

**COUNSEL | PORTFOLIO SERVICES**

# *Counsel North American High Yield Bond*

ANNUAL FINANCIAL STATEMENTS

For the year ended March 31, 2024

These Financial Statements do not contain the Management Report of Fund Performance ("MRFP") of the investment fund.

A copy of the Fund's current Simplified Prospectus, Annual Information Form, Management Report of Fund Performance, Fund Fact Sheets, quarterly portfolio disclosures and proxy voting policies and disclosures will be provided, without charge, by: calling toll-free 1-877-625-9885, writing to Counsel Portfolio Services Inc., 5015 Spectrum Way, Suite 300, Mississauga, ON, L4W 0E4, by visiting our website at [www.counsel-services.com](http://www.counsel-services.com) or by visiting [www.sedarplus.ca](http://www.sedarplus.ca).

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## MANAGEMENT REPORT

### Management's Responsibility for Financial Reporting

The accompanying financial statements have been prepared by Counsel Portfolio Services Inc. (the "Manager"), as Manager of Counsel North American High Yield Bond (the "Fund"). The Manager is responsible for the integrity, objectivity and reliability of the data presented. This responsibility includes selecting appropriate accounting principles and making judgments and estimates consistent with IFRS Accounting Standards. The Manager is also responsible for the development of internal controls over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors (the "Board") of Counsel Portfolio Services Inc. is responsible for reviewing and approving the financial statements and overseeing the Manager's performance of its financial reporting responsibilities. The Board meets regularly with the Manager, internal auditors and external auditors to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues.

KPMG LLP is the external auditor of the Fund. It is appointed by the Board. The external auditor has audited the financial statements in accordance with Canadian generally accepted auditing standards to enable it to express to the securityholders its opinion on the financial statements. Its report is set out below.



Sam Febraro  
President and Chief Executive Officer



Paulette Jervis  
Chief Financial Officer

June 5, 2024

## INDEPENDENT AUDITOR'S REPORT

To the Securityholders of Counsel North American High Yield Bond (the "Fund")

### Opinion

We have audited the financial statements of the Fund, which comprise:

- the statements of financial position as at March 31, 2024 and March 31, 2023
- the statements of comprehensive income for the periods then ended as indicated in note 1
- the statements of changes in financial position for the periods then ended as indicated in note 1
- the statements of cash flows for the periods then ended as indicated in note 1 and
- notes to the financial statements, including a summary of material accounting policies (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at March 31, 2024 and March 31, 2023, and its financial performance and cash flows for the periods then ended as indicated in note 1 in accordance with IFRS Accounting Standards.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our auditor's report.

We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information

Management is responsible for the other information. Other information comprises:

- the information included in the Annual Management Report of Fund Performance of the Fund filed with the relevant Canadian Securities Commissions.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information included in the Annual Management Report of Fund Performance of the Fund filed with the relevant Canadian Securities Commissions as at the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

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## INDEPENDENT AUDITOR'S REPORT (cont'd)

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of the Fund.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.  
The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Chartered Professional Accountants,  
Licensed Public Accountants  
Toronto, Canada  
June 5, 2024

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## STATEMENTS OF FINANCIAL POSITION

at March 31 (in \$ 000 except per security amounts)

	2024	2023
<b>ASSETS</b>		
<b>Current assets</b>		
Investments at fair value	73,579	83,272
Cash and cash equivalents	5,269	2,566
Accrued interest receivable	1,355	1,318
Accounts receivable for investments sold	932	184
Accounts receivable for securities issued	49	–
Margin on derivatives	81	–
Derivative assets	85	104
<b>Total assets</b>	<b>81,350</b>	<b>87,444</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable for investments purchased	1,456	18
Accounts payable for securities redeemed	183	222
Margin on derivatives	–	145
Derivative liabilities	188	55
<b>Total liabilities</b>	<b>1,827</b>	<b>440</b>
<b>Net assets attributable to securityholders</b>	<b>79,523</b>	<b>87,004</b>

## STATEMENTS OF COMPREHENSIVE INCOME

for the periods ended March 31 (in \$ 000 except per security amounts)

	2024	2023
<b>Income</b>		
Dividends	32	134
Interest income for distribution purposes	5,323	5,382
Other changes in fair value of investments and other net assets		
Net realized gain (loss)	(981)	(4,969)
Net unrealized gain (loss)	4,141	1,619
Securities lending income	2	9
<b>Total income (loss)</b>	<b>8,517</b>	<b>2,175</b>
<b>Expenses (note 6)</b>		
Interest charges	3	–
Commissions and other portfolio transaction costs	3	3
Independent Review Committee fees	–	–
<b>Expenses before amounts absorbed by Manager</b>	<b>6</b>	<b>3</b>
Expenses absorbed by Manager	–	–
<b>Net expenses</b>	<b>6</b>	<b>3</b>
<b>Increase (decrease) in net assets attributable to securityholders from operations before tax</b>	<b>8,511</b>	<b>2,172</b>
Foreign withholding tax expense (recovery)	5	21
Foreign income tax expense (recovery)	–	–
<b>Increase (decrease) in net assets attributable to securityholders from operations</b>	<b>8,506</b>	<b>2,151</b>

	Net assets attributable to securityholders (note 3)			
	per security		per series	
	2024	2023	2024	2023
Series O	9.25	8.86	79,522	87,003
Series Private Wealth	9.73	9.30	1	1
			<b>79,523</b>	<b>87,004</b>

	Increase (decrease) in net assets attributable to securityholders from operations (note 3)			
	per security		per series	
	2024	2023	2024	2023
Series O	0.94	0.21	8,507	2,151
Series Private Wealth	(1.99)	0.37	(1)	–
			<b>8,506</b>	<b>2,151</b>

The accompanying notes are an integral part of these financial statements.

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## STATEMENTS OF CHANGES IN FINANCIAL POSITION

for the periods ended March 31 (in \$ 000 except per security amounts)

	Total		Series 0		Series Private Wealth	
	2024	2023	2024	2023	2024	2023
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>						
<b>Beginning of period</b>	<b>87,004</b>	<b>105,904</b>	<b>87,003</b>	<b>105,903</b>	<b>1</b>	<b>1</b>
Increase (decrease) in net assets from operations	8,506	2,151	8,507	2,151	(1)	–
Distributions paid to securityholders:						
Investment income	(5,119)	(5,578)	(5,119)	(5,578)	–	–
Capital gains	–	–	–	–	–	–
Management fee rebates	–	–	–	–	–	–
<b>Total distributions paid to securityholders</b>	<b>(5,119)</b>	<b>(5,578)</b>	<b>(5,119)</b>	<b>(5,578)</b>	<b>–</b>	<b>–</b>
Security transactions:						
Proceeds from securities issued	10,438	27,381	10,437	27,381	1	–
Reinvested distributions	5,119	5,578	5,119	5,578	–	–
Payments on redemption of securities	(26,425)	(48,432)	(26,425)	(48,432)	–	–
<b>Total security transactions</b>	<b>(10,868)</b>	<b>(15,473)</b>	<b>(10,869)</b>	<b>(15,473)</b>	<b>1</b>	<b>–</b>
<b>Increase (decrease) in net assets attributable to securityholders</b>	<b>(7,481)</b>	<b>(18,900)</b>	<b>(7,481)</b>	<b>(18,900)</b>	<b>–</b>	<b>–</b>
<b>End of period</b>	<b>79,523</b>	<b>87,004</b>	<b>79,522</b>	<b>87,003</b>	<b>1</b>	<b>1</b>
<b>Increase (decrease) in fund securities (in thousands) (note 7):</b>						
<b>Securities outstanding – beginning of period</b>			<b>9,821</b>	<b>11,668</b>	–	–
Issued			1,152	3,087	–	–
Reinvested distributions			577	640	–	–
Redeemed			(2,955)	(5,574)	–	–
<b>Securities outstanding – end of period</b>			<b>8,595</b>	<b>9,821</b>	–	–

The accompanying notes are an integral part of these financial statements.

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## STATEMENTS OF CASH FLOWS

for the periods ended March 31 (in \$ 000)

	2024	2023
<b>Cash flows from operating activities</b>		
Net increase (decrease) in net assets attributable to securityholders from operations	8,506	2,151
Adjustments for:		
Net realized loss (gain) on investments	1,274	5,280
Change in net unrealized loss (gain) on investments	(4,141)	(1,619)
Purchase of investments	(35,659)	(36,602)
Proceeds from sale and maturity of investments	49,047	50,197
(Increase) decrease in accounts receivable and other assets	(118)	144
Increase (decrease) in accounts payable and other liabilities	(145)	145
<b>Net cash provided by (used in) operating activities</b>	<b>18,764</b>	<b>19,696</b>
<b>Cash flows from financing activities</b>		
Proceeds from securities issued	10,389	27,448
Payments on redemption of securities	(26,464)	(48,269)
Distributions paid net of reinvestments	–	–
<b>Net cash provided by (used in) financing activities</b>	<b>(16,075)</b>	<b>(20,821)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>2,689</b>	<b>(1,125)</b>
Cash and cash equivalents at beginning of period	2,566	3,707
Effect of exchange rate fluctuations on cash and cash equivalents	14	(16)
<b>Cash and cash equivalents, end of period</b>	<b>5,269</b>	<b>2,566</b>
Cash	5,269	2,389
Cash equivalents	–	177
<b>Cash and cash equivalents, end of period</b>	<b>5,269</b>	<b>2,566</b>
<b>Supplementary disclosures on cash flow from operating activities:</b>		
Dividends received	32	134
Foreign taxes paid	5	21
Interest received	5,286	5,526
Interest paid	3	–

The accompanying notes are an integral part of these financial statements.

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## SCHEDULE OF INVESTMENTS

as at March 31, 2024

	Country	Sector	Par Value/ Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>BONDS</b>					
1375209 BC Ltd. 9.00% 01-30-2028 144A	United States	Corporate - Non Convertible	USD 12,000	16	16
AAdvantage Loyalty IP Ltd. Term Loan 1st Lien F/R 03-10-2028	United Kingdom	Term Loans	USD 324,417	437	456
The ADT Security Corp. 4.13% 08-01-2029 144A	United States	Corporate - Non Convertible	USD 110,000	139	136
Ahead DB Holdings LLC 6.63% 05-01-2028	United States	Corporate - Non Convertible	USD 140,000	164	172
Albertsons Cos. Inc. 7.50% 03-15-2026 144A	United States	Corporate - Non Convertible	USD 15,000	20	21
Albertsons Cos. Inc. 4.63% 01-15-2027 144A	United States	Corporate - Non Convertible	USD 130,000	170	171
Albertsons Cos. Inc. 4.88% 02-15-2030 Callable 2025 144A	United States	Corporate - Non Convertible	USD 135,000	172	174
Alliant Holdings Intermediate LLC 7.00% 01-15-2031 144A	United States	Corporate - Non Convertible	USD 255,000	349	349
Allied Universal Holdco LLC 6.00% 06-01-2029	United States	Corporate - Non Convertible	USD 200,000	248	233
Allied Universal Holdco LLC 7.88% 02-15-2031 144A	United States	Corporate - Non Convertible	USD 145,000	195	199
Ally Financial Inc. 8.00% 11-01-2031	United States	Corporate - Non Convertible	USD 100,000	167	151
Altice France 5.50% 01-15-2028 144A	France	Corporate - Non Convertible	USD 400,000	509	390
Altice International SARL 5.00% 01-15-2028 144A	Luxembourg	Corporate - Non Convertible	USD 200,000	245	223
American Airlines Inc. Term Loan B 1st Lien F/R 05-29-2029	United States	Term Loans	USD 80,000	109	109
American Builders & Contractors Supply Co. Inc. 4.00% 01-15-2028	United States	Corporate - Non Convertible	USD 310,000	390	393
Antero Midstream Partners LP 7.88% 05-15-2026 144A	United States	Corporate - Non Convertible	USD 130,000	180	180
Anywhere Real Estate Group LLC 7.00% 04-15-2030	United States	Corporate - Non Convertible	USD 44,400	55	54
AOC LSF11 A5 HoldCo LLC Term Loan B 1st Lien Sr F/R 10-15-2028	United States	Term Loans	USD 29,775	41	40
Apollo Commercial Real Estate Finance Inc. 4.63% 06-15-2029 144A	United States	Corporate - Non Convertible	USD 240,000	271	274
Aramark Intermediate Holdco Corp. 5.00% 02-01-2028	United States	Corporate - Non Convertible	USD 115,000	147	150
ArcelorMittal SA 7.00% 10-15-2039	Luxembourg	Corporate - Non Convertible	USD 220,000	331	325
Arches Buyer Inc. 4.25% 06-01-2028	United States	Corporate - Non Convertible	USD 65,000	74	78
Arches Buyer Inc. 6.13% 12-01-2028	United States	Corporate - Non Convertible	USD 70,000	86	80
Ardagh Metal Packaging Finance USA LLC 3.00% 09-01-2029	United States	Corporate - Non Convertible	EUR 120,000	133	135
Ardagh Packaging Finance PLC 5.25% 08-15-2027 144A	United States	Corporate - Non Convertible	USD 200,000	198	169
Aretec Escrow Issuer Inc. 7.50% 04-01-2029 144A	United States	Corporate - Non Convertible	USD 150,000	189	194
Aretec Escrow Issuer 2 Inc. 10.00% 08-15-2030 144A	United States	Corporate - Non Convertible	USD 115,000	160	171
ARG IH LLC 7.00% 06-15-2025 144A	United States	Corporate - Non Convertible	USD 105,000	144	143
Ascend Learning LLC Term Loan 2nd Lien F/R 11-18-2029	United States	Term Loans	USD 115,000	145	154
ATI Inc. 5.88% 12-01-2027	United States	Corporate - Non Convertible	USD 130,000	170	174
ATI Inc. 4.88% 10-01-2029	United States	Corporate - Non Convertible	USD 50,000	61	64
ATI Inc. 7.25% 08-15-2030	United States	Corporate - Non Convertible	USD 160,000	215	225
Avient Corp. 7.13% 08-01-2030 144A	United States	Corporate - Non Convertible	USD 160,000	217	223
Avis Budget Finance PLC 7.00% 02-28-2029	United States	Corporate - Non Convertible	EUR 100,000	146	145
Avis Budget Finance PLC 7.25% 07-31-2030	United States	Corporate - Non Convertible	EUR 205,000	298	299
Axalta Coating Systems LLC 3.38% 02-15-2029	United States	Corporate - Non Convertible	USD 265,000	307	322
Banijay Entertainment SASU 8.13% 05-01-2029 144A	France	Corporate - Non Convertible	USD 225,000	308	315
Bausch + Lomb Corp. Term Loan B 1st Lien Sr F/R 05-10-2027	Canada	Term Loans	USD 84,784	114	114
Bausch and Lomb Escrow Corp. 8.38% 10-01-2028 144A	United States	Corporate - Non Convertible	USD 90,000	122	126
Bausch Health Cos. Inc. 6.13% 02-01-2027 144A	United States	Corporate - Non Convertible	USD 190,000	242	161
BCPE Ulysses Intermediate Inc. 7.75% 04-01-2027 144A	United States	Corporate - Non Convertible	USD 85,000	109	113
Beacon Roofing Supply Inc. 4.13% 05-15-2029	United States	Corporate - Non Convertible	USD 165,000	197	203
Benteler International AG 10.50% 05-15-2028 144A	Austria	Corporate - Non Convertible	USD 210,000	292	309
Big River Steel LLC 6.63% 01-31-2029 144A	United States	Corporate - Non Convertible	USD 122,000	161	167
Boise Cascade Co. 4.88% 07-01-2030	United States	Corporate - Non Convertible	USD 160,000	202	202
Bombardier Inc. 7.13% 06-15-2026 144A	Canada	Corporate - Non Convertible	USD 148,000	189	204
Bombardier Inc. 7.88% 04-15-2027 144A	Canada	Corporate - Non Convertible	USD 5,000	6	7
Bombardier Inc. 7.50% 02-01-2029 144A	Canada	Corporate - Non Convertible	USD 15,000	20	21
Bombardier Inc. 8.75% 11-15-2030 144A	Canada	Corporate - Non Convertible	USD 105,000	145	152
Bombardier Inc. 7.25% 07-01-2031 144A	Canada	Corporate - Non Convertible	USD 20,000	27	27
Booking Holdings Inc. 0.75% 05-01-2025	United States	Corporate - Non Convertible	USD 50,000	89	132
Boxer Parent Co. Inc. Term Loan B 1st Lien Sr F/R 12-08-2028	United States	Term Loans	USD 24,938	34	34
Boyd Gaming Corp. 4.75% 06-15-2031 144A	United States	Corporate - Non Convertible	USD 245,000	296	306
Builders FirstSource Inc. 4.25% 02-01-2032 144A	United States	Corporate - Non Convertible	USD 260,000	311	316
Builders FirstSource Inc. 6.38% 03-01-2034 144A	United States	Corporate - Non Convertible	USD 75,000	101	102
Caesars Entertainment Inc. 4.63% 10-15-2029 144A	United States	Corporate - Non Convertible	USD 365,000	433	451
Caesars Entertainment Inc. 7.00% 02-15-2030 144A	United States	Corporate - Non Convertible	USD 180,000	245	250

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## SCHEDULE OF INVESTMENTS (cont'd)

as at March 31, 2024

	Country	Sector	Par Value/ Shares/Units	Average Cost (\$ '000)	Fair Value (\$ '000)
<b>BONDS (cont'd)</b>					
Caesars Entertainment Inc. 6.50% 02-15-2032 144A	United States	Corporate - Non Convertible	USD 25,000	34	34
Callon Petroleum Co. 8.00% 08-01-2028 144A	United States	Corporate - Non Convertible	USD 160,000	202	228
Callon Petroleum Co. 7.50% 06-15-2030 144A	United States	Corporate - Non Convertible	USD 175,000	219	251
Calpine Corp. 5.00% 02-01-2031 144A	United States	Corporate - Non Convertible	USD 120,000	146	150
Camelot Return Merger Sub Inc. 8.75% 08-01-2028 144A	United States	Corporate - Non Convertible	USD 195,000	245	271
Carnival Corp. 5.75% 03-01-2027 144A	United States	Corporate - Non Convertible	USD 190,000	236	255
Carnival Corp. 7.00% 08-15-2029 144A	United States	Corporate - Non Convertible	USD 50,000	66	71
Carnival Corp. 10.50% 06-01-2030 144A	United States	Corporate - Non Convertible	USD 90,000	126	133
Carnival Holdings Bermuda Ltd. 10.38% 05-01-2028 144A	United States	Corporate - Non Convertible	USD 100,000	146	148
Carriage Services Inc. 4.25% 05-15-2029	United States	Corporate - Non Convertible	USD 115,000	141	138
CCO Holdings LLC 5.38% 06-01-2029 Callable 2024 144A	United States	Corporate - Non Convertible	USD 65,000	91	81
CCO Holdings LLC 4.75% 03-01-2030 Callable 2024 144A	United States	Corporate - Non Convertible	USD 520,000	626	604
CCO Holdings LLC 4.75% 02-01-2032 144A	United States	Corporate - Non Convertible	USD 165,000	181	183
CDI Escrow Issuer Inc. 5.75% 04-01-2030 144A	United States	Corporate - Non Convertible	USD 155,000	194	203
CDW LLC 3.25% 02-15-2029	United States	Corporate - Non Convertible	USD 160,000	198	197
Centene Corp. 4.63% 12-15-2029 Callable 2024	United States	Corporate - Non Convertible	USD 135,000	171	174
Centene Corp. 3.00% 10-15-2030	United States	Corporate - Non Convertible	USD 95,000	121	110
Central Parent Inc. 7.25% 06-15-2029 144A	United States	Corporate - Non Convertible	USD 110,000	139	152
Charles River Laboratories International Inc. 4.00% 03-15-2031 144A	United States	Corporate - Non Convertible	USD 135,000	167	164
Chart Industries Inc. 7.50% 01-01-2030 144A	United States	Corporate - Non Convertible	USD 150,000	205	211
Chart Industries Inc. 9.50% 01-01-2031 144A	United States	Corporate - Non Convertible	USD 70,000	97	103
Charter Communications Operating LLC 4.50% 05-01-2032	United States	Corporate - Non Convertible	USD 180,000	236	196
Chobani LLC 7.63% 07-01-2029 144A	United States	Corporate - Non Convertible	USD 145,000	197	199
CHS/Community Health Systems Inc. 8.00% 03-15-2026 144A	United States	Corporate - Non Convertible	USD 25,000	32	34
Cinemark USA Inc. 8.75% 05-01-2025 Callable 144A	United States	Corporate - Non Convertible	USD 6,000	8	8
Cinemark USA Inc. 5.25% 07-15-2028 144A	United States	Corporate - Non Convertible	USD 140,000	169	180
Civitas Resources Inc. 8.38% 07-01-2028 144A	United States	Corporate - Non Convertible	USD 90,000	119	128
Civitas Resources Inc. 8.63% 11-01-2030 144A	United States	Corporate - Non Convertible	USD 25,000	34	36
Civitas Resources Inc. 8.75% 07-01-2031 144A	United States	Corporate - Non Convertible	USD 240,000	325	348
Clarios Global LP 6.75% 05-15-2025 Callable 144A	United States	Corporate - Non Convertible	USD 223,000	305	303
Clarios Global LP 6.75% 05-15-2028 144A	United States	Corporate - Non Convertible	USD 30,000	40	41
Clean Harbors Inc. 6.38% 02-01-2031 144A	United States	Corporate - Non Convertible	USD 75,000	100	102
Clear Channel Outdoor Holdings Inc. 7.75% 04-15-2028 144A	United States	Corporate - Non Convertible	USD 240,000	295	285
Clear Channel Outdoor Holdings Inc. Term Loan B 1st Lien Sr F/R 08-21-2028	United States	Term Loans	USD 45,938	59	62
Clear Channel Outdoor Holdings Inc. 7.88% 04-01-2030 144A	United States	Corporate - Non Convertible	USD 175,000	238	236
Cloud Software Group Inc. 9.00% 09-30-2029 144A	United States	Corporate - Non Convertible	USD 205,000	222	267
CNO Financial Group Inc. 5.25% 05-30-2029 Callable 2029	United States	Corporate - Non Convertible	USD 95,000	129	125
Cobra Acquisition Co. LLC 6.38% 11-01-2029 144A	United States	Corporate - Non Convertible	USD 140,000	176	160
Commercial Metals Co. 4.38% 03-15-2032	United States	Corporate - Non Convertible	USD 145,000	165	177
CommScope Technologies Finance LLC 6.00% 03-01-2026 144A	United States	Corporate - Non Convertible	USD 70,000	92	87
CommScope Technologies LLC 6.00% 06-15-2025 Callable 144A	United States	Corporate - Non Convertible	USD 65,000	84	76
Community Health Systems Inc. 5.63% 03-15-2027 144A	United States	Corporate - Non Convertible	USD 55,000	70	69
Community Health Systems Inc. 6.88% 04-01-2028 Callable 144A	United States	Corporate - Non Convertible	USD 95,000	109	90
Community Health Systems Inc. 6.00% 01-15-2029 144A	United States	Corporate - Non Convertible	USD 95,000	121	113
Community Health Systems Inc. 5.25% 05-15-2030 144A	United States	Corporate - Non Convertible	USD 145,000	160	160
Community Health Systems Inc. 10.88% 01-15-2032 144A	United States	Corporate - Non Convertible	USD 60,000	81	84
Comstock Resources Inc. 6.75% 03-01-2029 144A	United States	Corporate - Non Convertible	USD 75,000	97	97
Comstock Resources Inc. 5.88% 01-15-2030 144A	United States	Corporate - Non Convertible	USD 130,000	158	160
Connect Finco SARL Term Loan B 1st Lien Sr F/R 09-13-2029	United States	Term Loans	USD 90,000	119	120
Constellium SE 5.63% 06-15-2028 Callable 144A	United States	Corporate - Non Convertible	USD 250,000	298	331
Coty Inc. 4.75% 01-15-2029 144A	United States	Corporate - Non Convertible	USD 145,000	182	186
Coty Inc. 6.63% 07-15-2030 144A	United States	Corporate - Non Convertible	USD 95,000	125	131
CP Atlas Buyer Inc. Term Loan B1 1st Lien F/R 12-27-2027	United States	Term Loans	USD 189,012	241	253
CP Atlas Buyer Inc. 7.00% 12-01-2028 144A	United States	Corporate - Non Convertible	USD 70,000	93	89
CQP Holdco LP Term Loan B 1st Lien Sr F/R 12-31-2030	United States	Term Loans	USD 212,511	263	289
Credit Acceptance Corp. 9.25% 12-15-2028 144A	United States	Corporate - Non Convertible	USD 180,000	245	263



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	Country	Sector	Par Value/ Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>BONDS (cont'd)</b>					
CR-Honos Parent 4.63% 02-15-2027 144A	Canada	Corporate - Non Convertible	USD 55,000	65	71
Crocs Inc. 4.25% 03-15-2029 144A	United States	Corporate - Non Convertible	USD 105,000	123	130
Crowdstrike Holdings Inc. 3.00% 02-15-2029	United States	Corporate - Non Convertible	USD 165,000	198	199
CSC Holdings LLC 5.38% 02-01-2028 Callable 144A	United States	Corporate - Non Convertible	USD 235,000	300	274
CSC Holdings LLC 11.75% 01-31-2029 144A	United States	Corporate - Non Convertible	USD 255,000	348	346
CSC Holdings LLC 6.50% 02-01-2029 Callable 2024 144A	United States	Corporate - Non Convertible	USD 200,000	224	231
CSC Holdings LLC 5.75% 01-15-2030	United States	Corporate - Non Convertible	USD 200,000	142	144
DIRECTV Financing LLC Term Loan 1st Lien Sr F/R 08-02-2029	United States	Term Loans	USD 142,941	189	194
DIRECTV Holdings LLC 5.88% 08-15-2027 144A	United States	Corporate - Non Convertible	USD 100,000	118	128
DISH DBS Corp. 5.13% 06-01-2029	United States	Corporate - Non Convertible	USD 105,000	109	61
DraftKings Inc. 0% 03-15-2028	United States	Corporate - Non Convertible	USD 110,000	120	129
ECP Controlco LLC 5.50% 04-15-2029 144A	United States	Corporate - Non Convertible	USD 125,000	161	160
Elanco Animal Health Inc. 4.90% 08-28-2028 Callable 2028	United States	Corporate - Non Convertible	USD 150,000	223	207
Embarq Corp. 8.00% 06-01-2036	United States	Corporate - Non Convertible	USD 145,000	152	106
Emerald Debt Merger Sub LLC 6.63% 12-15-2030 144A	United States	Corporate - Non Convertible	USD 260,000	352	356
Encino Acquisition Partners Holdings LLC 8.50% 05-01-2028	United States	Corporate - Non Convertible	USD 230,000	286	316
Encore Capital Group Inc. 9.25% 04-01-2029 144A	United States	Corporate - Non Convertible	USD 200,000	275	278
Endeavor Energy Resources LP 5.75% 01-30-2028 Callable 144A	United States	Corporate - Non Convertible	USD 370,000	489	505
Energy Transfer Partners LP F/R 02-15-2166 Perpetual Callable 2028	United States	Corporate - Non Convertible	USD 255,000	322	324
EquipmentShare.com Inc. 9.00% 05-15-2028 144A	United States	Corporate - Non Convertible	USD 95,000	133	133
Esab Corp. 6.25% 04-15-2029 144A	United States	Corporate - Non Convertible	USD 20,000	27	27
Everi Holdings Inc. 5.00% 07-15-2029 144A	United States	Corporate - Non Convertible	USD 135,000	159	182
Exact Sciences Corp. 0.38% 03-15-2027	United States	Corporate - Non Convertible	USD 85,000	127	111
Fertitta Entertainment Inc. 6.75% 01-15-2030 144A	United States	Corporate - Non Convertible	USD 190,000	230	231
Fertitta Entertainment LLC/NV Term Loan B 1st Lien Sr F/R 01-29-2029	United States	Term Loans	USD 84,822	114	115
Filtration Group Corp. Term B 1st Lien F/R 10-19-2028	United States	Term Loans	USD 88,944	117	121
Filtration Group Corp. Term Loan 1st Lien F/R 10-24-2028	United States	Term Loans	USD 29,700	40	40
First Quantum Minerals Ltd. 8.63% 06-01-2031 144A	Zambia	Corporate - Non Convertible	USD 200,000	269	264
FirstCash Inc. 6.88% 03-01-2032 144A	United States	Corporate - Non Convertible	USD 175,000	236	237
Fiverr International Ltd. 0% 11-01-2025 144A	Israel	Corporate - Non Convertible	USD 105,000	172	128
Fortescue Metals Group Ltd. 6.13% 04-15-2032 144A	Australia	Corporate - Non Convertible	USD 130,000	162	174
Freedom Mortgage Corp. 6.63% 01-15-2027 144A	United States	Corporate - Non Convertible	USD 145,000	171	191
Freedom Mortgage Corp. 12.00% 10-01-2028 144A	United States	Corporate - Non Convertible	USD 135,000	195	199
Freedom Mortgage Corp. 12.25% 10-01-2030 144A	United States	Corporate - Non Convertible	USD 40,000	53	60
Frontier Communications Corp. 5.88% 10-15-2027 144A	United States	Corporate - Non Convertible	USD 210,000	262	276
Frontier Communications Holdings LLC 8.75% 05-15-2030 144A	United States	Corporate - Non Convertible	USD 120,000	164	167
Full House Resorts Inc. 8.25% 02-15-2028 144A	United States	Corporate - Non Convertible	USD 250,000	324	324
Garda World Security Corp. 7.75% 02-15-2028 144A	Canada	Corporate - Non Convertible	USD 35,000	47	49
Garda World Security Corp 6.00% 06-01-2029 144A	Canada	Corporate - Non Convertible	USD 30,000	33	36
Gartner Inc. 3.75% 10-01-2030 Callable 2025 144A	United States	Corporate - Non Convertible	USD 185,000	224	225
GFL Environmental Inc. 4.75% 06-15-2029 144A	Canada	Corporate - Non Convertible	USD 245,000	295	312
GFL Environmental Inc. 6.75% 01-15-2031 144A	Canada	Corporate - Non Convertible	USD 45,000	61	63
GGAM Finance Ltd. 8.00% 02-15-2027 144A	Ireland	Corporate - Non Convertible	USD 50,000	68	70
Global Partners LP 8.25% 01-15-2032 144A	United States	Corporate - Non Convertible	USD 110,000	151	155
Goodyear Tire & Rubber Co. 5.63% 04-30-2033	United States	Corporate - Non Convertible	USD 285,000	340	353
Graphic Packaging International LLC 2.63% 02-01-2029	United States	Corporate - Non Convertible	EUR 105,000	135	143
Gray Television Inc. 5.38% 11-15-2031 144A	United States	Corporate - Non Convertible	USD 155,000	190	138
Great Lakes Dredge & Dock Corp. 5.25% 06-01-2029	United States	Corporate - Non Convertible	USD 320,000	373	386
Greeneden US Holdings II LLC Term Loan B 1st Lien F/R 10-08-2027	United Kingdom	Term Loans	USD 91,966	120	125
GTCR W-2 Merger Sub LLC 7.50% 01-15-2031 144A	United States	Corporate - Non Convertible	USD 200,000	270	284
GW B-CR Security Corp. 9.50% 11-01-2027	Canada	Corporate - Non Convertible	USD 114,000	157	156
Hanesbrands Inc. 9.00% 02-15-2031 144A	United States	Corporate - Non Convertible	USD 115,000	158	160
Herc Holdings Inc. 5.50% 07-15-2027 144A	United States	Corporate - Non Convertible	USD 235,000	300	313
Herens Holdco Sarl 4.75% 05-15-2028	Luxembourg	Corporate - Non Convertible	USD 200,000	243	238
Herens US Holdco Corp. Term Loan B 1st Lien F/R 04-30-2028	United States	Term Loans	USD 60,000	77	77
Hertz Corp. Term Loan 1st Lien Sr F/R 06-30-2028	United States	Term Loans	USD 129,850	172	171
The Hertz Corp. 4.63% 12-01-2026 144A	United States	Corporate - Non Convertible	USD 60,000	72	74

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<b>BONDS (cont'd)</b>					
Hess Midstream Operations LP 4.25% 02-15-2030 144A	United States	Corporate - Non Convertible	USD 70,000	87	87
Hess Midstream Operations LP 5.50% 10-15-2030 144A	United States	Corporate - Non Convertible	USD 85,000	106	112
Hess Midstream Partners LP 5.13% 06-15-2028 Callable 144A	United States	Corporate - Non Convertible	USD 75,000	98	99
HUB International Ltd. Term Loan B 1st Lien Sr F/R 06-08-2030	United States	Term Loans	USD 72,729	93	99
HUB International Ltd. 7.25% 06-15-2030 144A	United States	Corporate - Non Convertible	USD 230,000	315	321
HUB International Ltd. 7.38% 01-31-2032 144A	United States	Corporate - Non Convertible	USD 85,000	115	116
Hudbay Minerals Inc. 6.13% 04-01-2029 144A	Peru	Corporate - Non Convertible	USD 160,000	194	214
Icahn Enterprises LP 4.38% 02-01-2029	United States	Corporate - Non Convertible	USD 70,000	89	81
iHeartCommunications Inc. Term Loan B 1st Lien F/R 05-01-2026	United States	Term Loans	USD 98,076	133	122
iHeartCommunications Inc. 8.38% 05-01-2027	United States	Corporate - Non Convertible	USD 96,316	133	73
IHO Verwaltungs GmbH 8.75% 05-15-2028	Germany	Corporate - Non Convertible	EUR 135,000	209	214
Imola Merger Corp. 4.75% 05-15-2029 144A	United States	Corporate - Non Convertible	USD 335,000	418	425
Ingevity Corp. 3.88% 11-01-2028 144A	United States	Corporate - Non Convertible	USD 105,000	137	129
Insulet Corp. 0.38% 09-01-2026	United States	Corporate - Non Convertible	USD 88,000	142	124
Intelligent Packaging Ltd. Finco Inc. 6.00% 09-15-2028 144A	Canada	Corporate - Non Convertible	USD 155,000	200	201
IPL Plastics PLC 9.00% 01-15-2026 144A	Ireland	Corporate - Non Convertible	USD 145,000	180	186
IRB Holding Corp Term Loan B 1st Lien F/R 12-15-2027	United States	Term Loans	USD 139,242	186	189
Jazz Pharmaceuticals PLC 4.38% 01-15-2029	United States	Corporate - Non Convertible	USD 200,000	251	253
Jefferson Capital Holdings LLC 9.50% 02-15-2029 144A	United States	Corporate - Non Convertible	USD 260,000	352	361
Kinetik Holdings LP 5.88% 06-15-2030 144A	United States	Corporate - Non Convertible	USD 155,000	196	206
Kleopatra Holdings 2 SCA 6.50% 09-01-2026	Luxembourg	Corporate - Non Convertible	EUR 120,000	160	94
Klockner Pentaplast of America Inc. Term Loan 1st Lien F/R 02-04-2026	United States	Term Loans	USD 107,084	135	137
Kontoor Brands Inc. 4.13% 11-15-2029 144A	United States	Corporate - Non Convertible	USD 205,000	260	250
L Brands Inc. 6.63% 10-01-2030	United States	Corporate - Non Convertible	USD 150,000	199	208
L Brands Inc. 6.75% 07-01-2036 Callable	United States	Corporate - Non Convertible	USD 120,000	166	164
Ladder Capital Finance Holdings LLLP 4.25% 02-01-2027 144A	United States	Corporate - Non Convertible	USD 125,000	151	158
Ladder Capital Finance Holdings LLLP 4.75% 06-15-2029 144A	United States	Corporate - Non Convertible	USD 180,000	217	222
Laredo Petroleum Inc. 7.75% 07-31-2029 144A	United States	Corporate - Non Convertible	USD 40,000	54	55
LBM Acquisition LLC Term Loan B 1st Lien F/R 12-08-2027	United States	Term Loans	USD 70,000	95	95
LBM Acquisition LLC 6.25% 01-15-2029 144A	United States	Corporate - Non Convertible	USD 145,000	184	183
Level 3 Financing Inc. 4.63% 09-15-2027 Callable 144A	United States	Corporate - Non Convertible	USD 120,000	163	108
Level 3 Financing Inc. 10.50% 05-15-2030 144A	United States	Corporate - Non Convertible	USD 111,000	148	155
Level 3 Parent LLC 4.25% 07-01-2028	United States	Corporate - Non Convertible	USD 140,000	163	91
Levi Strauss & Co. 3.50% 03-01-2031 144A	United States	Corporate - Non Convertible	USD 195,000	230	232
LGI Homes Inc. 8.75% 12-15-2028 144A	United States	Corporate - Non Convertible	USD 195,000	269	279
Light and Wonder International Inc. 7.50% 09-01-2031 144A	United States	Corporate - Non Convertible	USD 30,000	40	42
Live Nation Entertainment Inc. 5.63% 03-15-2026 144A	United States	Corporate - Non Convertible	USD 15,000	20	20
Live Nation Entertainment Inc. 6.50% 05-15-2027 144A	United States	Corporate - Non Convertible	USD 105,000	149	144
Live Nation Entertainment Inc. 3.13% 01-15-2029 Conv. 144A	United States	Corporate - Non Convertible	USD 85,000	126	139
Louisiana-Pacific Corp. 3.63% 03-15-2029 144A	United States	Corporate - Non Convertible	USD 135,000	169	167
LSF11 A5 Hold Co. LLC 6.63% 10-15-2029 144A	United States	Corporate - Non Convertible	USD 145,000	182	178
Macquarie Airfinance Holdings Ltd. 6.40% 03-26-2029 144A	United Kingdom	Corporate - Non Convertible	USD 20,000	27	28
Macquarie Airfinance Holdings Ltd. 6.50% 03-26-2031 144A	United Kingdom	Corporate - Non Convertible	USD 30,000	41	41
Madison IAQ LLC Term Loan 1st Lien F/R 06-21-2028	United States	Term Loans	USD 49,238	64	67
Madison IAQ LLC 4.13% 06-30-2028 144A	United States	Corporate - Non Convertible	USD 105,000	125	132
Madison IAQ LLC 5.88% 06-30-2029 144A	United States	Corporate - Non Convertible	USD 180,000	195	224
Masonite International Corp. 5.38% 02-01-2028 Callable 144A	United States	Corporate - Non Convertible	USD 170,000	220	231
Masonite International Corp. 3.50% 02-15-2030 144A	United States	Corporate - Non Convertible	USD 70,000	86	84
Matador Resources Co. 6.50% 04-15-2032 144A	United States	Corporate - Non Convertible	USD 100,000	136	136
Match Group Financoco 3 Inc. 2.00% 01-15-2030 Conv. 144A	United States	Corporate - Non Convertible	USD 110,000	121	129
Match Group Inc. 4.63% 06-01-2028 Callable 144A	United States	Corporate - Non Convertible	USD 115,000	154	147
Match Group Inc. 4.13% 08-01-2030 Callable 2025 144A	United States	Corporate - Non Convertible	USD 80,000	99	97
Mattress Firm Term Loan 1st Lien F/R 09-24-2028	United States	Term Loans	USD 108,556	132	147
Mauser Packaging Solutions Holding Co. 7.88% 08-15-2026 144A	United States	Corporate - Non Convertible	USD 160,000	214	221
Mauser Packaging Solutions Holding Co. 9.25% 04-15-2027 144A	United States	Corporate - Non Convertible	USD 145,000	184	195
Mav Acquisition Corp. 5.75% 08-01-2028 144A	United States	Corporate - Non Convertible	USD 215,000	263	274
Mav Acquisition Corp. 8.00% 08-01-2029 144A	United States	Corporate - Non Convertible	USD 130,000	161	166

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<b>BONDS (cont'd)</b>					
Mercer International Inc. 12.88% 10-01-2028 144A	Germany	Corporate - Non Convertible	USD 60,000	82	89
Mercer International Inc. F/R 02-01-2029	Germany	Corporate - Non Convertible	USD 145,000	182	172
Merck & Co. Inc. 4.13% 04-30-2028 144A	United States	Corporate - Non Convertible	USD 200,000	242	252
Metal Services Holdco LLC 6.25% 04-15-2029 144A	United States	Corporate - Non Convertible	USD 215,000	268	267
The Michaels Cos Inc. Term Loan 1st Lien F/R 04-15-2028	United States	Term Loans	USD 104,123	126	127
The Michaels Cos Inc. 7.88% 05-01-2029 144A	United States	Corporate - Non Convertible	USD 70,000	70	71
Minerva Merger Sub Inc. 6.50% 02-15-2030 144A	United States	Corporate - Non Convertible	USD 185,000	235	230
Miter Brands Acquisition Holdco Inc. 6.75% 04-01-2032 144A	United States	Corporate - Non Convertible	USD 95,000	128	129
MIWD Holdco II LLC 5.50% 02-01-2030 144A	United States	Corporate - Non Convertible	USD 130,000	155	162
Mozart Borrower LP Term Loan B 1st Lien F/R 09-30-2028	United States	Term Loans	USD 85,000	114	115
Mozart Debt Merger Sub Inc. 3.88% 04-01-2029 144A	United States	Corporate - Non Convertible	USD 185,000	214	228
Mozart Debt Merger Sub Inc. 5.25% 10-01-2029 144A	United States	Corporate - Non Convertible	USD 140,000	175	179
Mr Cooper Group Inc. 5.75% 11-15-2031 144A	United States	Corporate - Non Convertible	USD 180,000	223	225
Nabors Industries Inc. 7.38% 05-15-2027 144A	United States	Corporate - Non Convertible	USD 140,000	186	189
Nabors Industries Inc. 1.75% 06-15-2029 Conv. 144A	United States	Corporate - Convertible	USD 75,000	105	76
Nationstar Mortgage Holdings Inc. 7.13% 02-01-2032 144A	United States	Corporate - Non Convertible	USD 145,000	193	195
NCL Corp. Ltd. 8.13% 01-15-2029 144A	United States	Corporate - Non Convertible	USD 70,000	95	100
NCL Corp. Ltd. 7.75% 02-15-2029 144A	United States	Corporate - Non Convertible	USD 100,000	127	141
NCR Corp. 5.13% 04-15-2029	United States	Corporate - Non Convertible	USD 255,000	298	321
Neptune Bidco US Inc. Term Loan B 1st Lien F/R 04-11-2029	United States	Term Loans	USD 243,688	296	305
Neptune Bidco US Inc. 9.29% 04-15-2029 144A	United States	Corporate - Non Convertible	USD 145,000	181	186
New Red Finance Inc. 4.00% 10-15-2030	Canada	Corporate - Non Convertible	USD 155,000	191	187
News Corp. 3.88% 05-15-2029 144A	United States	Corporate - Non Convertible	USD 250,000	310	310
News Corp. 5.13% 02-15-2032 144A	United States	Corporate - Non Convertible	USD 60,000	76	77
Nexstar Broadcasting Inc. 4.75% 11-01-2028 144A	United States	Corporate - Non Convertible	USD 95,000	117	118
NortonLifeLock Inc. 6.75% 09-30-2027 144A	United States	Corporate - Non Convertible	USD 80,000	105	110
NortonLifeLock Inc. 7.13% 09-30-2030 144A	United States	Corporate - Non Convertible	USD 90,000	121	125
Nouryon USA LLC Term Loan 1st Lien Sr F/R 04-03-2028	United States	Term Loans	USD 64,513	88	88
Nouryon USA LLC Term Loan B 1st Lien Sr F/R 04-03-2028	United States	Term Loans	USD 172,389	226	234
Novelis Inc. 4.75% 01-30-2030 Callable 2025 144A	United States	Corporate - Non Convertible	USD 180,000	224	226
Oasis Petroleum Inc. 6.38% 06-01-2026 144A	United States	Corporate - Non Convertible	USD 155,000	198	211
Ocwen Financial Corp. 7.88% 03-15-2026 144A	United States	Corporate - Non Convertible	USD 155,000	198	203
Olympus Water US Holding Corp. 4.25% 10-01-2028 144A	United States	Corporate - Non Convertible	USD 270,000	307	332
Olympus Water US Holding Corp. 6.25% 10-01-2029 144A	United States	Corporate - Non Convertible	USD 200,000	256	248
ON Semiconductor Corp. 0% 05-01-2027	United States	Corporate - Non Convertible	USD 58,000	78	117
ON Semiconductor Corp. 3.88% 09-01-2028	United States	Corporate - Non Convertible	USD 65,000	81	81
OneMain Holdings Inc. 7.13% 03-15-2026	United States	Corporate - Non Convertible	USD 80,000	115	110
OneMain Holdings Inc. 5.38% 11-15-2029 Callable 2029	United States	Corporate - Non Convertible	USD 265,000	324	338
Outfront Media Capital LLC 5.00% 08-15-2027 Callable 144A	United States	Corporate - Non Convertible	USD 105,000	126	137
Outfront Media Capital LLC 7.38% 02-15-2031 144A	United States	Corporate - Non Convertible	USD 115,000	159	163
Owens & Minor Inc. 6.63% 04-01-2030	United States	Corporate - Non Convertible	USD 105,000	130	141
Owens-Brockway Glass Container Inc. 7.25% 05-15-2031 144A	United States	Corporate - Non Convertible	USD 200,000	271	276
Pactive Evergreen Group 4.38% 10-15-2028 144A	United States	Corporate - Non Convertible	USD 90,000	106	114
Panther BF Aggregator 2 LP 4.38% 05-15-2026 Callable	United States	Corporate - Non Convertible	EUR 100,000	140	145
Panther BF Aggregator 2 LP 8.50% 05-15-2027 Callable 144A	United States	Corporate - Non Convertible	USD 25,000	34	34
PECF USS Intermediate Holding III Corp. Term B 1st Lien F/R 11-19-2028	United States	Term Loans	USD 145,735	181	151
PECF USS Intermediate Holding III Corp. 8.00% 11-15-2029 144A	United States	Corporate - Non Convertible	USD 125,000	156	91
Penn Entertainment Inc. 4.13% 07-01-2029 144A	United States	Corporate - Non Convertible	USD 20,000	22	23
Penn National Gaming Inc. 5.63% 01-15-2027 Callable 144A	United States	Corporate - Non Convertible	USD 190,000	250	250
PennyMac Financial Services Inc. 5.38% 10-15-2025 144A	United States	Corporate - Non Convertible	USD 115,000	152	154
PennyMac Financial Services Inc. 7.88% 12-15-2029 144A	United States	Corporate - Non Convertible	USD 125,000	170	174
Permian Resources Corp. 5.38% 01-15-2026 144A	United States	Corporate - Non Convertible	USD 70,000	77	94
Permian Resources Corp. 6.88% 04-01-2027 144A	United States	Corporate - Non Convertible	USD 275,000	341	374
PetSmart Inc. Term Loan B 1st Lien F/R 01-29-2028	United States	Term Loans	USD 115,914	149	157
PetSmart Inc. 7.75% 02-15-2029 144A	United States	Corporate - Non Convertible	USD 250,000	334	330
PG&E Corp. 4.25% 12-01-2027 Conv. 144A	United States	Corporate - Convertible	USD 114,000	155	155
PG&E Corp. 5.25% 07-01-2030	United States	Corporate - Non Convertible	USD 100,000	125	129

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## SCHEDULE OF INVESTMENTS (cont'd)

as at March 31, 2024

	Country	Sector	Par Value/ Shares/Units	Average Cost (\$ '000)	Fair Value (\$ '000)
<b>BONDS (cont'd)</b>					
Picard Midco Inc. 6.50% 03-31-2029 144A	United States	Corporate - Non Convertible	USD 335,000	394	430
Pinewood Finco PLC 6.00% 03-27-2030	United Kingdom	Corporate - Non Convertible	GBP 100,000	173	171
PMHC II Inc. 9.00% 02-15-2030 144A	United States	Corporate - Non Convertible	USD 155,000	197	194
Precision Drilling Corp. 7.13% 01-15-2026 144A	Canada	Corporate - Non Convertible	USD 110,000	141	149
Precision Drilling Corp. 6.88% 01-15-2029 144A	Canada	Corporate - Non Convertible	USD 95,000	124	128
Prime Security Services Borrower LLC 6.25% 01-15-2028 Callable 144A	United States	Corporate - Non Convertible	USD 135,000	176	179
Rain Carbon Inc. 12.25% 09-01-2029	United States	Corporate - Non Convertible	USD 45,000	60	63
RBC Bearings Inc. 4.38% 10-15-2029 144A	United States	Corporate - Non Convertible	USD 60,000	71	75
Realogy Group LLC 0.25% 06-15-2026 Conv.	United States	Corporate - Convertible	USD 133,000	130	145
Realogy Group LLC 5.75% 01-15-2029 144A	United States	Corporate - Non Convertible	USD 7,000	7	7
RHP Hotel Properties LP 7.25% 07-15-2028 144A	United States	Corporate - Non Convertible	USD 45,000	63	63
RHP Hotel Properties LP 6.50% 04-01-2032 144A	United States	Corporate - Non Convertible	USD 80,000	108	109
RingCentral Inc. 8.50% 08-15-2030 144A	United States	Corporate - Non Convertible	USD 165,000	222	233
Ritchie Bros Auctioneers Inc. 7.75% 03-15-2031 144A	Canada	Corporate - Non Convertible	USD 220,000	306	312
Robertshaw US Holding Corp. Term Loan 2nd Lien F/R 02-15-2026	United States	Term Loans	USD 55,000	68	17
Rockcliff Energy II LLC 5.50% 10-15-2029 144A	United States	Corporate - Non Convertible	USD 200,000	253	254
Rocket Software Inc. 6.50% 02-15-2029 144A	United States	Corporate - Non Convertible	USD 230,000	273	267
Royal Caribbean Cruises Ltd. 4.25% 07-01-2026 144A	United States	Corporate - Non Convertible	USD 35,000	42	46
Royal Caribbean Cruises Ltd. 5.50% 08-31-2026 144A	United States	Corporate - Non Convertible	USD 120,000	147	161
Royal Caribbean Cruises Ltd. 9.25% 01-15-2029 144A	United States	Corporate - Non Convertible	USD 65,000	90	94
Royal Caribbean Cruises Ltd. 7.25% 01-15-2030 144A	United States	Corporate - Non Convertible	USD 110,000	148	155
Royal Caribbean Cruises Ltd. 6.25% 03-15-2032 144A	United States	Corporate - Non Convertible	USD 30,000	40	41
Scientific Games Corp. 7.25% 11-15-2029 Callable 2024 144A	United States	Corporate - Non Convertible	USD 255,000	345	356
Scientific Games Holdings LP Term Loan B 1st Lien F/R 02-04-2029	United States	Term Loans	USD 69,823	94	95
Scientific Games Holdings LP 6.63% 03-01-2030 144A	United States	Corporate - Non Convertible	USD 155,000	188	203
SCIH Salt Holdings Inc. 4.88% 05-01-2028	United States	Corporate - Non Convertible	USD 195,000	234	247
SCIH Salt Holdings Inc. 6.63% 05-01-2029	United States	Corporate - Non Convertible	USD 190,000	223	240
Seadrill Finance Ltd. 8.38% 08-01-2030 144A	Bermuda	Corporate - Non Convertible	USD 200,000	265	285
Seagate HDD Cayman 3.50% 06-01-2028 Conv. 144A	United States	Corporate - Non Convertible	USD 80,000	120	138
Seagate HDD Cayman 3.13% 07-15-2029	United States	Corporate - Non Convertible	USD 55,000	59	63
Seagate HDD Cayman 9.63% 12-01-2032 144A	United States	Corporate - Non Convertible	USD 35,000	54	54
Sensata Technologies BV 4.00% 04-15-2029 144A	United States	Corporate - Non Convertible	USD 200,000	248	248
Sensata Technologies Inc. 3.75% 02-15-2031 144A	United States	Corporate - Non Convertible	USD 125,000	144	147
Service Corp. International 5.13% 06-01-2029 Callable 2024	United States	Corporate - Non Convertible	USD 135,000	183	179
Service Corp. International 3.38% 08-15-2030 Callable 2025	United States	Corporate - Non Convertible	USD 140,000	170	165
Service Corp. International 4.00% 05-15-2031	United States	Corporate - Non Convertible	USD 120,000	144	144
Shake Shack Inc. 0% 03-01-2028 Conv. 144A	United States	Corporate - Convertible	USD 145,000	155	180
Shift4 Payments LLC 4.63% 11-01-2026 144A	United States	Corporate - Non Convertible	USD 175,000	220	230
Sirius XM Radio Inc. 4.00% 07-15-2028 144A	United States	Corporate - Non Convertible	USD 150,000	180	186
Sirius XM Radio Inc. 3.88% 09-01-2031 144A	United States	Corporate - Non Convertible	USD 145,000	180	164
Sitio Royalties Operating Partnership LP 7.88% 11-01-2028 144A	United States	Corporate - Non Convertible	USD 160,000	218	224
Six Flags Entertainment Corp. 7.25% 05-15-2031 144A	United States	Corporate - Non Convertible	USD 140,000	190	192
SM Energy Co. 6.75% 09-15-2026 Callable	United States	Corporate - Non Convertible	USD 140,000	182	190
SM Energy Co. 6.63% 01-15-2027 Callable	United States	Corporate - Non Convertible	USD 80,000	99	108
Smyrna Ready Mix Concrete LLC 8.88% 11-15-2031 144A	United States	Corporate - Non Convertible	USD 145,000	200	210
Southwestern Energy Co. 5.38% 02-01-2029	United States	Corporate - Non Convertible	USD 265,000	337	349
Spectrum Brands Inc. 5.00% 10-01-2029 Callable 2024 144A	United States	Corporate - Non Convertible	USD 190,000	241	252
Spirit AeroSystems Holdings Inc. 9.38% 11-30-2029 144A	United States	Corporate - Non Convertible	USD 50,000	72	74
Spirit AeroSystems Inc. 9.75% 11-15-2030 144A	United States	Corporate - Non Convertible	USD 170,000	237	258
Spotify USA Inc. 0% 03-15-2026 Conv.	United States	Corporate - Convertible	USD 94,000	104	117
Springleaf Finance Corp. 6.63% 01-15-2028 Callable 2027	United States	Corporate - Non Convertible	USD 85,000	114	116
Square Inc. 3.50% 06-01-2031 144A	United States	Corporate - Non Convertible	USD 305,000	349	360
Standard Industries Inc. 4.75% 01-15-2028 Callable 144A	United States	Corporate - Non Convertible	USD 165,000	214	214
Standard Industries Inc. 4.38% 07-15-2030 144A	United States	Corporate - Non Convertible	USD 235,000	277	287
Station Casinos LLC Term Loan B 1st Lien Sr F/R 03-07-2031	United States	Term Loans	USD 60,000	80	81
Station Casinos LLC 4.63% 12-01-2031 144A	United States	Corporate - Non Convertible	USD 190,000	224	233
Station Casinos LLC 6.63% 03-15-2032 144A	United States	Corporate - Non Convertible	USD 40,000	54	55

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

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## SCHEDULE OF INVESTMENTS (cont'd)

as at March 31, 2024

	Country	Sector	Par Value/ Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>BONDS (cont'd)</b>					
Station Holdco LLC 4.50% 02-15-2028 Callable 144A	United States	Corporate - Non Convertible	USD 100,000	131	128
Sugarhouse HSP Gaming Prop Mezz LP 5.88% 05-15-2025 144A	United States	Corporate - Non Convertible	USD 130,000	173	175
Tallgrass Energy Partners LP 5.50% 01-15-2028 Callable 144A	United States	Corporate - Non Convertible	USD 155,000	200	203
Tapestry Inc. 7.70% 11-27-2030	United States	Corporate - Non Convertible	USD 65,000	89	94
Taylor Morrison Communities Inc. 5.88% 06-15-2027 144A	United States	Corporate - Non Convertible	USD 60,000	78	81
Taylor Morrison Communities Inc. 5.75% 01-15-2028 Callable 2027 144A	United States	Corporate - Non Convertible	USD 95,000	125	128
Taylor Morrison Holdings Inc. 5.13% 08-01-2030 144A	United States	Corporate - Non Convertible	USD 120,000	150	156
Tenet Healthcare Corp. 5.13% 11-01-2027 Callable 144A	United States	Corporate - Non Convertible	USD 205,000	267	272
Tenet Healthcare Corp. 4.25% 06-01-2029 144A	United States	Corporate - Non Convertible	USD 130,000	162	164
Tenet Healthcare Corp. 6.13% 06-15-2030 144A	United States	Corporate - Non Convertible	USD 270,000	349	366
Terrier Media Buyer Inc. Term Loan B 1st Lien F/R 12-17-2026	United States	Term Loans	USD 140,066	181	166
Teva Pharmaceutical Finance Netherlands II BV 4.38% 05-09-2030	Israel	Corporate - Non Convertible	EUR 100,000	127	141
Teva Pharmaceutical Finance Netherlands III BV 3.15% 10-01-2026	Israel	Corporate - Non Convertible	USD 185,000	216	234
Teva Pharmaceutical Finance Netherlands III BV 5.13% 05-09-2029	Israel	Corporate - Non Convertible	USD 270,000	324	352
Teva Pharmaceutical Finance Netherlands III BV 8.13% 09-15-2031	Israel	Corporate - Non Convertible	USD 200,000	295	297
TIBCO Software Inc. Term Loan B 1st Lien F/R 03-2029	United States	Term Loans	USD 133,498	164	180
TK Elevator Holdco GmbH 6.63% 07-15-2028	Germany	Corporate - Non Convertible	EUR 90,000	128	128
TK Elevator US Newco Inc. Term Loan B 1st Lien Sr F/R 04-11-2030	United States	Term Loans	USD 170,643	230	232
T-Mobile US Inc. 2.88% 02-15-2031	United States	Corporate - Non Convertible	USD 80,000	99	94
TransDigm Inc. 5.50% 11-15-2027	United States	Corporate - Non Convertible	USD 35,000	46	46
TransDigm Inc. 6.75% 08-15-2028 144A	United States	Corporate - Non Convertible	USD 175,000	234	241
TransDigm Inc. 6.88% 12-15-2030 144A	United States	Corporate - Non Convertible	USD 130,000	174	180
TransDigm Inc. 7.13% 12-01-2031 144A	United States	Corporate - Non Convertible	USD 30,000	41	42
TransDigm Inc. 6.63% 03-01-2032 144A	United States	Corporate - Non Convertible	USD 110,000	148	151
Transocean Aquila Ltd. 8.00% 09-30-2028 144A	United States	Corporate - Non Convertible	USD 40,000	54	56
Transocean Inc. 11.50% 01-30-2027	United States	Corporate - Non Convertible	USD 120,000	143	170
Transocean Inc. 8.75% 02-15-2030 144A	United States	Corporate - Non Convertible	USD 54,000	72	76
Transocean Poseidon Ltd. 6.88% 02-01-2027 Callable 144A	United States	Corporate - Non Convertible	USD 84,375	111	115
Transocean Titan Financing Ltd. 8.38% 02-01-2028 144A	United States	Corporate - Non Convertible	USD 95,000	129	134
TripAdvisor Inc. 7.00% 07-15-2025	United States	Corporate - Non Convertible	USD 130,000	179	177
Tronox US Holdings Inc. 4.63% 03-15-2029 144A	United States	Corporate - Non Convertible	USD 140,000	176	170
TTM Technologies Inc. 4.00% 03-01-2029 144A	United States	Corporate - Non Convertible	USD 220,000	263	270
Twilio Inc. 3.63% 03-15-2029	United States	Corporate - Non Convertible	USD 195,000	238	238
Twilio Inc. 3.88% 03-15-2031	United States	Corporate - Non Convertible	USD 135,000	156	160
UKG Inc. Term Loan 2nd Lien F/R 05-03-2027	United States	Term Loans	USD 68,793	88	94
UKG Inc. Term Loan B 1st Lien Sr F/R 01-31-2031	United States	Term Loans	USD 127,703	170	174
UKG Inc. 6.88% 02-01-2031 144A	United States	Corporate - Non Convertible	USD 180,000	242	249
United Airlines Inc. Term Loan B 1st Lien F/R 02-15-2031	United States	Term Loans	USD 115,000	154	156
United States Steel Corp. 6.65% 06-01-2037	United States	Corporate - Non Convertible	USD 90,000	126	123
Univision Communications Inc. 8.00% 08-15-2028 144A	United States	Corporate - Non Convertible	USD 115,000	153	159
Univision Communications Inc. 7.38% 06-30-2030 144A	United States	Corporate - Non Convertible	USD 20,000	26	27
US Foods Inc. 4.75% 02-15-2029 144A	United States	Corporate - Non Convertible	USD 70,000	88	90
US Foods Inc. 7.25% 01-15-2032 144A	United States	Corporate - Non Convertible	USD 35,000	48	49
USA Compression Partners LP 6.88% 09-01-2027	United States	Corporate - Non Convertible	USD 105,000	133	143
USA Compression Partners LP 7.13% 03-15-2029 144A	United States	Corporate - Non Convertible	USD 55,000	75	75
USI Inc. 7.50% 01-15-2032 144A	United States	Corporate - Non Convertible	USD 80,000	107	109
Venture Global Calcasieu Pass LLC 6.25% 01-15-2030 144A	United States	Corporate - Non Convertible	USD 30,000	40	41
Venture Global LNG Inc. 8.13% 06-01-2028 144A	United States	Corporate - Non Convertible	USD 80,000	108	111
Venture Global LNG Inc. 9.50% 02-01-2029 144A	United States	Corporate - Non Convertible	USD 145,000	199	212
Venture Global LNG Inc. 3.88% 08-15-2029 144A	United States	Corporate - Non Convertible	USD 55,000	66	67
Venture Global LNG Inc. 8.38% 06-01-2031 144A	United States	Corporate - Non Convertible	USD 200,000	270	280
Venture Global LNG Inc. 9.88% 02-01-2032 144A	United States	Corporate - Non Convertible	USD 140,000	191	205
Vertiv Group Corp. Term Loan B 1st Lien F/R 03-02-2027	United States	Term Loans	USD 187,961	248	255
ViaSat Inc. 7.50% 05-30-2031 144A	United States	Corporate - Non Convertible	USD 140,000	123	138
Vibrant Technologies Inc. Term Loan B 1st Lien Sr F/R 04-23-2029	United States	Term Loans	USD 65,000	87	87
Victoria's Secret & Co. 4.63% 07-15-2029 144A	United States	Corporate - Non Convertible	USD 195,000	224	217
Viking Cruises Ltd. 7.00% 02-15-2029 144A	United States	Corporate - Non Convertible	USD 60,000	80	82

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

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## SCHEDULE OF INVESTMENTS (cont'd)

as at March 31, 2024

	Country	Sector	Par Value/ Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>BONDS (cont'd)</b>					
Viking Cruises Ltd. 9.13% 07-15-2031 144A	United States	Corporate - Non Convertible	USD 155,000	224	230
Viper Energy Partners LP 5.38% 11-01-2027	United States	Corporate - Non Convertible	USD 100,000	134	133
Viper Energy Partners LP 7.38% 11-01-2031 144A	United States	Corporate - Non Convertible	USD 95,000	130	134
Virgin Media Finance PLC 5.00% 07-15-2030 Callable 2025 144A	United Kingdom	Corporate - Non Convertible	USD 200,000	233	231
Virgin Media Secured Finance PLC 4.50% 08-15-2030 Callable 2025 144A	United Kingdom	Corporate - Non Convertible	USD 200,000	232	235
Vital Energy Inc. 7.88% 04-15-2032 144A	United States	Corporate - Non Convertible	USD 70,000	95	96
VM Consolidated Inc. Term Loan B 1st Lien Sr F/R 03-26-2028	United States	Term Loans	USD 129,002	175	176
VodafoneZiggo Group Holding BV 5.00% 01-15-2032 144A	Netherlands	Corporate - Non Convertible	USD 200,000	233	233
Warnermedia Holdings Inc. 4.28% 03-15-2032	United States	Corporate - Non Convertible	USD 145,000	170	176
Watco Cos LLC 6.50% 06-15-2027 144A	United States	Corporate - Non Convertible	USD 285,000	384	382
Welltower OP LLC 2.75% 05-15-2028 Conv. 144A	United States	Corporate - Convertible	USD 96,000	128	145
WESCO Distribution Inc. 6.38% 03-15-2029 144A	United States	Corporate - Non Convertible	USD 35,000	47	48
WESCO Distribution Inc. 6.63% 03-15-2032 144A	United States	Corporate - Non Convertible	USD 35,000	47	48
White Cap Buyer LLC Term Loan B 1st Lien F/R 10-19-2027	United States	Term Loans	USD 111,291	145	151
White Cap Parent LLC 8.25% 03-15-2026 144A	United States	Corporate - Non Convertible	USD 55,000	74	74
White Cap Parent LLC 6.88% 10-15-2028 144A	United States	Corporate - Non Convertible	USD 255,000	332	340
WR Grace Holdings LLC Term Loan B 1st Lien F/R 08-11-2028	United States	Term Loans	USD 35,000	47	48
WR Grace Holdings LLC 5.63% 08-15-2029 144A	United States	Corporate - Non Convertible	USD 220,000	260	267
WR Grace Holdings LLC 7.38% 03-01-2031 144A	United States	Corporate - Non Convertible	USD 90,000	121	124
Wynn Resorts Finance LLC 5.13% 10-01-2029	United States	Corporate - Non Convertible	USD 160,000	204	206
Wynn Resorts Finance LLC 7.13% 02-15-2031 144A	United States	Corporate - Non Convertible	USD 280,000	385	393
Ziggo Bond Co. BV 6.00% 01-15-2027 Callable 144A	Netherlands	Corporate - Non Convertible	USD 245,000	332	327
ZoomInfo Technologies LLC 3.88% 02-01-2029 144A	United States	Corporate - Non Convertible	USD 295,000	354	360
<b>Total bonds</b>				<b>72,055</b>	<b>72,989</b>
<b>EQUITIES</b>					
Apollo Global Management Inc. Conv. Pfd.	United States	Financials	1,807	121	156
Chart Industries Inc. Conv. Pfd. Series B	United States	Industrials	2,238	152	195
GFL Environmental Inc.	Canada	Industrials	1,860	82	87
Nine Point Energy Holdings Inc.	United States	Energy	1,408	25	-
Nine Point Energy Holdings Inc. Pfd.	United States	Energy	29	38	-
Permian Resources Corp.	United States	Energy	6,355	120	152
<b>Total equities</b>				<b>538</b>	<b>590</b>
Transaction costs				(1)	-
<b>Total investments</b>				<b>72,592</b>	<b>73,579</b>
Derivative instruments (see schedule of derivative instruments)					(103)
Cash and cash equivalents					5,269
Other assets less liabilities					778
<b>Net assets attributable to securityholders</b>					<b>79,523</b>

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

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## SUMMARY OF INVESTMENT PORTFOLIO

MARCH 31, 2024

EFFECTIVE PORTFOLIO ALLOCATION	% OF NAV
Fixed income	93.8
<i>Bonds</i>	91.8
<i>Swaps</i>	2.0
Equities	0.7
Cash and cash equivalents	6.6
Other	(1.1)

EFFECTIVE ASSET TYPE	% OF NAV
Corporate bonds	85.7
Term loans	8.1
Equities	0.7
Cash and cash equivalents	6.6
Other	(1.1)

EFFECTIVE COUNTRY ALLOCATION	% OF NAV
United States	81.3
Canada	2.9
United Kingdom	1.6
Israel	1.4
Luxembourg	1.1
France	0.9
Germany	0.8
Netherlands	0.7
Austria	0.4
Bermuda	0.4
Other countries	0.8
Cash and cash equivalents	6.6
Other assets (liabilities)	1.1

MARCH 31, 2023

PORTFOLIO ALLOCATION	% OF NAV
Fixed income	95.7
<i>Bonds</i>	94.7
<i>Swaps</i>	1.0
Equities	1.1
Cash and cash equivalents	2.8
Other	0.4

EFFECTIVE ASSET TYPE	% OF NAV
Corporate bonds	88.1
Term loans	7.6
Equities	1.1
Cash and cash equivalents	2.8
Other	0.4

EFFECTIVE COUNTRY ALLOCATION	% OF NAV
United States	87.7
Canada	2.2
Israel	1.3
United Kingdom	1.1
Luxembourg	1.0
France	0.8
Netherlands	0.8
Germany	0.4
Zambia	0.3
Ireland	0.1
Peru	0.1
Cash and cash equivalents	2.8
Other assets (liabilities)	1.4

The effective allocation shows the portfolio, country and asset type exposure of the Fund calculated by combining its direct investments, exchange traded funds, and derivatives.

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

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## SCHEDULE OF DERIVATIVE INSTRUMENTS

as at March 31, 2024

### Schedule of Forward Currency Contracts

Counterparty Credit Rating	Currency to be Received (\$ 000)	Currency to be Delivered (\$ 000)	Settlement Date	Contract Cost (\$ 000)	Current Fair Value (\$ 000)	Unrealized Gains (\$ 000)	Unrealized Losses (\$ 000)
A	917 USD	(1,223) CAD	Apr. 17, 2024	1,223	1,242	19	–
A	1,511 USD	(2,015) CAD	Apr. 17, 2024	2,015	2,046	31	–
AA	164 USD	(219) CAD	Apr. 17, 2024	219	222	3	–
AA	960 CAD	(714) USD	Apr. 17, 2024	(960)	(966)	–	(6)
A	844 CAD	(626) USD	Apr. 17, 2024	(844)	(848)	–	(4)
AA	633 USD	(852) CAD	Apr. 17, 2024	852	857	5	–
A	708 USD	(956) CAD	Apr. 17, 2024	956	959	3	–
A	1,334 USD	(1,802) CAD	Apr. 17, 2024	1,802	1,807	5	–
A	660 USD	(888) CAD	Apr. 17, 2024	888	894	6	–
A	1,355 CAD	(1,002) USD	Apr. 17, 2024	(1,355)	(1,358)	–	(3)
A	1,336 USD	(1,810) CAD	Apr. 17, 2024	1,810	1,808	–	(2)
AA	704 CAD	(476) EUR	Jun. 20, 2024	(704)	(696)	8	–
A	455 CAD	(307) EUR	Jun. 20, 2024	(455)	(450)	5	–
<b>Total forward currency contracts</b>						<b>85</b>	<b>(15)</b>

### Schedule of IRS Swap Contracts

Counterparty Credit Rating	Number of Contracts	Maturity	Fund Pays Return on	Notional Value (\$ 000)	Unrealized Gains (\$ 000)	Unrealized Losses (\$ 000)
A	1,756,260	Dec. 20, 2028	MARKIT CDX NA HY 41	1,588	–	(173)
<b>Total IRS swap contracts</b>				<b>1,588</b>	<b>–</b>	<b>(173)</b>

Total Derivative assets

85

Total Derivative liabilities

(188)



# COUNSEL NORTH AMERICAN HIGH YIELD BOND

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## NOTES TO FINANCIAL STATEMENTS

### 1. Fiscal Periods and General Information

The information provided in these financial statements and notes thereto is for the years ended or as at March 31, 2024 and 2023 (as applicable). In the year a series is established, 'period' represents the period from inception to the period end of that fiscal period. In a period where a series is terminated the period represents from the beginning of the fiscal year to the termination date. Refer to Note 10 (a) for series inception and termination dates.

The Fund is organized as an open-ended unit trust established under the laws of the Province of Ontario pursuant to a Declaration of Trust as amended and restated from time to time. The address of the Fund's registered office is 5015 Spectrum Way, Suite 300, Mississauga, Ontario, Canada. The Fund is authorized to issue an unlimited number of units (referred to as "security" or "securities") of multiple series. Series of the Fund are available for sale under Simplified Prospectus and/or exempt distribution options.

Counsel Portfolio Services Inc. (the "Manager" or "Counsel") acts as the Fund's manager and trustee.

### 2. Basis of Preparation and Presentation

These annual financial statements ("financial statements") have been prepared in accordance with IFRS Accounting Standards ("IFRS"). A summary of the Fund's material accounting policies under IFRS is presented in Note 3.

These financial statements are presented in Canadian dollars, which is the Fund's functional currency, and are rounded to the nearest thousand unless otherwise indicated. These financial statements are prepared on a going concern basis using the historical cost basis, except for financial assets and liabilities that have been measured at fair value through profit or loss ("FVTPL").

These financial statements were authorized for issue by Counsel's Board of Directors on June 5, 2024.

### 3. Material Accounting Policies

The Fund adopted Disclosure of Accounting Policies Amendments to IAS 1 and IFRS Policy Statements 2 from April 1, 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements. The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies. The Manager reviewed the accounting policies and made updates to the information disclosure in certain instances in line with the amendments.

#### (a) Financial instruments

Financial instruments include financial assets and liabilities such as debt and equity securities, investment funds, and derivatives. The Fund classifies and measures financial instruments in accordance with IFRS 9 *Financial Instruments*. Upon initial recognition, financial instruments are classified as FVTPL. All financial instruments are recognized in the Statements of Financial Position when the Fund becomes a party to the contractual requirements of the instrument. Financial assets are derecognized when the right to receive cash flows from the instrument has expired. Financial liabilities are derecognized when the Fund has transferred substantially all risks and rewards of ownership. Investment purchase and sale transactions are recorded as of the trade date.

Financial instruments are designated on initial recognition as FVTPL with changes in fair value recognized in the Statements of Comprehensive Income – Net unrealized gain (loss).

Realized and unrealized gains and losses on investments are calculated based on average cost of investments and exclude commissions and other portfolio transaction costs, which are separately reported in the Statements of Comprehensive Income – Commissions and other portfolio transaction costs.

Gains and losses arising from changes in the fair value of the investments are included in the Statements of Comprehensive Income for the period in which they arise.

The Fund accounts for its holdings in investment funds at FVTPL.

The Fund's redeemable securities contain multiple dissimilar contractual obligations and entitle securityholders to the right to redeem their interest in the Fund for cash equal to their proportionate share of the net asset value of the Fund and therefore meet the criteria for classification as financial liabilities under IAS 32 *Financial Instruments: Presentation*.

IAS 7, *Statement of Cash Flows*, requires disclosures related to changes in liabilities and assets, such as the securities of the Fund, arising from financing activities. Changes in securities of the Fund, including both changes from cash flows and non-cash changes, are included in the Statement of Changes in Financial Position.

Any changes in the securities not settled in cash as at the end of the period are presented as either Accounts receivable for securities issued or Accounts payable for securities redeemed in the Statement of Financial Position. These accounts receivable and accounts payable amounts typically settle shortly after period-end.

#### (b) Fair Value Measurement

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Investments listed on a public securities exchange, including exchange traded funds, or traded on an over-the-counter market are valued on the basis of the last traded market price or close price recorded by the security exchange on which the security is principally traded, where this price falls within the quoted bid-ask spread for the investment. In circumstances where this price is not within the bid-ask spread, Counsel determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. Unlisted or non-exchange traded investments, or investments where a last sale or close price is unavailable or investments for which market quotations are, in Counsel's opinion, inaccurate, unreliable, or not reflective of all available material information, are valued at their fair value as determined by Counsel using appropriate and accepted industry valuation techniques including valuation models. The fair value determined using valuation models requires the use of inputs and assumptions based on observable market data including volatility and other applicable rates or prices. In limited circumstances, the fair value may be determined using valuation techniques that are not supported by observable market data.

Cash and cash equivalents which includes cash on deposit with financial institutions and short-term investments that are readily convertible to cash, are subject to an insignificant risk of changes in value and are used by the Fund in the management of short-term commitments. Cash and cash equivalents are reported at amortized cost which closely approximates their fair value due to their nature of being highly liquid and having short terms to maturity. Bank overdraft positions are presented under current liabilities as bank indebtedness in the Statements of Financial Position.

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## NOTES TO FINANCIAL STATEMENTS (cont'd)

### 3. Material Accounting Policies (cont'd)

#### (b) Fair Value Measurement (cont'd)

The Fund may use derivatives (such as written options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest rates or exchange rates. The Fund may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets, to gain exposure to other currencies, to seek to generate additional income, and/or for any other purpose considered appropriate by Counsel or the Fund's sub-advisor(s), provided that the use of the derivative is consistent with the Fund's investment objectives. Any use of derivatives will comply with Canadian mutual fund laws, subject to the regulatory exemptions granted to the Fund, as applicable. Refer to "Exemptions from National Instrument 81-102" in the Annual Information Form of the Fund for further details, including the complete conditions of these exemptions, as applicable.

Valuations of derivative instruments are carried out daily, using normal exchange reporting sources for exchange-traded derivatives and specific broker enquiry for over-the-counter derivatives.

The value of forward contracts is the gain or loss that would be realized if, on the valuation date, the positions were to be closed out. The change in value of forward contracts is included in the Statements of Comprehensive Income – Net unrealized gain (loss).

The value of futures contracts or swaps fluctuates daily, and cash settlements made daily, where applicable, by the Fund are equal to the change in unrealized gains or losses that are best determined at the settlement price. These unrealized gains or losses are recorded and reported as such until the Fund closes out the contract or the contract expires. Margin paid or deposited in respect of futures contracts or swaps is reflected as a receivable in the Statements of Financial Position – Margin on derivatives. Any change in the variation margin requirement is settled daily.

Premiums paid (written) for purchasing (writing) options are recorded in Derivative Assets (Liabilities) and subsequently adjusted daily to fair value. If a written option expires unexercised, the premium received is recognized as a realized gain. If a written call option is exercised, the difference between the proceeds of the sale plus the value of the premium, and the cost of the security is recognized as a realized gain or loss. If a written put option is exercised, the cost of the security acquired is the exercise price of the option less the premium received. Refer to the Schedule of Derivative Instruments and Schedule of Options Purchased/Written, as applicable, included in the Schedule of Investments for a listing of derivative and options positions.

The Fund categorizes the fair value of its assets and liabilities into three categories, which are differentiated based on the observable nature of the inputs and extent of estimation required.

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly. Examples of Level 2 valuations include quoted prices for similar securities, quoted prices on inactive markets and from recognized investment dealers, and the application of factors derived from observable data to non-North American quoted prices in order to estimate the impact of differences in market closing times.

Financial instruments classified as Level 2 investments are valued based on the prices provided by an independent reputable pricing services company who prices the securities based on recent transactions and quotes received from market participants and through incorporating observable market data and using standard market convention practices. The estimated fair values for these securities may be different from the values that would have been used had a ready market for the investment existed; and

Level 3 – Inputs that are not based on observable market data.

The inputs are considered observable if they are developed using market data, such as publicly available information about actual events or transactions, and that reflect the assumption that market participants would use when pricing the asset or liability.

See Note 10 (e) for the fair value classifications of the Fund.

#### (c) Income recognition

Interest income for distribution purposes represents the coupon interest received by the Fund which is accounted for on an accrual basis. The Fund does not amortize premiums paid or discounts received on the purchase of fixed income securities except for zero coupon bonds, which are amortized on a straight-line basis.

Dividends are accrued as of the ex-dividend date. Realized gains or losses on the sale of investments, including foreign exchange gains or losses on such investments, and unrealized gains or losses are calculated on an average cost basis.

The Fund may invest in ETFs managed by Mackenzie Investments (an affiliate of Counsel) which are indicated in the Schedule of Investments. The Fund receives Fee rebate income in respect of management fees paid indirectly to Mackenzie which offset the management fees indirectly borne in the return of these Underlying Funds.

Income, realized gains (losses), and unrealized gains (losses) are allocated daily among the series on a pro-rata basis.

#### (d) Commissions and other portfolio transaction costs

Commissions and other portfolio transaction costs are costs incurred to acquire, issue or dispose of financial assets or liabilities. They include fees and commissions paid to agents, exchanges, brokers, dealers and other intermediaries. The total brokerage commissions incurred by the Fund in connection with portfolio transactions for the periods, together with other transaction charges, is disclosed in the Statements of Comprehensive Income. Brokerage business is allocated to brokers based on the best net result for the Fund. Subject to this criteria, commissions may be paid to brokerage firms which provide (or pay for) certain services, other than order execution, which may include investment research, analysis and reports, and databases or software in support of these services. Where applicable and ascertainable, the value of third-party services that were paid for by brokers during the periods is disclosed in Note 10. The value of certain proprietary services provided by brokers cannot be reasonably estimated.

#### (e) Securities lending, repurchase and reverse repurchase transactions

The Fund is permitted to enter into securities lending, repurchase and reverse repurchase transactions as set out in the Fund's Simplified Prospectus. These transactions involve the temporary exchange of securities for collateral with a commitment to redeliver the same securities on a future date.

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## NOTES TO FINANCIAL STATEMENTS (cont'd)

### 3. Material Accounting Policies (cont'd)

#### (e) Securities lending, repurchase and reverse repurchase transactions (cont'd)

Income is earned from these transactions in the form of fees paid by the counterparty and, in certain circumstances, interest paid on cash or securities held as collateral. Income earned from these transactions is included in the Statements of Comprehensive Income and recognized when earned. Securities lending transactions are administered by the Canadian Imperial Bank of Commerce (the "Securities Lending Agent"). The value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned, sold or purchased.

Note 10 summarizes the details of securities loaned and collateral received, as well as a reconciliation of securities lending income, if applicable. Collateral received is comprised of debt obligations of the Government of Canada and other countries, Canadian provincial and municipal governments, and financial institutions.

#### (f) Foreign currency

The functional and presentation currency of the Fund is Canadian dollars. Foreign currency purchases and sales of investments and foreign currency dividend and interest income and expenses are translated to Canadian dollars at the rate of exchange prevailing at the time of the transactions.

Foreign exchange gains (losses) on purchases and sales of foreign currencies are included in the Statements of Comprehensive Income – Net realized gain (loss).

The fair value of investments and other assets and liabilities, denominated in foreign currencies, are translated to Canadian dollars at the rate of exchange prevailing on each business day.

#### (g) Offsetting

Financial assets and liabilities are offset and the net amount reported in the Statements of Financial Position when there is a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. In the normal course of business, the Fund enters into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the Statements of Financial Position but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts. Note 10 summarizes the details of such offsetting, if applicable, subject to master netting arrangements or other similar agreements and the net impact to the Statements of Financial Position if all such rights were exercised.

Income and expenses are not offset in the Statements of Comprehensive Income unless required or permitted to by an accounting standard, as specifically disclosed in the IFRS policies of the Fund.

#### (h) Net assets attributable to securityholders per security

Net assets attributable to securityholders per security is computed by dividing the net assets attributable to securityholders of a series of securities on a business day by the total number of securities of the series outstanding on that day.

#### (i) Net asset value per security

The daily Net Asset Value ("NAV") of an investment fund may be calculated without reference to IFRS as per the Canadian Securities Administrators' ("CSA") regulations. The difference between NAV and Net assets attributable to securityholders (as reported in the financial statements), if any, is mainly due to differences in fair value of investments and other financial assets and liabilities and is disclosed in Note 10 (a).

#### (j) Increase (decrease) in net assets attributable to securityholders from operations per security

Increase (decrease) in net assets attributable to securityholders from operations per security in the Statements of Comprehensive Income represents the increase (decrease) in net assets attributable to securityholders from operations for the period, divided by the weighted average number of securities outstanding during the period.

#### (k) Future accounting changes

Counsel has determined there are no material implications to the Fund's financial statements arising from IFRS issued but not yet effective.

### 4. Critical Accounting Estimates and Judgments

The preparation of these financial statements requires management to make estimates and assumptions that primarily affect the valuation of investments. Estimates and assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates.

#### Use of Estimates

##### *Fair value of securities not quoted in an active market*

The Fund holds financial instruments that are not quoted in active markets and are valued using valuation techniques that make use of observable data, to the extent practicable. Various valuation techniques are utilized, depending on a number of factors, including comparison with similar instruments for which observable market prices exist and recent arm's length market transactions. Key inputs and assumptions used are company specific and may include estimated discount rates and expected price volatilities. Changes in key inputs, could affect the reported fair value of these financial instruments held by the Fund.

#### Use of Judgments

##### *Classification and measurement of investments*

In classifying and measuring financial instruments held by the Fund, the Manager is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9. The Manager has considered the Fund's business model, commitments to securityholders, and the manner in which investments are managed and evaluated as a group and has determined that irrevocable designation of financial instruments as financial assets or financial liabilities at fair value through profit or loss provides the most appropriate measurement and presentation of the Fund's investments and financial instruments.

##### *Functional currency*

The Fund's functional and presentation currency is the Canadian dollar, which is the currency considered to best represent the economic effects of the Fund's underlying transactions, events and conditions taking into consideration the manner in which securities are issued and redeemed and how returns and performance by the Fund are measured.

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## NOTES TO FINANCIAL STATEMENTS (cont'd)

### 4. Critical Accounting Estimates and Judgments (cont'd)

#### *Interest in unconsolidated structured entities*

In determining whether an ETF in which the Fund invests ("Underlying Funds"), but that it does not consolidate, meets the definition of a structured entity, the Manager is required to make significant judgments about whether these underlying funds have the typical characteristics of a structured entity. These Underlying Funds do meet the definition of a structured entity because:

- I. The voting rights in the Underlying Funds are not dominant factors in deciding who controls them;
- II. The activities of the Underlying Funds are restricted by their offering documents; and
- III. The Underlying Funds have narrow and well-defined investment objective to provide investment opportunities for investors while passing on the associated risks and rewards.

As a result, such investments are accounted for at FVTPL. These investments are shown in the Schedule of Investments and are below 0.5% of each Underlying Fund's NAV.

### 5. Income Taxes

The Fund qualifies as a unit trust under the provisions of the Income Tax Act (Canada) and, accordingly, is subject to tax on its income including net realized capital gains in the taxation year, which is not paid or payable to its securityholders as at the end of the taxation year. The Fund maintains a December 31 year-end for tax purposes. The Fund may be subject to withholding taxes on foreign income. In general, the Fund treats withholding tax as a charge against income for tax purposes. The Fund will distribute sufficient amounts from net income for tax purposes, as required, so that the Fund will not pay income taxes other than refundable tax on capital gains, if applicable.

Losses of the Fund cannot be allocated to securityholders and are retained in the Fund for use in future years. Non-capital losses incurred may be carried forward up to 20 years to reduce taxable income and realized capital gains of future years. Net capital losses may be carried forward indefinitely to reduce future realized capital gains. Refer to Note 10 (d) for a summary of the Fund's loss carryforwards.

### 6. Management Fees and Operating Expenses

No management fee is charged to investors in the fund by Counsel.

Series Private Wealth, if issued, is charged a fixed rate annual administration fee ("Administration Fee"), as applicable, and in return, Counsel bears all of the operating expenses of the Fund, other than certain specified fund costs.

Other fund costs include taxes (including, but not limited to GST/HST and income tax), interest and borrowing costs, all fees and expenses of the Counsel Funds' Independent Review Committee, fees paid to external service providers associated with tax reclaims, refunds or the preparation of foreign tax reports on behalf of the Funds, and any new fees related to external services that were not commonly charged in the Canadian mutual fund industry after the date of the Counsel Funds/most recently filed Simplified Prospectus.

Counsel may waive or absorb Administration Fees at its discretion and stop waiving or absorbing such fees at any time without notice. Refer to Note 10 (a) for the Administration Fee rates charged to each series of securities.

### 7. Fund's Capital

The capital of the Fund is divided into different series with each series having an unlimited number of securities. The securities outstanding for the Fund as at March 31, 2024 and 2023 and securities issued, reinvested and redeemed for the periods are presented in the Statements of Changes in Financial Position. Counsel manages the capital of the Fund in accordance with the investment objectives and strategies as discussed in Note 8 (a).

### 8. Financial Instruments Risk

#### (a) Risk exposure and management

The Fund's investment activities expose it to a variety of financial risks, as defined in IFRS 7 *Financial Instruments: Disclosures* ("IFRS 7"). The Fund's exposure to financial risks is concentrated in its investments, which are presented in the Schedule of Investments, grouped by asset type, with geographic and sector information.

The Manager seeks to minimize potential adverse effects of financial risks on the Fund's performance by employing professional, experienced portfolio advisors, by monitoring the Fund's positions and market events daily, by diversifying the investment portfolio within the constraints of the Fund's investment objectives and strategies, as disclosed in Note 10 (b), and where applicable, by using derivatives to hedge certain risk exposures. To assist in managing risks, Counsel also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy, internal guidelines, and securities regulations.

#### (b) Liquidity risk

Liquidity risk arises when the Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable securities. In order to monitor the liquidity of its assets, the Fund utilizes a liquidity risk management program that calculates the number of days to convert the investments held by the Fund into cash using a multi-day liquidation approach. This liquidity risk analysis assesses the Fund's liquidity against pre-determined minimum liquidity percentages, established for different time periods. In addition, the Fund has the ability to borrow up to 5% of its net assets for the purposes of funding redemptions. In order to comply with securities regulations, the Fund must maintain at least 85% of its assets in liquid investments (i.e. investments that can be readily sold).

Other investment funds managed by Counsel ("Top Funds") may invest in Series O securities offered by the Fund on a prospectus-exempt basis in accordance with the investment objectives of those funds.

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## NOTES TO FINANCIAL STATEMENTS (cont'd)

### 8. Financial Instruments Risk (cont'd)

#### (b) Liquidity risk (cont'd)

From time to time, these holdings may be rebalanced by either reducing an allocation to the Fund or eliminating such investments in the Fund entirely. In either case, depending on the size of the investment by a large investor, this could cause a significant redemption from the Fund. Meeting such a redemption may require the Fund to sell portfolio holdings. This could result in the Fund selling a particular holding before it has achieved the valuation sought by the Manager thus affecting Fund returns. This could also result in the Fund realizing capital gains on its holdings earlier than planned, which could result in capital gains distributed to investors in the Fund (which could result in income tax payable by the investor) that might not have occurred or might have occurred at a later date.

For the amounts held by and the changes thereto during the period pertaining to Series O please refer to the amounts disclosed in the Statements of Financial Position and Statements of Changes in Financial Position.

#### (c) Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment into which it has entered with the Fund.

Note 10 (c) summarizes the Fund's exposure, if applicable and significant, to credit risk through fixed income instruments. Where presented, credit ratings and rating categories are based on ratings issued by a designated rating organization.

All transactions in listed securities are executed with approved brokers.

To minimize the possibility of settlement default, securities are exchanged for payment simultaneously, where market practices permit, through the facilities of a central depository and/or clearing agency where customary.

The carrying amount of investments and other assets represents the maximum credit risk exposure as at the dates of the Statements of Financial Position. The Fund may enter into securities lending transactions with counterparties and it may also be exposed to credit risk from the counterparties to the derivative instruments it may use. Credit risk associated with these transactions is considered minimal as all counterparties have an approved credit rating equivalent to a Standard & Poor's credit rating of not less than A-1 (low) on their short-term debt and of A on their long-term debt, as applicable.

#### (d) Currency risk

Currency risk is the risk that financial instruments which are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's functional currency, will fluctuate due to changes in exchange rates. Generally, foreign denominated investments increase in value when the value of the Canadian dollar (relative to foreign currencies) falls. Conversely, when the value of the Canadian dollar rises relative to foreign currencies, the values of foreign denominated investments fall.

Note 10 (c) indicates the foreign currencies, if applicable, to which the Fund had significant exposure, in Canadian dollar terms, to the Fund's net assets had the Canadian dollar strengthened or weakened by 5% relative to all foreign currencies, all other variables held constant. In practice, the actual trading results may differ and the difference could be material. Other financial assets and liabilities (including dividends and interest receivable, and receivables/payables for investments sold/purchased) that are denominated in foreign currencies do not generally expose the Fund to significant currency risk.

#### (e) Interest rate risk

Interest rate risk arises on interest-bearing financial instruments. The Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. Generally, these securities increase in value when interest rates fall and decrease in value when interest rates rise.

If significant, Note 10 (c) summarizes the Fund's bonds by remaining term to maturity and illustrates the potential impact to the Fund's net assets had prevailing interest rates increased or decreased by 1%, assuming a parallel shift in the yield curve, all other variables held constant. In practice, the actual trading results may differ and the difference could be material.

Cash and cash equivalents are short term in nature and are not generally subject to significant amounts of interest rate risk.

#### (f) Other price risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All investments present a risk of loss of capital. This risk is managed through a careful selection of investments and other financial instruments within the parameters of the investment strategy.

Other price risk typically arises from exposure to equity securities. Note 10 (c) illustrates the potential increase or decrease in the Fund's net assets had the prices on the respective exchanges for these securities increased or decreased by 10%, all other variables held constant. In practice, the actual trading results may differ and the difference could be material.

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## NOTES TO FINANCIAL STATEMENTS (cont'd)

### 9. Foreign currency abbreviations

Currency Code	Description	Currency Code	Description	Currency Code	Description
AUD	Australian dollars	HUG	Hungarian forint	PKR	Pakistani rupee
AED	United Arab Emirates Dirham	IDR	Indonesian rupiah	PLN	Polish zloty
BRL	Brazilian real	ILS	Israeli shekel	QAR	Qatar Rial
CAD	Canadian dollars	INR	Indian rupee	RON	Romanian leu
CHF	Swiss franc	JPY	Japanese yen	RUB	Russian ruble
CLP	Chilean peso	KOR	South Korean won	SAR	Saudi riyal
CNY	Chinese yuan	MXN	Mexican peso	SEK	Swedish krona
CZK	Czech koruna	MYR	Malaysian ringgit	SGD	Singapore dollars
DKK	Danish krone	NGN	Nigerian naira	THB	Thailand baht
EGP	Egyptian pound	NOK	Norwegian krona	TRL	Turkish lira
EUR	Euro	NTD	New Taiwan dollar	USD	United States dollars
GBP	United Kingdom pounds	NXD	New Zealand dollars	VND	Vietnamese dong
GHS	Ghana Cedi	PEN	Peruvian nuevo sol	ZAR	South African rand
HKD	Hong Kong dollars	PHP	Philippine peso	ZMW	Zambian kwacha

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## NOTES TO FINANCIAL STATEMENTS (cont'd)

### 10. Fund Specific Information (in '000, except for (a))

#### (a) Fund Formation and Series Information

Series	Inception/ Reinstatement Date	Minimum Investment (\$)	Management fee (%)	Administration fee (%) <sup>3</sup>	Net Asset Value per security (\$)	
					as at March 31, 2024	as at March 31, 2023
Series O <sup>1</sup>	October 29, 2015	–	–	–	9.24	8.86
Series Private Wealth <sup>2</sup>	October 19, 2020	–	–	0.15	9.72	9.30

<sup>1</sup> There are no management or administration fees for this series since these securities are designed to facilitate fund-of-fund investing where duplication of management fees is prohibited.

<sup>2</sup> There are no management fees for Series Private Wealth. An investor must enter into an agreement to participate in a discretionary managed program offered by IPC Securities Corporation and agree to pay certain asset-based fees.

<sup>3</sup> Counsel may, at its discretion, waive or lower the administration fee payable by investors.

#### (b) Investment Objectives and Strategies

The Fund seeks to achieve a high level of income with the potential for long-term capital growth. The Fund invests primarily in Canadian and U.S. fixed-income securities. The Fund's investments are generally expected to have a weighted average credit rating of "BB-" or higher, as rated by S&P or an equivalent rating from another recognized credit rating organization. The sub-advisor may vary the weighted average credit quality. The Fund seeks to diversify the investment portfolio by industry sector, size of issuer and credit rating.

The Fund is not available to retail investors and is only available to other Counsel Funds.

#### (c) Risks Associated with Financial Instruments

##### i. Currency Risk

The tables below summarize the Fund's exposure to currency risk.

Currency	March 31, 2024				Impact on net assets			
	Investments (\$)	Cash and Cash Equivalents (\$)	Derivative Instruments (\$)	Net Exposure (\$)	Strengthened by 5%		Weakened by 5%	
					(\$)	%	(\$)	%
USD	71,964	1,554	6,490	80,008				
EUR	1,444	–	(1,146)	298				
GBP	171	–	–	171				
Total	73,579	1,554	5,344	80,477				
% of Net Assets	92.5	2.0	6.7	101.2				
Total currency rate sensitivity					(4,024)	(5.1)	4,024	5.1

Currency	March 31, 2023				Impact on net assets			
	Investments (\$)	Cash and Cash Equivalents (\$)	Derivative Instruments (\$)	Net Exposure (\$)	Strengthened by 5%		Weakened by 5%	
					(\$)	%	(\$)	%
USD	82,823	1,647	2,547	87,017				
EUR	449	–	(451)	(2)				
Total	83,272	1,647	2,096	87,015				
% of Net Assets				100.0				
Total currency rate sensitivity					(4,351)	(5.0)	4,351	5.0

The Fund follows a dynamic hedging strategy where it targets a hedge against foreign currencies, based on Counsel's expectation of future exchange rates at that time. As of March 31, 2024, the Fund had target hedges of 0.0% (2023 – 0.0%) against the USD.

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## NOTES TO FINANCIAL STATEMENTS (cont'd)

### 10. Fund Specific Information (in '000, except for (a)) (cont'd)

#### (c) Risks Associated with Financial Instruments (cont'd)

##### ii. Interest Rate Risk

The tables below summarize the Fund's exposure to interest rate risks from its investments in bonds and derivative instruments by term to maturity.

	Bonds (\$)	Impact on net assets			
		Increase by 1%		Decrease by 1%	
March 31, 2024		(\$)	(%)	(\$)	(%)
Less than 1 year	–				
1-5 years	34,435				
5-10 years	37,512				
Greater than 10 years	1,042				
<b>Total</b>	<b>72,989</b>	<b>(2,794)</b>	<b>(3.5)</b>	<b>2,794</b>	<b>3.5</b>

	Bonds (\$)	Impact on net assets			
		Increase by 1%		Decrease by 1%	
March 31, 2023		(\$)	(%)	(\$)	(%)
Less than 1 year	530				
1-5 years	32,235				
5-10 years	46,352				
Greater than 10 years	3,253				
<b>Total</b>	<b>82,370</b>	<b>(3,471)</b>	<b>(4.0)</b>	<b>3,471</b>	<b>4.0</b>

##### iii. Other Price Risk

Impact on net assets	Increased by 10%		Decreased by 10%	
	(\$)	(%)	(\$)	(%)
March 31, 2024	59	0.1	(59)	(0.1)
March 31, 2023	90	0.1	(90)	(0.1)

##### iv. Credit risk

As at March 31, 2024 and 2023, debt securities by credit rating are as follows:

Bond Rating*	March 31, 2024	March 31, 2023
	% of Net Assets	% of Net Assets
A	0.2	0.2
BBB	2.6	5.5
BB	37.4	38.9
B	37.5	36.3
Less than B	9.8	10.1
Unrated	4.3	3.7
<b>Total</b>	<b>91.8</b>	<b>94.7</b>

\* Credit ratings and rating categories are based on ratings issued by a designated rating organization

As at March 31, 2024, the maximum exposure to any one debt issuer was 1.30% of the net assets of the Fund (2023 – 1.7%).

The Fund uses credit default swaps to obtain additional exposure to high yield bonds. Such amounts are disclosed in *Effective Portfolio Allocation* in the *Summary of Investment Portfolio*.



# COUNSEL NORTH AMERICAN HIGH YIELD BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## NOTES TO FINANCIAL STATEMENTS (cont'd)

### 10. Fund Specific Information (in '000, except for (a)) (cont'd)

#### (d) Loss Carryforwards

Non-Capital Losses carryforward (\$)	Capital Losses carryforward (\$)
–	10,796

#### (e) Fair Value Classification

The table below summarizes the fair value of the Fund's investments using the fair value categories described in Note 3.

	March 31, 2024				March 31, 2023			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Fixed income	–	72,989	–	72,989	–	82,370	–	82,370
Equities	590	–	–	590	902	–	–	902
Cash equivalents	–	–	–	–	–	177	–	177
Derivative assets	–	85	–	85	–	104	–	104
Derivative liabilities	–	(188)	–	(188)	–	(55)	–	(55)
<b>Total</b>	<b>590</b>	<b>72,886</b>	<b>–</b>	<b>73,476</b>	<b>902</b>	<b>82,596</b>	<b>–</b>	<b>83,498</b>

There were no significant transfers between Level 1 and Level 2. Cash equivalents classified as level 2 investments are valued based on amortized cost plus accrued interest which closely approximates fair value.

#### (f) Commissions

	(\$)
March 31, 2024	–
March 31, 2023	–

#### (g) Securities Lending

	March 31, 2024 (\$)	March 31, 2023 (\$)
Value of securities loaned	801	67
Value of collateral received	840	70

	March 31, 2024		March 31, 2023	
	(\$)	(%)	(\$)	(%)
Gross securities lending income	2	100.0	14	100.0
Tax withheld	–	–	(3)	(21.4)
	2	100.0	11	78.6
Payments to securities lending agent	–	–	(2)	(14.3)
<b>Securities lending income</b>	<b>2</b>	<b>100.0</b>	<b>9</b>	<b>64.3</b>

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## NOTES TO FINANCIAL STATEMENTS (cont'd)

### 10. Fund Specific Information (in '000, except for (a)) (cont'd)

#### (h) Offsetting of Financial Assets and Liabilities

The tables below present financial assets and financial liabilities that are subject to master netting arrangements or other similar agreements and the net impact on the Fund's Statements of Financial Position if all set-off rights were exercised as part of future events such as bankruptcy or termination of contracts. No amounts were offset in the financial statements.

	March 31, 2024			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	85	(15)	–	70
Unrealized losses on derivative contracts	(188)	15	81	(92)
Total	(103)	–	81	(22)

	March 31, 2023			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	104	(14)	–	90
Unrealized losses on derivative contracts	(55)	14	(145)	(186)
Total	49	–	(145)	(96)