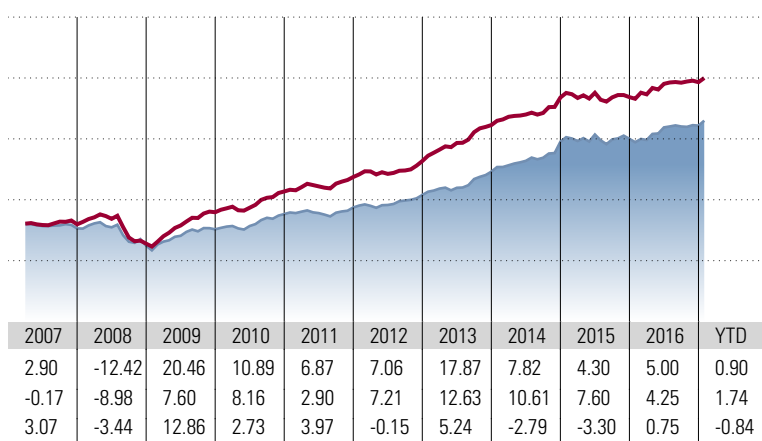
| Credit Quality | Portfolio % | Fixed-Income Sectors | Portfolio % |
|----------------|-------------|----------------------|-------------|
| AAA            | 18.29       | Government           | 24.73       |
| AA             | 28.63       | Municipal            | 10.55       |
| A              | 21.84       | Corporate            | 56.95       |
| BBB            | 20.35       | Securitized          | 0.45        |
| BB             | 4.29        | Cash & Equivalents   | 7.33        |
| B              | 1.21        | Derivative           | 0.00        |
| Below B        | 0.17        |                      |             |
| NR             | 5.22        |                      |             |

## World Regions 02-28-2017

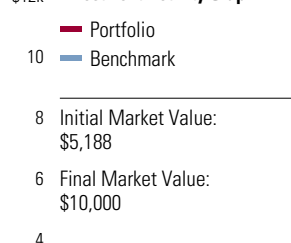
| Top 5 Countries  | Portfolio % |
|------------------|-------------|
| Canada           | 43.52       |
| United States    | 38.41       |
| Europe-Developed | 6.90        |
| Australasia      | 3.61        |
| United Kingdom   | 2.57        |



## Performance 02-28-2017



## Investment Activity Graph



## Annualized Returns

| Returns  | Portfolio % | Benchmark % |
|----------|-------------|-------------|
| 1 Month  | 1.39        | 1.93        |
| 3 Months | 1.17        | 2.41        |
| 6 Months | 1.50        | 2.26        |
| 1 Year   | 7.33        | 8.97        |
| 3 Years  | 5.18        | 6.71        |
| 5 Years  | 7.92        | 8.16        |
| 10 Years | 6.82        | 5.19        |

## History

| 2007  | 2008   | 2009  | 2010  | 2011 | 2012  | 2013  | 2014  | 2015  | 2016 | YTD   | History         |
|-------|--------|-------|-------|------|-------|-------|-------|-------|------|-------|-----------------|
| 2.90  | -12.42 | 20.46 | 10.89 | 6.87 | 7.06  | 17.87 | 7.82  | 4.30  | 5.00 | 0.90  | Total Return %  |
| -0.17 | -8.98  | 7.60  | 8.16  | 2.90 | 7.21  | 12.63 | 10.61 | 7.60  | 4.25 | 1.74  | Benchmark %     |
| 3.07  | -3.44  | 12.86 | 2.73  | 3.97 | -0.15 | 5.24  | -2.79 | -3.30 | 0.75 | -0.84 | +/- Benchmark % |

## Holdings 02-28-2017

| Top 5 holdings out of 5                | % Assets | 1 Year Ret % | 3 Year Ret % | 5 Year Ret % | 10 Year Ret % | Management Exp Ratio % | Morningstar Rating | Prospectus Risk |
|----------------------------------------|----------|--------------|--------------|--------------|---------------|------------------------|--------------------|-----------------|
| Dynamic Advantage Bond (CAD)           | 34.50    | 2.67         | 1.38         | 2.04         | 3.28          | 1.58                   | ★★                 | Low             |
| Fidelity Canadian Large Cap Sr B (CAD) | 24.63    | 8.86         | 7.09         | 12.01        | 9.98          | 2.28                   | ★★★★               | Average         |
| Mackenzie Ivy Foreign Equity A (CAD)   | 20.69    | 5.52         | 8.31         | 12.03        | 6.09          | 2.51                   | ★★★★               | Below Average   |
| Sentry Small/Mid Cap Income A (CAD)    | 10.19    | 25.30        | 8.51         | 13.99        | 13.04         | 2.75                   | ★★★★★              | Average         |
| RBC Global Corporate Bond Sr A (CAD)   | 10.00    | 5.96         | 3.20         | 3.55         | 4.84          | 1.74                   | ★★★★               | Low             |

# Returns Disclosure

An annualized rate of return is a cumulative return for a longer period (13+ months), expressed as an equivalent annual compounded rate. Compounded rates of return include the effects of interest-on-interest.

| Annualized returns 02-28-2017               |              |              |              |             |                 |                   |                  |                 |      |
|---------------------------------------------|--------------|--------------|--------------|-------------|-----------------|-------------------|------------------|-----------------|------|
| Standardized Returns (%)                    | 1Yr          | 3Yr          | 5Yr          | 10Yr        | Since Inception | Inception Date    | Max Front Load % | Max Back Load % | MER  |
| CI Black Creek Global Leaders Class A (CAD) | 15.98        | 9.76         | 16.41        | 6.88        | 6.59            | 02-01-2005        | NA               | NA              | 2.48 |
| Dynamic Advantage Bond (CAD)                | 2.67         | 1.38         | 2.04         | 3.28        | 2.49            | 11-08-2000        | NA               | NA              | 1.58 |
| Fidelity Canadian Large Cap Sr B (CAD)      | 8.86         | 7.09         | 12.01        | 9.98        | 9.59            | 02-01-1988        | NA               | NA              | 2.28 |
| Fidelity Small Cap America Sr B (CAD)       | 4.54         | 12.21        | 20.50        | 9.67        | 10.73           | 04-05-1994        | NA               | NA              | 2.31 |
| Mackenzie Ivy Foreign Equity A (CAD)        | 5.52         | 8.31         | 12.03        | 6.09        | 7.98            | 10-16-1992        | NA               | NA              | 2.51 |
| PH&N Short Term Bond & Mortgage D (CAD)     | 1.66         | 1.94         | 2.06         | 3.21        | 4.61            | 12-31-1993        | NA               | NA              | 0.60 |
| RBC Global Corporate Bond Sr A (CAD)        | 5.96         | 3.20         | 3.55         | 4.84        | 4.36            | 08-23-2004        | NA               | NA              | 1.74 |
| Sentry Small/Mid Cap Income A (CAD)         | 25.30        | 8.51         | 13.99        | 13.04       | 12.79           | 07-28-2005        | NA               | NA              | 2.75 |
| TD US Blue Chip Equity - A (CAD)            | 17.70        | 13.32        | 19.08        | 8.51        | 2.70            | 11-01-2000        | NA               | NA              | 2.56 |
| <b>Citi Canadian GBI 3-5 Yr CAD (CAD)</b>   | <b>-0.66</b> | <b>1.90</b>  | <b>1.88</b>  | <b>3.57</b> | <b>6.87</b>     | <b>11-01-1986</b> |                  |                 |      |
| <b>Citi Canadian GBI CAD (CAD)</b>          | <b>-1.29</b> | <b>2.81</b>  | <b>2.23</b>  | <b>4.01</b> | <b>7.70</b>     | <b>11-01-1986</b> |                  |                 |      |
| <b>MSCI EAFE GR CAD (CAD)</b>               | <b>13.72</b> | <b>5.98</b>  | <b>12.08</b> | <b>2.75</b> | <b>9.82</b>     | <b>03-31-1986</b> |                  |                 |      |
| <b>S&amp;P 500 TR CAD (CAD)</b>             | <b>22.19</b> | <b>17.45</b> | <b>20.97</b> | <b>8.94</b> | <b>5.88</b>     | <b>01-31-2002</b> |                  |                 |      |
| <b>S&amp;P/TSX Composite TR (CAD)</b>       | <b>23.24</b> | <b>5.78</b>  | <b>7.20</b>  | <b>4.68</b> | <b>9.04</b>     | <b>01-03-1977</b> |                  |                 |      |

# Portfolio Summary Report

## Disclosure Statement

This report summarizes the composition characteristics of an investment portfolio. It considers broad asset allocation and regional exposures, security style, and sector exposure to provide a variety of ways for considering the level of diversification within a portfolio, its potential riskiness, and its possible behaviour in the future. The weighting of the portfolio in various asset classes, including "Other" is shown in this graph and table. "Other" includes security types that are not neatly classified in the other asset classes, such as convertible bonds and preferred stocks.

Average Fund MER is a weighted average calculation based on reported management expense ratios of the underlying retail, F-class, segregated, and exchange traded fund investments (ETFs) in the portfolio. All other non-applicable security types, as well as, funds for which management expense ratio data is not available, are excluded from the weighted calculation. Estimated Annual Fund Expense is the sum of all available calculated expenses paid for individual fund investments in the portfolio.

Investment portfolios illustrated in this report can be scheduled or unscheduled. Reports generated from the Clients and Portfolios Module and Planning Modules are unscheduled - the user inputs only the portfolio holdings and their current allocations.

Reports generated from the Hypothetical Illustrator Module are scheduled - the user inputs the start date and amount for all investments into and withdrawals from each holding, as well as tax rates, loads, and other factors that would have affected portfolio performance.

### Unscheduled Portfolio Returns

Monthly total returns for unscheduled portfolios are calculated by applying the ending period holding weightings supplied by the user to an individual holding's monthly returns.

In terms of security start date, users can choose between earliest common and earliest available. The earliest common option defaults performance to the first month that all the holdings have inception dates. For example, if Holding A began in 01/01/1985 and Holding B began in 01/01/1990, the earliest common date is 01/01/1990 and portfolio performance would default to this start date.

The earliest available option uses the earliest price date we have available for each holding. Morningstar has information dating back to inception for most mutual funds in our database. Investments cannot be scheduled to start before this date. Morningstar calculates returns using the given allocations assuming monthly rebalancing and portfolio performance defaults to the earliest price date we have available for each holding. Taxes, loads, and sales charges are not taken into account.

### Scheduled Portfolio Trailing Returns

Scheduled Portfolios are customized by the user to account for loads, taxes, cash flows and specific investment dates. Scheduled portfolios use the portfolio's investment history to calculate final market values and returns. For scheduled portfolios, both individual holdings and portfolio returns are internal rate-of-return calculations that reflect the timing and dollar size of all purchases and sales. For stocks and mutual funds, sales charges and tax rates are taken into account as specified by the user (except in the pre-tax returns, which reflect

the impact of sales charges but not taxes). Note that in some scheduled portfolio illustrations, dividends and capital gains distributions, if applicable, are reinvested at the end of the month in which they are made at the month-end closing price.

Both scheduled and unscheduled portfolios are theoretical, are for illustrative purposes only and are not reflective of an investor's actual experience. Performance data given represents past performance and should not be considered indicative of future results.

For mutual funds, total return is not adjusted for sales charges and reflects all ongoing fund expenses for various time periods. These returns assume reinvestment of distributions. If adjusted for sales charges and the effects of taxation, the mutual fund returns would be reduced. For ETFs, total returns are calculated based on its market price as of the end of the business day for the period noted and does not include any fee or expenses incurred in buying or selling such a security like brokerage commission.

Stocks, ETFs and mutual funds are not guaranteed, their values change frequently and they are not covered by the Canada Deposit Insurance Corporation or by any other government deposit insurer.

The information in this report contains or is derived from the most recent information available to Morningstar from publicly available sources, third party providers and/or account information provided by your financial advisor, and all such information may or may not be an accurate reflection of current data. There is no assurance that the information will remain the same.

Morningstar cannot and does not verify any of the information and Morningstar does not provide any warranty, express or implied, regarding or assume any liability in respect of the correctness, completeness or accuracy of such information.

When used as supplemental sales literature, the Portfolio Summary Report must be preceded or accompanied by the fund/policy's current prospectus, Fund Facts or equivalent; please read these documents carefully before investing. In all cases, this disclosure statement should accompany the Portfolio Summary Report.

## Investment Risks

**International/Emerging Market Equities:** Investing in international securities involve special additional risks. These risks include, but are not limited to, currency risk, political risk, and risk associated with varying accounting standards. Investing in emerging markets may accentuate these risks.

**Sector Strategies:** Portfolios that invest exclusively in one sector or industry involve additional risks. The lack of industry diversification subjects the investor to increased industry-specific risks.

**Non-Diversified Strategies:** Portfolios that invest a significant percentage of assets in a single issuer involve additional risks, including share price fluctuations, because of the increased concentration of investments.

**Small Cap Equities:** Portfolios that invest in stocks of small companies involve additional risks. Smaller companies typically have a higher risk of failure, and are not as well established as larger blue-chip companies. Historically, smaller-company stocks have experienced a greater degree of market volatility than the overall market average.



**Bonds:** Bonds are subject to interest rate risk. As the prevailing level of bond interest rates rise, the value of bonds already held in a portfolio decline. Portfolios that hold bonds are subject to declines and increases in value due to general changes in interest rates.

**Hedge Funds:** The investor should note that hedge fund investing involves specialized risks that are dependent upon the type of strategies undertaken by the manager. This can include distressed or event-driven strategies, long/short strategies, using arbitrage (exploiting price inefficiencies), international investing, and use of leverage, options and/or derivatives. Although the goal of hedge fund managers may be to reduce volatility and produce positive absolute return under a variety of market conditions, hedge funds may involve a high degree of risk and are suitable only for investors of substantial financial means who could bear the entire loss of their investment.

**Short Positions:** When a short position moves in an unfavorable way, the losses are theoretically unlimited. The broker may demand more collateral and a manager might have to close out a short position at an inopportune time to limit further losses.

**Long-Short:** Due to the strategies used by long-short funds, which may include but are not limited to leverage, short selling, short-term trading, and investing in derivatives, these funds may have greater risk, volatility, and expenses than those focusing on traditional investment strategies.

## Benchmark Disclosure

|                                                     |              |      |
|-----------------------------------------------------|--------------|------|
| <b>Custom Benchmark: Paterson Balanced</b>          | Allocation % | Type |
| S&P/TSX Composite TR                                | 20.00        | IDX  |
| S&P 500 TR CAD                                      | 20.00        | IDX  |
| MSCI EAFE GR CAD                                    | 20.00        | IDX  |
| Citi Canadian GBI CAD                               | 40.00        | IDX  |
| <b>Custom Benchmark: Paterson Balanced Growth</b>   | Allocation % | Type |
| Citi Canadian GBI CAD                               | 20.00        | IDX  |
| S&P/TSX Composite TR                                | 25.00        | IDX  |
| MSCI EAFE GR CAD                                    | 25.00        | IDX  |
| S&P 500 TR CAD                                      | 30.00        | IDX  |
| <b>Custom Benchmark: Paterson Conservative</b>      | Allocation % | Type |
| S&P/TSX Composite TR                                | 10.00        | IDX  |
| S&P 500 TR CAD                                      | 10.00        | IDX  |
| MSCI EAFE GR CAD                                    | 10.00        | IDX  |
| Citi Canadian GBI CAD                               | 25.00        | IDX  |
| Citi Canadian GBI 3-5 Yr CAD                        | 45.00        | IDX  |
| <b>Custom Benchmark: Paterson Growth</b>            | Allocation % | Type |
| MSCI EAFE GR CAD                                    | 30.00        | IDX  |
| S&P/TSX Composite TR                                | 35.00        | IDX  |
| S&P 500 TR CAD                                      | 35.00        | IDX  |
| <b>Custom Benchmark: Paterson Moderate Balanced</b> | Allocation % | Type |
| S&P/TSX Composite TR                                | 15.00        | IDX  |
| MSCI EAFE GR CAD                                    | 15.00        | IDX  |
| S&P 500 TR CAD                                      | 20.00        | IDX  |
| Citi Canadian GBI CAD                               | 50.00        | IDX  |