



REQUEST FOR PROPOSAL (RFP) INVESTMENT MANAGEMENT SERVICES

GOLF CANADA

The Royal Canadian Golf Association (operating as Golf Canada) is soliciting proposals from candidates to provide investment management services on behalf of the Investment Committee, a Standing Committee of the Board of Directors. We are inviting the submission of a proposal by May 14, 2019, for our consideration.

Inquiries and Proposals should be directed to:

Garrett Ball, CPA, CA,

Chief Financial Officer and Ethics Commissioner

Golf Canada

Suite 1, 1333 Dorval Drive

Oakville, ON, L6M 4X7

Phone: 905 849 9700 x.226

Email: gball@golfcanada.ca

Submission Due Date: May 14, 2019 @ 5:00PM EST

1. Organizational Background

The Royal Canadian Golf Association (RCGA) was founded in 1895 and conducts business as Golf Canada, a not for profit organization (designated by Sport Canada as a Registered Canadian Amateur Athletic Association “RCAAA”). The Association’s RCAAA designation also provides charitable status permitting the issuance of charitable receipts for eligible donations.

Golf Canada is the National Sports Federation and governing body for golf in Canada representing close to 314,000 golfers at more than 1,400-member clubs across the country. Golf Canada’s mission is to increase Canadian participation and excellence in golf through five core values: Fun, Excellence, Inclusion, Respect and Accountability.

Golf Canada actively administers programs and services to help shape the present and future of golf in Canada. High performance athlete development through Team Canada’s program; National Golf in Schools Golf Fore the Cure; the Canadian Golf Hall of Fame and Museum; and Future Links, driven by Acura - Canada’s national junior golf program; are only some of the initiatives the association delivers in conjunction with the provincial and other national golf associations. As the authority for golf in Canada, the association also administers the Rules of Golf, amateur status, handicapping and course rating.

In addition, Golf Canada conducts the country’s most prestigious international professional golf championships in partnership with the PGA TOUR and LPGA TOUR. Regional junior and national amateur championships also provide world class competitive opportunities for Canada’s top golfers to showcase their talents.

A full copy of Golf Canada’s 2019-2022 Strategic Plan can be found at www.golfcanada.ca/about-us/.

2. Governance

Golf Canada is governed by a Board of Directors (the “Board”) and an Investment Committee (the “Committee”) is delegated the oversight and management of the Organization’s investment portfolio.

The Chair of the Committee is a member of the Board and the Committee is assisted in its duties by staff representative, the Chief Financial Officer of Golf Canada. The Committee will meet on at least a quarterly basis to address plans established through an annual work plan aligned with its’ Terms of Reference included in Appendix A. The established Investment Policy Statement provides the guidelines necessary for managing the assets within the portfolio. Golf Canada’s Investment Policy Statement can be found in Appendix B. A copy of our current portfolio mix is included in Appendix C.

3. Request for Proposal

Golf Canada seeks experienced Managers (“Manager” or “Managers”) to provide institutional investment management services for its investment portfolio currently valued at approximately \$24 million (“Services”). Golf Canada has a strong preference to aggregate assets under one umbrella organization that may include one or more Managers. However, Golf Canada may consider awarding a portion of the Services to more than one umbrella organization, but not more than two organizations. Other primary objectives of the intended outcome of this RFP:

- Managers that can lead the Investment Committee and asset mix to an annualized return target as set forth in the Investment Policy Statement,
- A reduction in total fees which assists in the achievement of the net return target,
- Selecting Managers which will act as both consultant and partner of Golf Canada in the achievement of our strategic objectives, and
- Provision of portfolio performance reporting on a monthly basis.

This Request for Proposal (RFP) is part of a competitive procurement process that helps to serve the organization's best interests. It also provides Managers with a fair opportunity for their services to be considered.

This RFP provides instructions for submitting proposals, procedures and criteria by which a Manager may be selected.

Golf Canada has the right to:

- Reject any or all the proposals
- Cancel the entire RFP process
- Remedy the technical errors in the RFP
- Negotiate with any, all, or none of the respondents to the RFP
- Solicit the best and final offers from all or some of the prospective Managers
- Accept the written proposals as an "offer" without negotiations and issue a notice to proceed
- Contract with any respondent based solely on the qualifications and capabilities of the Manager and its consultants or umbrella organization
- Choose not to have formal presentations
- Choose one Manager to provide Services for 100% of the portfolio, or two Managers to provide Services on a share of the portfolio
- Solicit follow up information as deemed necessary

4. Submission Information and Timeline

April 22, 2019	RFP issued to invited Managers
April 30, 2019	Invited Managers to notify Golf Canada of their intention to respond
May 3, 2019	Deadline for questions
May 7, 2019	Golf Canada to distribute responses to all questions to all Managers
May 14, 2019	Proposal submission deadline (5:00pm EST)
May 15 – June 4, 2019	Review and shortlist process
June 5 – June 17, 2019	Final Selection and Board of Directors Approval
July 29, 2019	Fiscal Q2 Formal Investment Committee Meeting

All questions should be directed to:

Garrett Ball, CPA, CA, Chief Financial Officer. via email to gball@golfcanada.ca as responses to all questions will be distributed to all interested Managers

To be considered, please forward one (1) hard copy and one (1) digital copy (pdf format only) of the proposal and any separate appendices by no later than 5:00pm on May 14, 2019 to the following address:

Attn: Garrett Ball
gball@golfcanada.ca

Golf Canada
1333-1 Dorval Drive,
Oakville, ON, L6M 4X7

Golf Canada will not be responsible for any costs incurred by any Manager responding to the RFP. All responses will be kept confidential.

All data / material developed or acquired by the Manager as a result of work under the RFP shall be the property of Golf Canada. No material or reports prepared by the Manager shall be released to the public by the Manager.

5. Proposal Evaluation Criteria

Golf Canada is not bound to accept the lowest fee proposal or the highest projected performance. The following list of criteria will be used to evaluate all submitted proposals. The order in which the selection criteria are listed is not necessarily indicative of their relative importance:

1. Length of time the Manager has been in business, composition of the Manager including the key personnel committed to this project, their experience and track record of performance, and the Manager's capacity to provide high quality services
2. The Manager's availability to work with Golf Canada's Investment Committee on an ongoing basis, including participation (teleconference acceptable) in at least four meetings held quarterly at a minimum.
3. The Manager's reporting and communications practices
4. The Manager's involvement with and commitment to the reciprocation of business opportunities (ie. client hosting, tickets, etc.) with Golf Canada's professional championships
5. The Manager's fee proposal, including sliding fee scale for assets under management at intervals between \$5M and \$30M
6. The Manager's relevant experience, qualifications and success in providing services of the type described to organizations / institutions like Golf Canada
7. Quality of the proposal. Specifically, proposals should be straightforward, concise and should describe the Manager's offerings and capabilities in a format that is reasonably consistent, comprehensible and appropriate to the purpose
8. The Manager's references from organizations / institutions comparable to Golf Canada

6. Request for Proposal Response

Please consider the following specific questions in preparing your proposal to Golf Canada. Responses to all questions are not necessary in completing your proposal – they are considered a guide to assisting you in your proposal. In-person presentations of your proposal will only be deemed necessary by Golf Canada after the initial review of submitted proposals during the shortlist and selection process period:

A. Manager Information

1. Overview and historical background of the Manager (or umbrella organization), including year founded, location of corporate headquarters, number of offices, and number of staff (total headcount vs investment-related staff)
2. Related organizations or affiliates, if any
3. Type of clientele and range of portfolio sizes under management
4. Type and size of assets under management
5. Experience with managing not-for-profit assets and your Manager's commitment to, and specific services for, the non-profit or sports-industry sectors
6. Qualifications and biographies of the Manager's key personnel/principals

7. Which regulatory body governs your Manager's activities and when was the Manager last audited by the regulator?
8. Name of the Entity providing custody services for your Manager.
9. Provide a listing of applicable insurance coverage maintained with relevant coverage limits, if any
10. Provide the name of your primary insurance carrier and their related rating
11. Describe any material litigation, regulatory, or legal proceedings in which your Manager or any of the principals are or have been involved over the past five years

B. Approach to Investments/Mandate

Golf Canada is interested in the invited Managers' views and opinions on its IPS and asset mix, as well as any suggested changes to both. As such, responses to the following questions can incorporate a different asset allocation than that specified in the Golf Canada 's current IPS, and/or include asset classes (including alternatives) that are not currently included in the IPS, but that the Manager believes merit consideration in the context of the prevailing capital markets environment and the Manager's outlook.

1. Describe your company's investment philosophy and approach to managing similar funds.
2. Describe your proposed portfolio structure for the Golf Canada and why it is recommended.
3. Provide a very brief description of your investment decision making process for each of the recommended solutions.
4. Provide historical performance (net of embedded fees for all pooled funds) for each of the solutions comprising the recommended portfolio, as well as their respective benchmarks for the following time periods: 1, 3, 5, and 10 years and since inception.
5. Provide historical performance (net of embedded fees for all pooled funds) for the recommended portfolio and its custom benchmark for the following time periods: 1, 3, 5, and 10 years and since inception.

C. Capital Markets Outlook and Asset Allocation

1. Qualifications and biographies of the Manager's Chief Investment Officer, Chief Economist, and Senior Investment Personnel in charge of each broad asset class (equities, fixed income, alternatives), if applicable.
2. Does your Manager provide asset allocation and tactical asset mix services and if so, what criteria inform your asset mix decisions?

D. Risk Management

1. Describe your risk management processes at the overall client portfolio level and describe how portfolio compliance to client mandate is monitored at your Manager.
2. Describe your risk management process for each of the broad asset classes under your management.
3. Describe your Manager's approach to Socially Responsible Investing, integrating environmental, social, and governance ("ESG") risks in the investment decision-making process and include information on Manager-wide guidelines, if any, governing this approach.
4. Describe your approach to voting proxies and provide a copy of your proxy voting policy.
5. Is your Manager an active participant at company shareholder meetings and do you vote all proxies?
6. Describe your Manager's approach to ESG related engagement with its investee companies and provide examples of recent engagement activities.
7. Describe liquidity constraints of securities purchased through the Manager's institutional network.

E. Client Servicing and Reporting

1. Describe your approach to client servicing.
2. Describe your ability to pro-actively make recommendations to the Committee on its IPS considering evolving investment conditions.
3. Describe the method and frequency of you company's communications with clients regarding portfolio performance, as well as significant market conditions or other developments that may impact the funds under management.
4. Provide a sample report and transaction statement
5. Would your Manager hold Golf Canada's assets in custody or are the services of a third-party custodian required?

F. Fees

1. Outline the fee structure for the proposed investment management services.
2. For pooled funds, outline all embedded operating expenses, Management Expense Ratios (MERs), commissions, and trailers.
3. Describe any ancillary or custody fees that may be occurred.
4. Describe any transfer costs that may be incurred.
5. Discuss the frequency with which fees will be evaluated and the maximum amount of any increase to be expected.

G. Other Services

1. Please address any alternative or additional services that you can provide that may be of benefit to the Golf Canada.
2. Discuss your experience in rendering such services

H. Diversity and Continuity

3. Please describe your company's policies in respect of diversity and inclusion.
4. What is your historical staff retention or continuity rates with respect to client management?

I. References

1. Provide three references that we may contact. Recommended are clients most like Golf Canada in type and size of business to whom similar services are provided.



Revised August 11, 2016

INVESTMENT COMMITTEE

TERMS OF REFERENCE

Mandate

The Investment Committee is a Standing Committee that reports to the Board of the Royal Canadian Golf Association (operating as Golf Canada), hereinafter referred to as "Golf Canada". It is responsible for assisting the Board in fulfilling their oversight responsibilities relating to Golf Canada's investment policies and strategies.

Key Duties of Chair

In fulfilling its role, the Chair shall work closely with staff on the following tasks:

1. Work with Committee members and staff representatives to plan meetings;
2. Support Committee members between meetings to complete tasks;
3. Provide written reports to the Board as required.

Key Duties of the Committee

In fulfilling its mandate, the Committee shall perform the following key tasks:

1. Develop policies and recommendations for maintaining capital, while providing income for ongoing operations, according to the Golf Canada Investment Policy Statement;
2. Manage the relationship with the investment managers, including responsibility for their engagement and termination;
3. Recommend the appointment of a Chief Investment Officer, who is either a staff person or an external expert, to the Board;
4. Monitor the portfolio mix in accordance with Golf Canada Investment Policy Statement;
5. Review and recommend to the Board any changes, on a regular basis, to the Golf Canada Investment Policy Statement;
6. Provide annual input as part of the Golf Canada strategic planning process;
7. Develop and implement an annual work plan in accordance with these terms of reference; and
8. Perform such additional tasks as may be delegated to the Committee by the Board as required.

Appointment

Members shall be appointed to the Committee by the Board within 30 days of each annual general meeting and shall serve terms of one year. Appointments are annual, but members normally serve a minimum of three one-year terms.

Should a vacancy occur on the Committee, for whatever reason, the Board may appoint a qualified person to fill that vacancy for the remainder of the vacant position's term. The Board may remove or add any member of the Committee.

Composition

The Committee shall be composed of the Chair of the Committee and 5 to 8 additional members, who shall be nominated by the Officers and CEO in consultation with the Chair and Staff Representative and approved by the Board.

Members selected to the Committee shall possess appropriate expertise or experience in the areas of the Committee's responsibility and should reflect, to the extent possible, the diverse nature of Golf Canada's membership, including language, gender, geographic location, and ethnicity.

The Board shall designate the Chair of the Committee, who shall be a Director. The chair may serve a maximum of four one-year terms as determined by the Board. For resolutions that require a vote, the Chair shall have a vote but shall not have a second vote in the event of a tie.

Staff Representative

The CEO shall designate a staff representative(s) to provide support to the Committee.

Meetings and Resources

The Committee may meet by telephone, electronic platform or in person, at least quarterly and as required to review the performance of the portfolio and make any rebalancing adjustments to keep the portfolio within the asset mix guidelines. The Committee shall receive the necessary resources from Golf Canada to fulfill its mandate and shall have staff persons assigned to assist the Committee with its work.

Reporting

The Committee shall report to the Board. Minutes of all meetings shall be kept and draft minutes and reports shall be sent to the President within fifteen days after each meeting.

Minutes shall be posted on the Golf Canada electronic platform and shall be accessible to Committee members.

In addition to the regular quarterly reporting, following each committee meeting, the Chair will flag any urgent issues to the Board, as they arise.

Review and Approval

These terms of reference were revised and approved by the Board on *(September 9, 2016)* and may be reviewed and revised as required by the Board.

Appendix B



**Investment Policy Statement
Golf Canada**

Revised June, 2018



I. INVESTMENT POLICY STATEMENT

1. The primary goal of Golf Canada in its investment portfolio (the “Portfolio”) is to assist Golf Canada in achieving its objectives as set out in its strategic plan. The prudent and effective management of the assets of the Portfolio has a direct impact on the achievement of this goal. This Investment Policy Statement (IPS) is designed to guide the Investment Committee, the CIO and Golf Canada Staff in achieving this goal.

II. ROLES AND RESPONSIBILITIES

2. The **Board of Directors** (the Board) of Golf Canada will directly review and approve the development or revision of the IPS. The Board may delegate certain investment-related responsibilities to the Investment Committee (the Committee).
3. The **Committee** shall perform work as outlined in the Board approved Committee Terms of Reference and shall conduct meetings no fewer than four times annually, and be responsible for (among other things) providing oversight of the Portfolio-related work of Golf Canada **Staff** (defined as the CEO, CFO and/or the Controller or equivalent), and the CIO.
4. A **Chief Investment Officer (CIO)** may be appointed on the recommendation of Staff and the Committee. The CIO may be either a member of Staff or external to Golf Canada. The CIO, in close conjunction with Staff and any External Service Providers(s) that may be retained from time-to-time, shall source, due diligence and make recommendations regarding Investment Managers and individual securities monitor the performance of the Portfolio; and ensure that investment funds are invested in compliance with the IPS.

The CIO has been granted the authority to execute on any investment activities involving the purchase or sale of investment funds or securities without explicit instructions from the Committee under all of the following conditions:

- The aggregate total amount of rebalancing does not exceed the lesser of (i) \$2 million, or (ii) 10% of the total market value of the portfolio,
- Pre-emptive notification and/or discussion is made with Golf Canada Staff prior to execution of any transaction, and
- Communication outlining the details of the rebalancing must be provided to the full Committee within 7-days of the transaction.

5. **Investment Managers (IMs)** will be selected by the Committee on the recommendation of the CIO. IMs will select, buy, sell, and loan specific securities in compliance with this IPS and guidelines contained in written directions and contractual agreements. IMs shall be monitored by the CIO and Staff. IMs will provide the Committee with quarterly reporting and communicate any major changes in investment style, investment policy, economic outlook, or material changes to their management team.
6. The Committee, in conjunction with CIO and Staff, may retain external custodians, lawyers, and accounting professionals (**External Service Providers**) to implement its investment program and ensure ongoing compliance with this IPS.
7. Staff will ensure the maintenance of a record of the Investment Policy Statement (IPS) and monitor the asset allocation and investment management on a monthly basis to ensure compliance with its terms.

III. INVESTMENT OBJECTIVES & RISK MANAGEMENT

8. The **investment objectives** for the Portfolio are:
 - a) To preserve the capital in the Portfolio.
 - b) To provide total returns on the Portfolio (with adequate liquidity) which may be used by Golf Canada to fund initiatives to fulfill its mandate; and, specifically,
 - c) To obtain an annual return, net of fees, of 6.0%. The long-term total return objective will be reviewed no less than annually to assess whether it accurately reflects the current market environment.
9. **Risk Management:** The primary driver of all investment decisions shall be risk management. Although Golf Canada recognizes that there can be no returns without the assumption of certain levels of risk, no investment decision shall be taken without first applying strict risk measurement and management principles. The methods through which risk will be managed will include, but not be limited to the following:
 - d) Diversification among and within assets classes and investment strategies;
 - e) The regular reporting by the CIO and Staff to the Committee of investment performance, compliance with this IPS, and any items that are material to the issue of the achievement of Golf Canada's objectives within enumerated constraints.

IV. ASSET ALLOCATION & INVESTMENT MANAGEMENT

10. Asset allocation is regarded as the primary driver of risk management and total return enhancement in the investment management process. Both **passive and active investment allocations** are suitable investment strategies, with passive management especially suitable in highly efficient markets where market betas are the key drivers of returns and are available through inexpensive passive measures.
11. **Cash Flow and Liquidity:** The investment program must reflect Golf Canada's cash flow obligations when assessing any illiquid investments. When the program is sufficiently liquid to provide adequate cashflow when required, illiquid investments are permitted. Investments that offer 30-day liquidity (or less) are considered "liquid".
12. **Risk Rating:** In order to manage allocations based on risks assumed in order to achieve desired returns, a "Risk Rating" shall be applied to each investment (on a scale of 0-5, the definitions for which are immediately below), resulting in a money-weighted-average risk score for the entire Portfolio ("Risk Score").

At no time may the Risk Score be higher than 3.5. When the Risk Score is between 3.1 and 3.5 inclusive, the Committee must meet on a regular basis to assess whether any changes to the Portfolio ought to be made and whether the Board ought to be made aware of any risks to the Portfolio with which it was not previously acquainted.

The Risk Ratings shall reflect different types of risk that may include (but are not limited to): the permanent loss of capital; volatility in publicly-traded instruments; lack of liquidity in underlying assets, especially at times of financial stress; and the use of leverage, shorting or derivatives in investment strategies.

With these and other potential risks in mind, each investment shall be rated based on the following guidelines to measure the Risk Score for the entire Portfolio:

0: "Risk Free": Government-backed debt. Cash or cash-equivalents.

1: "Very Low Risk": These investments pose little chance of losing capital over any period, and are generally associated with low duration, highly-liquid investment-grade debt instruments only.

2: "Low Risk": These investments generally have some operational and/or credit risk, but are unlikely to have much volatility, or can be more volatile asset classes with defensive hedges in place designed to mitigate losses in times of crisis.

3: "Moderate Risk": These investments generally have some volatility but low probability of a loss of principal. Typical investment funds that fall under this category include hedged credit and equity funds that trade actively and hedge one or more macro risks. These investments may also represent longer term time horizons with lower liquidity (such as non-public asset-backed debt instruments).

4: "Moderate to High Risk": These investments are generally unhedged equity investments, whether public or private. They offer higher returns, but also have greater volatility and/or limited liquidity, which makes them susceptible to larger losses in times of financial crisis.

5: "High Risk (Speculative)": These investments generally involve investments in start-ups or extremely volatile asset classes. These investments often come with binary outcomes, where a total loss of capital is a real possibility.

13. Tactical allocation and reallocation of assets ("**Tactical Allocation**") within the Strategic Asset Allocation may help to increase the risk-adjusted returns of the Portfolio over time. Because Tactical Allocation is a dynamic function, the Board delegates the authority and responsibility for Tactical Allocation recommendations and execution (in accordance with the process described in Section II; Paragraph 4) to the CIO, with the advice and counsel of Staff and/or External Service Providers. Further, since, in some cases, IMs operating tactical allocation programs in core assets may be used, it is acceptable to have those IMs modify relative allocations in real-time without first consulting the CIO, Staff, or the Committee, so long as they work within allocation ranges agreed to in advance with the CIO and the Committee.

V. INVESTMENT GUIDELINES

14. **Prohibited Investments** include, but are not limited to:

- a) Investments precluded by law or regulation;
- b) Investments specifically proscribed by the Board;
- c) Investments that, at the time the allocation is made, carry a Risk Rating of 5; and
- d) Investments in asset classes or investment strategies not contemplated in any part of the IPS, without the prior written consent of the Committee.

15. **Diversification:** To limit the Portfolio's risk associated with potential concentration in securities and/or Investment Funds, diversification requirements are as follows:

- a) **Diversification relative to a single security:** At no time should a single security

holding represent more than 5% of the outstanding investable assets of the Portfolio. This limit does not apply to a security whose purpose is to provide exposure to a widely diversified set of other securities, such as an ETF.

- b) **Diversification relative to a single Investment Fund:** Any single Investment Fund or single ETF should not manage more than 25% of the outstanding investable assets of the Portfolio at the time the investment is made.
- c) **Diversification relative to a single Investment Management Entity:** Investment in multiple Investment Funds managed by the same entity may not in aggregate represent more than 25% of the outstanding investable assets of the Portfolio. This limit does not apply to investment in multiple ETFs managed by the same entity.

In the event that an increase in value of such investments (or a decrease in value in the balance of the Portfolio) results in an individual investment in an Investment Fund representing more than 25% of the Portfolio, or, an investment in multiple Investment Funds owned by the same entity representing more than 25% of the Portfolio, the CIO or Staff shall report to the Committee without delay. The CIO will recommend a plan to bring the holdings in compliance with the IPS in an appropriate time period.

- 16. **Currency:** The Portfolio may include investments denominated in any currency without restriction. The Committee may, at any time, place guidelines and/or restrictions regarding exposure to foreign currency risks, to be followed by the IMs. If necessary, a currency hedging program may be initiated on the entire Portfolio. Notwithstanding the fact that investments may be in various currencies, reporting on the Portfolio as a whole shall be in Canadian dollars.

VI. REPORTING / PERFORMANCE MONITORING

- 17. **Purpose:** The purpose of monitoring and reporting on investment performance is for Golf Canada to be able to ensure compliance with the IPS and applicable law, manage the risk of the Portfolio, assess the performance of IMs retained by Golf Canada (with reference to benchmarks appropriate to each investment strategy or asset class, determined before initial deployment of assets), and ensure that the stated objectives of the IPS are being met.
- 18. **Interim Reporting to the Committee:** On no less than a quarterly basis, the CIO, in conjunction with Staff, shall provide the Committee with a summary of the Portfolio's holdings and performance, and a statement of compliance of the Portfolio holdings with the provisions of this IPS.
- 19. **Annual Reporting:** Annual reports shall be provided to the Board by the Committee.

These reports shall review the Portfolio holdings and performance for the prior year, confirm compliance with the provisions of this IPS, and outline any material changes recommended to the composition of the Portfolio, the role or composition of the Committee, the identity of the CIO, and to the IPS.

VII. INDUSTRY STANDARDS, BEST PRACTICES & CONFLICTS OF INTEREST

20. **Best Practices:** At all times, the Committee, the CIO and Staff shall endeavour to execute their duties in relation to the IPS and the Portfolio with respect to (but not limited to): IM selection and/or termination; cost management; trade execution; investment management and other fees, and securities lending and proxy voting in accordance with any laws, industry standards and consistent with generally accepted best-practices.
21. **Standard of Conduct:** The Board, the Committee, the CIO, and Staff (“Principals”) shall refrain from undisclosed personal activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions.
22. **Conflict of Interest:** In the event that a Principal believes that any personal interest, whether economic or otherwise, might reasonably be seen by an independent third-party to pose a material conflict of interest in that Principal’s involvement with the Portfolio, that Principal shall disclose said interest to the Committee, who will determine what, if any, action is required to mitigate the potential or existing conflict.

Appendix C



Investment	Custodian	Acquisition Date	Cost	Market Value	12-Month Trailing Return
Cash	Various		111,466	111,466	n/a
RP Fixed Income Plus	National Bank	Mar-13	2,400,000	2,828,000	0.99%
RP Debt Opportunities Fund	Royal Bank Dominion	Oct-13	1,800,000	2,507,000	1.82%
Forstrong - Int'l Focus	National Bank	Nov-12	777,900	802,000	1.34%
Forstrong - Global Balanced	National Bank	Nov-12	1,500,000	2,464,000	-0.10%
JPM Efficiente 5 Note	National Bank	Aug-13	3,000,000	3,394,000	-10.36%
PH&N Dividend Income Fund	Phillips, Hager & Nortl	Oct-02	3,012,100	3,500,000	8.34%
Centurion Apartment REIT	Centurion	Nov-12	1,300,000	1,890,000	21.46%
Capital Group Global Equity Fund	Royal Bank Dominion	Apr-17	1,190,000	1,250,000	0.57%
Roundtable Dividend & Income Fund	Royal Bank Dominion	Apr-13	1,000,000	1,159,000	-6.04%
Vision Opportunities Fund	Royal Bank Dominion	Apr-13	767,000	1,017,000	8.72%
Lawrence Park Pref. Enhanced Fund	Royal Bank Dominion	Jun-18	903,000	873,000	-3.26%
Morrison Laurier MIC	Morrison	Mar-11	800,000	822,000	5.47%
TFS Bond Series III (8.25%, 3-yr)	National Bank	Jun-15	660,000	660,000	8.24%
NBC EURO STOXX 50 Autocallable	National Bank	Oct-18	500,000	516,000	3.13%
			19,721,466	23,793,466	1.49%