

UNAUDITED INTERIM FINANCIAL STATEMENTS

EDUCATORS FINANCIAL GROUP INC.



EDUCATORS MONEY MARKET FUND
EDUCATORS MORTGAGE & INCOME FUND
EDUCATORS BOND FUND
EDUCATORS BALANCED FUND
EDUCATORS MONTHLY INCOME FUND
EDUCATORS DIVIDEND FUND
EDUCATORS GROWTH FUND
EDUCATORS U.S. EQUITY FUND
EDUCATORS MONITORED CONSERVATIVE PORTFOLIO
EDUCATORS MONITORED BALANCED PORTFOLIO
EDUCATORS MONITORED GROWTH PORTFOLIO
EDUCATORS MONITORED AGGRESSIVE PORTFOLIO

Dated: June 30, 2020

Educators Financial Group Inc. Funds
Unaudited Interim Financial Statements

June 30, 2020

Contents

	Page
Management's Responsibility for Financial Reporting	1
Educators Money Market Fund	
Statements of Financial Position	2
Statements of Comprehensive Income	3
Statements of Changes in Net Assets Attributable to Holders of Redeemable Units	4
Statements of Cash Flows	5
Schedule of Investments	6
Educators Mortgage & Income Fund	
Statements of Financial Position	8
Statements of Comprehensive Income	9
Statements of Changes in Net Assets Attributable to Holders of Redeemable Units	10
Statements of Cash Flows	11
Schedule of Investments	12
Educators Bond Fund	
Statements of Financial Position	14
Statements of Comprehensive Income	15
Statements of Changes in Net Assets Attributable to Holders of Redeemable Units	16
Statements of Cash Flows	17
Schedule of Investments	18
Educators Balanced Fund	
Statements of Financial Position	20
Statements of Comprehensive Income	21
Statements of Changes in Net Assets Attributable to Holders of Redeemable Units	22
Statements of Cash Flows	23
Schedule of Investments	24
Educators Monthly Income Fund	
Statements of Financial Position	28
Statements of Comprehensive Income	29
Statements of Changes in Net Assets Attributable to Holders of Redeemable Units	30
Statements of Cash Flows	31
Schedule of Investments	32
Educators Dividend Fund	
Statements of Financial Position	36
Statements of Comprehensive Income	37
Statements of Changes in Net Assets Attributable to Holders of Redeemable Units	38
Statements of Cash Flows	39
Schedule of Investments	40
Educators Growth Fund	
Statements of Financial Position	43
Statements of Comprehensive Income	44
Statements of Changes in Net Assets Attributable to Holders of Redeemable Units	45
Statements of Cash Flows	46
Schedule of Investments	47
Educators U.S. Equity Fund	
Statements of Financial Position	49
Statements of Comprehensive Income	50
Statements of Changes in Net Assets Attributable to Holders of Redeemable Units	51
Statements of Cash Flows	52
Schedule of Investments	53

Educators Monitored Conservative Portfolio	
Statement of Financial Position	55
Statement of Comprehensive Income	56
Statement of Changes in Net Assets Attributable to Holders of Redeemable Units	57
Statement of Cash Flows	58
Schedule of Investments	59
Educators Monitored Balanced Portfolio	
Statement of Financial Position	60
Statement of Comprehensive Income	61
Statement of Changes in Net Assets Attributable to Holders of Redeemable Units	62
Statement of Cash Flows	63
Schedule of Investments	64
Educators Monitored Growth Portfolio	
Statement of Financial Position	65
Statement of Comprehensive Income	66
Statement of Changes in Net Assets Attributable to Holders of Redeemable Units	67
Statement of Cash Flows	68
Schedule of Investments	69
Educators Monitored Aggressive Portfolio	
Statement of Financial Position	70
Statement of Comprehensive Income	71
Statement of Changes in Net Assets Attributable to Holders of Redeemable Units	72
Statement of Cash Flows	73
Schedule of Investments	74
 Notes to the Financial Statements	 75 - 105

NOTICE OF NO AUDITOR REVIEW OF THE INTERIM FINANCIAL STATEMENTS

Educators Financial Group Inc., the Manager of the Funds, appoints independent auditors to audit the Funds' Annual Financial Statements. Under Canadian securities laws (National Instrument 81-106), if an auditor has not reviewed the Interim Financial Statements, it must be disclosed in an accompanying notice.

The Funds' independent auditors have not performed a review of these Interim Financial Statements in accordance with standards established by the Chartered Professional Accountants.

The next report on the Funds will contain annual audited financial information as of December 31, 2020.

Educators Money Market Fund

Statements of Financial Position

As at June 30, 2020 (unaudited) and December 31, 2019 (audited)

	2020	2019
Assets		
Current assets		
Cash	34,358	-
Interest receivable	19,492	43,178
Subscriptions receivable	635,069	123,998
Investments	<u>26,589,958</u>	<u>22,752,546</u>
Total assets	\$ <u>27,278,877</u>	\$ <u>22,919,722</u>
Liabilities		
Current liabilities		
Bank overdraft	-	7,106
Redemptions payable	48,116	120,715
Distributions payable	155	205
Amounts due to Manager-Trustee (Note 6)	<u>4,349</u>	<u>9,654</u>
Total liabilities	<u>52,620</u>	<u>137,680</u>
Net assets attributable to holders of redeemable units	\$ <u>27,226,257</u>	\$ <u>22,782,042</u>
Net assets attributable to holders of redeemable units per class		
Class A	22,392,745	18,692,876
Class I	<u>4,833,512</u>	<u>4,089,166</u>
Number of redeemable units outstanding (Note 3)		
Class A	2,239,274	1,869,288
Class I	<u>483,351</u>	<u>408,916</u>
Net assets attributable to holders of redeemable units per class per unit		
Class A	10.00	10.00
Class I	<u>10.00</u>	<u>10.00</u>

On behalf of the Manager-Trustee: Educators Financial Group Inc.

Signed: Chuck Hamilton, CEO

Signed: Stuart Mulcahy, CFO

Educators Money Market Fund**Statements of Comprehensive Income***For the six months ended June 30, 2020 and 2019 (unaudited)*

	2020	2019
Income		
Interest for distribution purposes	\$ 178,964	\$ 163,541
Securities lending (Note 5)	988	2,277
Total income	<u>179,952</u>	<u>165,818</u>
Expenses		
Management fees (Note 6)	56,565	42,879
Independent review committee fees	588	-
Harmonised sales tax	5,112	5,456
	<u>62,265</u>	<u>48,335</u>
Less expenses waived/absorbed by Manager-Trustee (Note 6)	<u>(17,090)</u>	<u>(810)</u>
Total expenses	<u>45,175</u>	<u>47,525</u>
 Increase (decrease) in net assets attributable to holders of redeemable units	 \$ <u>134,777</u>	 \$ <u>118,293</u>
 Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class A	\$ 101,463	\$ 98,636
Class I	\$ <u>33,314</u>	\$ <u>19,657</u>
 Weighted average redeemable units outstanding during the period		
Class A	2,069,035	1,589,923
Class I	<u>463,872</u>	<u>204,425</u>
 Increase (decrease) in net assets attributable to holders of redeemable units per class per unit		
Class A	\$ 0.05	\$ 0.06
Class I	\$ <u>0.07</u>	\$ <u>0.10</u>

Educators Money Market Fund**Statements of Changes in Net Assets Attributable to Holders of Redeemable Units***For the six months ended June 30, 2020 and 2019 (unaudited)*

	2020	2019
Net assets attributable to holders of redeemable units, beginning of period		
Class A	\$ 18,692,876	\$ 15,959,370
Class I	4,089,166	1,601,595
	<u>22,782,042</u>	<u>17,560,965</u>
Increase (decrease) in net assets attributable to holders of redeemable units		
Class A	101,463	98,636
Class I	33,314	19,657
	<u>134,777</u>	<u>118,293</u>
Distributions to holders of redeemable units		
From net investment income and return of capital		
Class A	(104,293)	(99,694)
Class I	(33,710)	(21,036)
	<u>(138,003)</u>	<u>(120,730)</u>
Total distributions to holders of redeemable units	<u>(138,003)</u>	<u>(120,730)</u>
Redeemable unit transactions		
Proceeds from redeemable units issued		
Class A	17,728,397	7,912,259
Class I	1,277,099	858,274
	<u>19,005,496</u>	<u>8,770,533</u>
Redemption of redeemable units		
Class A	(14,128,622)	(6,235,458)
Class I	(566,059)	(100,437)
	<u>(14,694,681)</u>	<u>(6,335,895)</u>
Reinvestments of distributions to holders of redeemable units		
Class A	102,924	97,530
Class I	33,702	19,164
	<u>136,626</u>	<u>116,694</u>
Net (decrease) increase from redeemable unit transactions	<u>4,447,441</u>	<u>2,551,332</u>
Net (decrease) increase in net assets attributable to holders of redeemable units		
Class A	3,699,869	1,773,273
Class I	744,346	775,622
	<u>4,444,215</u>	<u>2,548,895</u>
Net assets attributable to holders of redeemable units, end of period		
Class A	22,392,745	17,732,643
Class I	4,833,512	2,377,217
	<u>27,226,257</u>	<u>20,109,860</u>

Educators Money Market Fund**Statements of Changes in Net Assets Attributable to Holders of Redeemable Units** (continued)*For the six months ended June 30, 2020 and 2019 (unaudited)*

Redeemable unit continuity (Note 3)

The following redeemable units were issued for cash, issued on reinvestment of distributions and redeemed during the period ended June 30, 2020 and year ended December 31, 2019.

Class A	2020	2019
Number of units, beginning of period	1,869,288	1,595,937
Units issued	1,771,783	1,921,625
Units issued from reinvested distributions	10,292	19,763
Units redeemed	(1,412,089)	(1,668,037)
Number of units, end of period	<u>2,239,274</u>	<u>1,869,288</u>
Class I	2020	2019
Number of units, beginning of period	408,916	160,159
Units issued	127,604	259,357
Units issued from reinvested distributions	3,370	4,885
Units redeemed	(56,539)	(15,485)
Number of units, end of period	<u>483,351</u>	<u>408,916</u>

Educators Money Market Fund**Statements of Cash Flows***For the six months ended June 30, 2020 and 2019 (unaudited)*

	2020	2019
Cash Flow from Operating Activities		
Increase (decrease) in net assets attributable to holders of redeemable units	\$ 134,777	\$ 118,293
Adjustments for:		
Purchase of investments	(73,738,973)	(28,763,386)
Proceeds from disposal of investments	69,901,561	26,779,535
(Increase) decrease in interest and dividends receivable	23,686	(8,585)
Increase (decrease) in amounts due to Manager-Trustee	(5,305)	(268)
Cash provided (used) by operating activities	<u>(3,684,254)</u>	<u>(1,874,411)</u>
Cash Flow from Financing Activities		
Proceeds from redeemable units issued	18,494,425	8,323,639
Redemption of redeemable units	(14,767,280)	(6,337,552)
Distributions paid to holders of redeemable units, net of reinvested distributions	(1,427)	(4,054)
Cash provided by financing activities	<u>3,725,718</u>	<u>1,982,033</u>
Increase (decrease) in cash	<u>\$ 41,464</u>	<u>\$ 107,622</u>
Bank overdraft, beginning of period	<u>\$ (7,106)</u>	<u>\$ (88,296)</u>
Cash, end of period	<u>\$ 34,358</u>	<u>\$ 19,326</u>
Supplemental cash flow information:		
Interest received	\$ 202,650	\$ 154,956

Educators Money Market Fund

Schedule of Investments

As at June 30, 2020 (unaudited)

Par Value Description	Coupon Rate	Maturity Date	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
Short-Term Investments					
Bankers' Acceptances					
700,000 Bank of Montreal	0.341%	25-Sep-2020	\$ 699,251	\$ 699,251	
780,000 Bank of Nova Scotia	1.804%	10-Jul-2020	774,275	774,275	
123,000 Bank of Nova Scotia	0.329%	25-Aug-2020	122,924	122,924	
100,000 Canadian Imperial Bank of Commerce	0.502%	10-Nov-2020	99,717	99,717	
110,000 Canadian Imperial Bank of Commerce	0.391%	20-Nov-2020	109,825	109,825	
750,000 Canadian Imperial Bank of Commerce	0.382%	25-Nov-2020	748,688	748,688	
100,000 Canadian Imperial Bank of Commerce	0.302%	8-Sep-2020	99,939	99,939	
370,000 Royal Bank of Canada	0.400%	8-Sep-2020	369,515	369,515	
730,000 Royal Bank of Canada	0.431%	22-Sep-2020	728,825	728,825	
335,000 Toronto-Dominion Bank	0.372%	8-Jul-2020	334,779	334,779	
170,000 Toronto-Dominion Bank	0.370%	31-Aug-2020	169,810	169,810	
			4,257,548	4,257,548	15.64
Bearer Deposit Notes					
400,000 Toronto-Dominion Bank	0.852%	24-Nov-2020	397,980	397,980	
			397,980	397,980	1.46
Discount Commercial Paper					
1,000,000 Clarity Trust	0.402%	21-Jul-2020	999,330	999,330	
425,000 Honda Canada Finance Inc	0.393%	16-Jul-2020	424,813	424,813	
445,000 Nestle Capital Canada Ltd.	0.311%	15-Sep-2020	444,653	444,653	
1,100,000 OMERS Finance Trust	0.282%	14-Aug-2020	1,099,450	1,099,450	
1,500,000 Ontario Teachers' Finance Trust	1.957%	15-Jul-2020	1,491,150	1,491,150	
1,100,000 PACCAR Financial Ltd.	0.393%	15-Jul-2020	1,099,681	1,099,681	
			5,559,077	5,559,077	20.42
Promissory Note					
200,000 Province of Alberta	0.331%	7-Jul-2020	199,924	199,924	
495,000 Province of Alberta	0.341%	14-Sep-2020	494,460	494,460	
2,255,000 Province of British Columbia	0.299%	2-Jul-2020	2,253,805	2,253,805	
			2,948,189	2,948,189	10.83
Treasury Bills					
435,000 Canadian Treasury Bill	0.189%	23-Jul-2020	434,703	434,703	
334,000 Canadian Treasury Bill	0.229%	6-Aug-2020	333,789	333,789	
1,752,000 Canadian Treasury Bill	0.251%	15-Oct-2020	1,748,645	1,748,645	
1,375,000 Province of Manitoba	0.272%	26-Aug-2020	1,374,093	1,374,093	
565,000 Province of New Brunswick	0.279%	16-Jul-2020	564,672	564,672	
2,595,000 Province of Ontario	0.281%	12-Aug-2020	2,593,365	2,593,365	
384,000 Province of Ontario	1.053%	19-Aug-2020	382,218	382,218	
6,000,000 Province of Quebec	0.290%	21-Aug-2020	5,995,679	5,995,679	
			13,427,164	13,427,164	49.32
			26,589,958	26,589,958	97.67
Total Investments			\$ 26,589,958	\$ 26,589,958	97.67
Other Assets Less Liabilities				636,299	2.33
Net Assets Attributable to Holders of Redeemable Units				\$ 27,226,257	100.00

Educators Money Market Fund

Schedule of Investments

As at June 30, 2020 (unaudited)

Par Value Description	Coupon Rate	Maturity Date	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
-----------------------	----------------	------------------	-----------------	---------------	---

Summary of Investment Portfolio

The fair value percentages of Net Assets Attributable to Holders of Redeemable Units by major portfolio category are shown in the following table:

As a % of Fund's Net Assets attributable to holders of redeemable units			
Asset Type	June 30, 2020	December 31, 2019	
Treasury Bills	49.32%	47.80%	
Bankers' Acceptances	15.64%	12.86%	
Discount Commercial Paper	20.42%	37.43%	
Bearer Deposit Notes	1.46%	1.78%	
Promissory Note	10.83%	-	
Net Other Assets	2.33%	0.13%	
	100.00%	100.00%	

Educators Mortgage & Income Fund

Statements of Financial Position

As at June 30, 2020 (unaudited) and December 31, 2019 (audited)

	2020	2019
Assets		
Current assets		
Cash	92,477	59,834
Interest and dividends receivable	499,130	381,624
Subscriptions receivable	136,186	63,049
Due from brokers	1,641,015	-
Forward contracts (Note 10)	-	20,797
Investments	130,751,992	128,853,294
Total assets	\$ 133,120,800	\$ 129,378,598
Liabilities		
Current liabilities		
Due to brokers	1,764,633	-
Redemptions payable	-	16,083
Distributions payable	3,480	-
Amounts due to Manager-Trustee (Note 6)	141,919	141,330
Total liabilities	1,910,032	157,413
Net assets attributable to holders of redeemable units	\$ 131,210,768	\$ 129,221,185
Net assets attributable to holders of redeemable units per class		
Class A	131,210,768	129,221,185
Number of redeemable units outstanding (Note 3)		
Class A	11,479,557	11,485,494
Net assets attributable to holders of redeemable units per class per unit		
Class A	11.43	11.25

On behalf of the Manager-Trustee: Educators Financial Group Inc.

Signed: Chuck Hamilton, CEO

Signed: Stuart Mulcahy, CFO

Educators Mortgage & Income Fund

Statements of Comprehensive Income

For the six months ended June 30, 2020 and 2019 (unaudited)

	2020	2019
Income		
Interest for distribution purposes	\$ 1,844,435	\$ 2,005,681
Securities lending (Note 5)	3,099	3,519
Other changes in fair value of investments:		
Net realized gain (loss)	476,649	(87,227)
Net realized gain (loss) on forward contracts	8,111	4,982
Net change in unrealized appreciation (depreciation) on forward contracts	(20,797)	38,943
Net change in unrealized appreciation (depreciation)	1,621,086	2,750,759
Total income	3,932,583	4,716,657
Expenses		
Management fees (Note 6)	706,401	734,676
Independent review committee fees	2,748	5,558
Harmonised sales tax	91,408	93,170
	800,557	833,404
Less expenses waived/absorbed by Manager-Trustee (Note 6)	-	(14,106)
Total expenses	800,557	819,298
Increase (decrease) in net assets attributable to holders of redeemable units	\$ 3,132,026	\$ 3,897,359
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class A	\$ 3,132,026	\$ 3,897,359
Weighted average redeemable units outstanding during the period		
Class A	11,405,313	12,149,596
Increase (decrease) in net assets attributable to holders of redeemable units per class per unit		
Class A	\$ 0.27	\$ 0.32

Educators Mortgage & Income Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

For the six months ended June 30, 2020 and 2019 (unaudited)

	2020	2019
Net assets attributable to holders of redeemable units, beginning of period		
Class A	\$ 129,221,185	\$ 140,483,354
Increase (decrease) in net assets attributable to holders of redeemable units		
Class A	<u>3,132,026</u>	<u>3,897,359</u>
Distributions to holders of redeemable units		
From net investment income and return of capital		
Class A	<u>(1,079,925)</u>	<u>(1,265,818)</u>
Total distributions to holders of redeemable units	<u>(1,079,925)</u>	<u>(1,265,818)</u>
Redeemable unit transactions		
Proceeds from redeemable units issued		
Class A	<u>10,222,774</u>	<u>4,974,963</u>
Redemption of redeemable units		
Class A	<u>(11,347,002)</u>	<u>(16,742,625)</u>
Reinvestments of distributions to holders of redeemable units		
Class A	<u>1,061,710</u>	<u>1,244,192</u>
Net (decrease) increase from redeemable unit transactions	<u>(62,518)</u>	<u>(10,523,470)</u>
Net (decrease) increase in net assets attributable to holders of redeemable units		
Class A	<u>1,989,583</u>	<u>(7,891,928)</u>
Net assets attributable to holders of redeemable units, end of period		
Class A	<u>131,210,768</u>	<u>132,591,425</u>

Educators Mortgage & Income Fund**Statements of Changes in Net Assets Attributable to Holders of Redeemable Units** (continued)*For the six months ended June 30, 2020 and 2019 (unaudited)*

Redeemable unit continuity (Note 3)

The following redeemable units were issued for cash, issued on reinvestment of distributions and redeemed during the period ended June 30, 2020 and year ended December 31, 2019.

Class A	2020	2019
Number of units, beginning of period	11,485,494	12,668,872
Units issued	902,605	1,344,398
Units issued from reinvested distributions	93,715	199,070
Units redeemed	(1,002,257)	(2,726,846)
Number of units, end of period	11,479,557	11,485,494

Educators Mortgage & Income Fund**Statements of Cash Flows***For the six months ended June 30, 2020 and 2019 (unaudited)*

	2020	2019
Cash Flow from Operating Activities		
Increase (decrease) in net assets attributable to holders of redeemable units	\$ 3,132,026	\$ 3,897,359
Adjustments for:		
Net realized (gain) loss on sale of investments	(476,649)	87,227
Net change in unrealized (appreciation) depreciation in value of investments	(1,621,086)	(2,750,759)
Net change in unrealized (appreciation) depreciation on forward contracts	20,797	(38,943)
Purchase of investments	(37,917,303)	(16,778,671)
Proceeds from disposal of investments	38,239,958	27,447,242
(Increase) decrease in interest and dividends receivable	(117,506)	(102,710)
Increase (decrease) in amounts due to Manager-Trustee	589	(15,157)
Cash provided (used) by operating activities	1,260,826	11,745,588
Cash Flow from Financing Activities		
Proceeds from redeemable units issued	10,149,637	4,974,963
Redemption of redeemable units	(11,363,085)	(16,825,343)
Distributions paid to holders of redeemable units, net of reinvested distributions	(14,735)	(19,162)
Cash provided by financing activities	(1,228,183)	(11,869,542)
Increase (decrease) in cash	\$ 32,643	\$ (123,954)
Cash, beginning of period	\$ 59,834	\$ 141,693
Cash, end of period	\$ 92,477	\$ 17,739
Supplemental cash flow information:		
Interest received	\$ 1,726,929	\$ 1,902,971

Educators Mortgage & Income Fund

Schedule of Investments

As at June 30, 2020 (unaudited)

Par Value or No. of Units	Description	Coupon Rate	Maturity Date	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
Short-Term Investments						
Treasury Bills						
845,000	Canadian Treasury Bill	0.198%	10-Sep-2020	\$ 844,645	\$ 844,645	
				844,645	844,645	0.64
Canadian Bonds						
Asset-Backed						
1,925,000	Institutional Mortgage Securities Canada Inc.	1.936%	12-Sep-2024	993,526	997,646	
300,000	MCAP CMBS Issuer Corp.	3.202%	12-Apr-2054	155,839	155,608	
300,000	MCAP CMBS Issuer Corp.	3.600%	12-Apr-2054	296,789	308,265	
890,000	Real Estate Asset Liquidity Trust	1.856%	12-Sep-2021	608,925	610,273	
350,000	Real Estate Asset Liquidity Trust	3.239%	12-May-2025	358,120	360,238	
2,075,000	Real Estate Asset Liquidity Trust	2.557%	12-Oct-2049	648,935	657,587	
780,000	Real Estate Asset Liquidity Trust	2.870%	12-Nov-2052	614,858	620,120	
560,000	Real Estate Asset Liquidity Trust	3.072%	12-Aug-2053	434,197	445,601	
				4,111,189	4,155,338	3.17
Corporate Bonds						
570,000	Bank of Montreal	2.370%	3-Feb-2025	569,994	592,884	
2,000,000	Bank of Nova Scotia	2.290%	28-Jun-2024	1,917,480	2,092,888	
290,000	Bank of Nova Scotia	2.490%	23-Sep-2024	289,986	302,716	
500,000	bclMC Realty Corp.	3.000%	31-Mar-2027	503,511	546,617	
590,000	Bell Canada Inc.	3.350%	22-Mar-2023	595,039	619,637	
210,000	Bell Canada Inc.	2.700%	27-Feb-2024	211,508	218,900	
1,230,000	BHP Billiton Finance Ltd.	3.230%	15-May-2023	1,260,354	1,289,703	
300,000	Brookfield Asset Management Inc	4.820%	28-Jan-2026	328,338	337,299	
1,250,000	Brookfield Asset Management Inc.	4.540%	31-Mar-2023	1,325,580	1,340,713	
600,000	Brookfield Infrastructure Finance ULC	3.315%	22-Feb-2024	589,926	625,380	
1,087,000	Brookfield Property Finance ULC	4.346%	3-Jul-2023	1,087,419	1,103,111	
245,000	Bruce Power LP	3.000%	21-Jun-2024	250,140	258,080	
580,000	Canadian Imperial Bank of Commerce	2.350%	28-Aug-2024	580,000	601,194	
750,000	Canadian Imperial Bank of Commerce	2.000%	17-Apr-2025	749,430	766,810	
900,000	Canadian Natural Resources Ltd.	3.310%	11-Feb-2022	929,473	922,283	
420,000	Canadian Western Bank	2.737%	16-Jun-2022	419,655	425,482	
865,000	Canadian Western Bank	2.924%	15-Dec-2022	858,115	881,078	
455,000	Canadian Western Bank	2.597%	6-Sep-2024	455,000	459,405	
190,000	CARDS II Trust	3.127%	15-Nov-2024	190,000	201,512	
200,000	Choice Properties Real Estate Investment Trust	3.010%	21-Mar-2022	199,966	204,606	
590,000	Choice Properties Real Estate Investment Trust	3.196%	7-Mar-2023	595,901	610,932	
530,000	Coast Capital Savings Credit Union	5.000%	3-May-2028	530,000	554,610	
310,000	Coast Capital Savings Federal Credit Union	1.218%	21-Jul-2021	310,000	305,955	
1,070,000	Empire Life Insurance Co.	3.383%	16-Dec-2026	1,074,620	1,091,071	
900,000	Empire Life Insurance Co.	3.664%	15-Mar-2028	902,770	935,133	
250,000	Enbridge Gas Distribution Inc.	3.310%	11-Sep-2025	259,903	274,272	
200,000	Enbridge Inc.	3.190%	5-Dec-2022	200,620	208,074	
175,000	Federation des Caisses Desjardins du Quebec	2.417%	4-Oct-2024	175,000	181,954	
480,000	First National Financial Corp.	3.582%	25-Nov-2024	480,000	475,773	
900,000	Genworth MI Canada Inc.	4.242%	1-Apr-2024	907,677	943,563	
940,000	Genworth MI Canada Inc.	2.955%	1-Mar-2027	939,991	898,522	
310,000	Gibson Energy Inc.	2.450%	14-Jul-2025	309,392	310,715	
1,282,000	Granite REIT Holdings LP	3.873%	30-Nov-2023	1,290,541	1,357,826	
290,000	Manulife Financial Corp.	2.237%	12-May-2030	290,000	294,283	
1,075,000	Pembina Pipeline Corp.	3.770%	24-Oct-2022	1,145,200	1,127,475	
1,630,000	Royal Bank of Canada	3.296%	26-Sep-2023	1,673,315	1,734,740	
130,000	Royal Bank of Canada	2.352%	2-Jul-2024	130,000	135,093	
740,000	Royal Bank of Canada	2.609%	1-Nov-2024	740,000	776,876	
330,000	Royal Bank of Canada	1.936%	1-May-2025	330,000	337,329	
700,000	Royal Bank of Canada	2.740%	25-Jul-2029	700,000	724,128	
450,000	Royal Bank of Canada	2.880%	23-Dec-2029	449,960	468,256	
2,430,000	Royal Bank of Canada	2.088%	30-Jun-2030	2,435,075	2,435,414	
1,000,000	Sun Life Financial Inc.	3.050%	19-Sep-2028	1,000,941	1,046,864	
800,000	Suncor Energy Inc.	3.100%	26-Nov-2021	839,081	816,645	
1,800,000	TMX Group Ltd.	4.461%	3-Oct-2023	1,985,148	1,961,638	

Educators Mortgage & Income Fund

Schedule of Investments

As at June 30, 2020 (unaudited)

Par Value or No. of Units	Description	Coupon Rate	Maturity Date	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
990,000	Toronto-Dominion Bank	2.850%	8-Mar-2024	1,013,126	1,044,898	
1,000,000	Toronto-Dominion Bank	3.224%	25-Jul-2029	1,018,760	1,054,698	
4,120,000	Toronto-Dominion Bank	3.105%	22-Apr-2030	4,275,657	4,338,916	
				39,313,592	40,235,951	30.67
Government Bonds						
1,600,000	Canada Housing Trust No 1	1.900%	15-Sep-2026	1,707,120	1,710,631	
1,140,000	Canadian Government Real Return Bond	6.943%	1-Dec-2021	2,073,964	1,966,684	
1,500,000	City of Montreal Canada	2.750%	1-Sep-2026	1,620,300	1,639,039	
1,600,000	Province of Alberta	2.350%	1-Jun-2025	1,694,384	1,707,730	
1,370,000	Province of Alberta	2.550%	1-Jun-2027	1,418,936	1,488,264	
560,000	Province of British Columbia	2.300%	18-Jun-2026	599,558	605,079	
4,355,000	Province of Manitoba	2.600%	2-Jun-2027	4,551,523	4,774,089	
				13,665,785	13,891,516	10.59
				57,090,566	58,282,805	44.43
Canadian Mutual Funds						
65,819	HSBC Emerging Markets Debt Fund, Institutional Series			666,833	628,399	
6,012,265	HSBC Mortgage Fund, Institutional Series			64,110,700	64,344,465	
				64,777,533	64,972,864	49.52
Foreign Bonds						
Channel Islands						
1,000,000	Heathrow Funding Ltd.	3.250%	21-May-2025	1,005,340	1,035,935	
				1,005,340	1,035,935	0.79
United Kingdom						
300,000	Aviva PLC	4.500%	10-May-2021	312,614	306,046	
				312,614	306,046	0.23
United States						
1,050,000	Anheuser-Busch InBev Finance Inc.	2.600%	15-May-2024	1,026,944	1,082,036	
800,000	AT&T Inc.	2.850%	25-May-2024	808,896	834,328	
150,000	AT&T Inc.	4.000%	25-Nov-2025	159,789	165,778	
620,000	Bank of America Corp.	3.301%	24-Apr-2024	620,000	650,756	
1,500,000	Goldman Sachs Group Inc.	2.433%	26-Apr-2023	1,500,000	1,524,118	
1,000,000	Morgan Stanley	3.000%	7-Feb-2024	983,140	1,052,681	
				5,098,769	5,309,697	4.05
				6,416,723	6,651,678	5.07
Total Investments				\$ 129,129,467	\$ 130,751,992	99.66
Other Assets Less Liabilities					458,776	0.34
Net Assets Attributable to Holders of Redeemable Units					\$ 131,210,768	100.00

Summary of Investment Portfolio

The fair value percentages of Net Assets Attributable to Holders of Redeemable Units by major portfolio category are shown in the following table:

As a % of Fund's Net Assets attributable to holders of redeemable units		
Asset Type	June 30, 2020	December 31, 2019
Canadian Mutual Funds	49.52%	50.88%
Corporate Bonds	35.74%	36.64%
Government Bonds	10.59%	8.12%
Asset-Backed Securities	3.17%	3.83%
Short-term investments	0.64%	0.25%
Net Other Assets	0.34%	0.28%
	100.00%	100.00%

Educators Bond Fund

Statements of Financial Position

As at June 30, 2020 (unaudited) and December 31, 2019 (audited)

	2020	2019
Assets		
Current assets		
Cash	1,464,046	28,435
Interest and dividends receivable	251,779	167,167
Subscriptions receivable	69,306	121,036
Forward contracts (Note 10)	55,786	-
Investments	38,750,766	33,330,734
Total assets	\$ 40,591,683	\$ 33,647,372
Liabilities		
Current liabilities		
Due to brokers	243,476	157,898
Redemptions payable	12,958	27,858
Amounts due to Manager-Trustee (Note 6)	10,705	9,991
Total liabilities	267,139	195,747
Net assets attributable to holders of redeemable units	\$ 40,324,544	\$ 33,451,625
Net assets attributable to holders of redeemable units per class		
Class A	10,168,269	9,232,830
Class I	30,156,275	24,218,795
Number of redeemable units outstanding (Note 3)		
Class A	950,464	910,353
Class I	2,750,180	2,329,983
Net assets attributable to holders of redeemable units per class per unit		
Class A	10.70	10.14
Class I	10.97	10.39

On behalf of the Manager-Trustee: Educators Financial Group Inc.

Signed: Chuck Hamilton, CEO

Signed: Stuart Mulcahy, CFO

Educators Bond Fund

Statements of Comprehensive Income

For the six months ended June 30, 2020 and 2019 (unaudited)

	2020	2019
Income		
Interest for distribution purposes	\$ 586,971	\$ 255,747
Securities lending (Note 5)	1,890	1,132
Other changes in fair value of investments:		
Net realized gain (loss)	938,833	293,459
Net realized gain (loss) on forward contracts	(72,003)	-
Net change in unrealized appreciation (depreciation) on forward contracts	55,786	-
Net change in unrealized appreciation (depreciation)	1,080,165	647,589
Total income	2,591,642	1,197,927
Expenses		
Management fees (Note 6)	52,272	37,791
Independent review committee fees	745	833
Harmonised sales tax	6,748	4,879
Total expenses	59,765	43,503
Increase (decrease) in net assets attributable to holders of redeemable units	\$ 2,531,877	\$ 1,154,424
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class A	\$ 604,995	\$ 404,687
Class I	\$ 1,926,882	\$ 749,737
Weighted average redeemable units outstanding during the period		
Class A	923,565	699,989
Class I	2,542,402	1,137,598
Increase (decrease) in net assets attributable to holders of redeemable units per class per unit		
Class A	\$ 0.66	\$ 0.58
Class I	\$ 0.76	\$ 0.66

Educators Bond Fund**Statements of Changes in Net Assets Attributable to Holders of Redeemable Units***For the six months ended June 30, 2020 and 2019 (unaudited)*

	2020	2019
Net assets attributable to holders of redeemable units, beginning of period		
Class A	\$ 9,232,830	\$ 6,879,990
Class I	24,218,795	8,847,794
	<u>33,451,625</u>	<u>15,727,784</u>
Increase (decrease) in net assets attributable to holders of redeemable units		
Class A	604,995	404,687
Class I	1,926,882	749,737
	<u>2,531,877</u>	<u>1,154,424</u>
Distributions to holders of redeemable units		
From net investment income and return of capital		
Class A	(102,924)	(56,454)
Class I	(467,476)	(176,135)
	<u>(570,400)</u>	<u>(232,589)</u>
Total distributions to holders of redeemable units	<u>(570,400)</u>	<u>(232,589)</u>
Redeemable unit transactions		
Proceeds from redeemable units issued		
Class A	1,319,370	1,314,178
Class I	5,215,080	5,223,734
	<u>6,534,450</u>	<u>6,537,912</u>
Redemption of redeemable units		
Class A	(988,926)	(753,558)
Class I	(1,204,482)	(606,880)
	<u>(2,193,408)</u>	<u>(1,360,438)</u>
Reinvestments of distributions to holders of redeemable units		
Class A	102,924	56,395
Class I	467,476	176,083
	<u>570,400</u>	<u>232,478</u>
Net (decrease) increase from redeemable unit transactions	<u>4,911,442</u>	<u>5,409,952</u>
Net (decrease) increase in net assets attributable to holders of redeemable units		
Class A	935,439	965,248
Class I	5,937,480	5,366,539
	<u>6,872,919</u>	<u>6,331,787</u>
Net assets attributable to holders of redeemable units, end of period		
Class A	10,168,269	7,845,238
Class I	30,156,275	14,214,333
	<u>40,324,544</u>	<u>22,059,571</u>

Educators Bond Fund**Statements of Changes in Net Assets Attributable to Holders of Redeemable Units** (continued)*For the six months ended June 30, 2020 and 2019 (unaudited)*

Redeemable unit continuity (Note 3)

The following redeemable units were issued for cash, issued on reinvestment of distributions and redeemed during the period ended June 30, 2020 and year ended December 31, 2019.

Class A	2020	2019
Number of units, beginning of period	910,353	705,316
Units issued	126,679	343,742
Units issued from reinvested distributions	10,013	10,610
Units redeemed	(96,581)	(149,315)
Number of units, end of period	950,464	910,353
Class I	2020	2019
Number of units, beginning of period	2,329,983	888,105
Units issued	489,955	1,489,007
Units issued from reinvested distributions	44,325	40,323
Units redeemed	(114,083)	(87,452)
Number of units, end of period	2,750,180	2,329,983

Educators Bond Fund**Statements of Cash Flows***For the six months ended June 30, 2020 and 2019 (unaudited)*

	2020	2019
Cash Flow from Operating Activities		
Increase (decrease) in net assets attributable to holders of redeemable units	\$ 2,531,877	\$ 1,154,424
Adjustments for:		
Net realized (gain) loss on sale of investments	(938,833)	(293,459)
Net change in unrealized (appreciation) depreciation in value of investments	(1,080,165)	(647,589)
Net change in unrealized (appreciation) depreciation on forward contracts	(55,786)	-
Purchase of investments	(63,688,900)	(26,728,212)
Proceeds from disposal of investments	60,373,444	21,416,823
(Increase) decrease in interest and dividends receivable	(84,612)	(18,593)
Increase (decrease) in amounts due to Manager-Trustee	714	(45)
Cash provided (used) by operating activities	(2,942,261)	(5,116,651)
Cash Flow from Financing Activities		
Proceeds from redeemable units issued	6,586,180	6,472,879
Redemption of redeemable units	(2,208,308)	(1,347,603)
Distributions paid to holders of redeemable units, net of reinvested distributions	-	(12)
Cash provided by financing activities	4,377,872	5,125,264
Increase (decrease) in cash	\$ 1,435,611	\$ 8,613
Cash, beginning of period	\$ 28,435	\$ (18,903)
Cash, end of period	\$ 1,464,046	\$ (10,290)
Supplemental cash flow information:		
Interest received	\$ 502,359	\$ 237,154

Educators Bond Fund

Schedule of Investments

As at June 30, 2020 (unaudited)

Par Value or No. of Units	Description	Coupon Rate	Maturity Date	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
Short-Term Investments						
Treasury Bills						
75,000	Canadian Treasury Bill	0.207%	17-Sep-2020	\$ 74,964	\$ 74,964	
125,000	Canadian Treasury Bill	0.206%	1-Oct-2020	124,932	124,932	
				199,896	199,896	0.50
Canadian Bonds						
Asset-Backed						
132,000	Canadian Mortgage Pools	1.420%	1-Jun-2022	97,582	100,777	
1,349,000	Canadian Mortgage Pools	1.840%	1-Dec-2022	1,074,710	1,101,400	
				1,172,292	1,202,177	2.98
Corporate Bonds						
124,000	Aéroports de Montreal	3.030%	21-Apr-2050	124,000	134,955	
581,000	Air Canada	4.750%	6-Oct-2023	548,618	548,561	
203,000	AltaGas Ltd.	2.609%	16-Dec-2022	203,000	208,425	
192,000	AltaGas Ltd.	2.157%	10-Jun-2025	192,385	194,077	
392,000	Amsted Industries Inc.	5.625%	1-Jul-2027	553,776	552,493	
681,000	Bank of Montreal	2.850%	6-Mar-2024	687,715	717,653	
463,000	Bank of Nova Scotia	2.160%	3-Feb-2025	463,048	477,404	
356,000	Bell Canada Inc.	2.500%	14-May-2030	355,373	365,555	
414,000	Bell MTS Inc.	4.000%	27-May-2024	442,293	451,096	
356,000	Brink's Co.	4.625%	15-Oct-2027	465,065	466,888	
871,000	Brookfield Infrastructure Finance ULC	3.315%	22-Feb-2024	892,734	907,844	
158,000	Canadian Imperial Bank of Commerce	3.290%	15-Jan-2024	160,905	168,582	
378,000	Canadian Imperial Bank of Commerce	2.000%	17-Apr-2025	377,713	386,472	
180,000	Canadian Imperial Bank of Commerce	3.450%	4-Apr-2028	184,983	188,208	
422,000	CU Inc	4.947%	18-Nov-2050	584,125	628,059	
438,000	Enbridge Gas Distribution Inc.	7.600%	29-Oct-2026	580,984	581,089	
44,000	Enbridge Gas Inc.	9.850%	2-Dec-2024	60,078	59,409	
104,000	Enbridge Inc.	3.200%	8-Jun-2027	106,542	110,902	
400,000	Enbridge Inc.	5.375%	27-Sep-2077	408,648	403,608	
366,000	Enbridge Pipelines Inc.	6.350%	17-Nov-2023	420,217	421,203	
61,000	Enbridge Pipelines Inc.	8.200%	15-Feb-2024	75,009	74,495	
117,000	EPCOR Utilities Inc.	2.899%	19-May-2050	117,000	124,228	
175,000	Ford Credit Canada Co.	2.710%	23-Feb-2022	174,283	167,454	
351,000	Ford Credit Canada Co.	3.742%	8-May-2023	316,485	330,603	
163,000	Hydro One Inc.	1.760%	28-Feb-2025	163,200	167,035	
650,000	Inter Pipeline Ltd.	6.625%	19-Nov-2079	668,512	597,715	
318,000	Keyera Corp.	3.959%	29-May-2030	318,000	334,543	
275,000	Keyera Corp.	6.875%	13-Jun-2079	291,019	273,561	
170,000	MEG Energy Corp.	7.125%	1-Feb-2027	225,263	193,048	
180,000	Mileage Plus Holdings LLC	6.500%	20-Jun-2027	245,024	246,694	
300,000	NAV Canada	2.063%	29-May-2030	300,000	309,655	
101,000	NOVA Gas Transmission Ltd.	6.590%	1-Dec-2027	126,188	129,752	
719,000	Parkland Corp	6.000%	23-Jun-2028	719,000	730,684	
1,317,000	Pembina Pipeline Corp.	2.990%	22-Jan-2024	1,330,051	1,367,330	
736,000	Pembina Pipeline Corp.	3.710%	11-Aug-2026	774,749	796,546	
38,000	Pembina Pipeline Corp.	3.620%	3-Apr-2029	39,696	40,795	
180,000	Pilgrim's Pride Corp.	5.875%	30-Sep-2027	246,233	245,778	
20,000	Rogers Communications Inc.	3.250%	1-May-2029	20,323	21,914	
211,000	Royal Bank of Canada	2.352%	2-Jul-2024	211,069	219,267	
519,000	Royal Bank of Canada	1.936%	1-May-2025	519,000	530,527	
823,000	Royal Bank of Canada	2.880%	23-Dec-2029	832,298	856,388	
193,000	Royal Bank of Canada	2.088%	30-Jun-2030	193,000	193,430	
164,000	Saputo Inc.	2.242%	16-Jun-2027	164,000	165,979	
171,000	Six Flags Entertainment Corp.	5.500%	15-Apr-2027	237,022	208,449	
575,000	Superior Plus LP	5.125%	27-Aug-2025	582,750	571,167	
419,000	TELUS Corp.	2.350%	27-Jan-2028	421,575	429,578	
417,000	Thomson Reuters Corp.	2.239%	14-May-2025	417,000	426,361	
326,000	Toronto-Dominion Bank	1.943%	13-Mar-2025	326,083	333,738	

Educators Bond Fund

Schedule of Investments

As at June 30, 2020 (unaudited)

Par Value or No. of Units	Description	Coupon Rate	Maturity Date	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
959,000	Toronto-Dominion Bank	3.589%	14-Sep-2028	985,157	1,014,426	
647,000	Toronto-Dominion Bank	3.105%	22-Apr-2030	647,000	681,378	
283,000	TransCanada PipeLines Ltd.	8.290%	5-Feb-2026	371,243	371,892	
10,000	TransCanada PipeLines Ltd.	7.310%	15-Jan-2027	12,535	12,953	
169,000	TransCanada PipeLines Ltd.	3.800%	5-Apr-2027	168,731	186,933	
905,000	TransCanada PipeLines Ltd.	7.900%	15-Apr-2027	1,166,481	1,215,094	
211,000	TransCanada PipeLines Ltd.	8.210%	25-Apr-2030	295,191	304,693	
1,000	TransCanada PipeLines Ltd.	8.200%	15-Aug-2031	1,401	1,493	
592,000	TransCanada Trust	4.650%	18-May-2077	586,049	584,245	
285,000	VERIZON COMMUNICATIONS INC	2.500%	16-May-2030	284,473	296,163	
500,000	Videotron Ltd.	4.500%	15-Jan-2030	508,750	502,188	
596,000	Westcoast Energy Inc.	8.850%	21-Jul-2025	785,856	792,751	
183,000	Westcoast Energy Inc.	7.300%	18-Dec-2026	232,584	237,445	
42,000	Westcoast Energy Inc.	7.150%	20-Mar-2031	55,954	59,004	
				23,967,439	24,319,855	60.31
Government Bonds						
209,000	Canadian Government Bond	0.500%	1-Sep-2025	210,442	210,465	
434,000	Canadian Government Bond	1.500%	1-Jun-2026	461,758	462,758	
33,000	Canadian Government Bond	2.000%	1-Jun-2028	37,043	36,994	
127,000	Canadian Government Bond	1.250%	1-Jun-2030	135,971	135,888	
443,000	Canadian Government Bond	2.750%	1-Dec-2048	566,828	635,934	
191,000	Canadian Government Bond	2.000%	1-Dec-2051	236,723	243,086	
1,634,000	Province of Alberta	2.050%	1-Jun-2030	1,689,464	1,706,101	
350,000	Province of Alberta	3.050%	1-Dec-2048	387,248	410,053	
63,000	Province of Alberta	3.100%	1-Jun-2050	69,851	75,558	
249,000	Province of British Columbia	2.200%	18-Jun-2030	270,008	271,010	
450,000	Province of British Columbia	2.800%	18-Jun-2048	508,764	539,670	
389,000	Province of British Columbia	2.950%	18-Jun-2050	416,045	487,964	
143,000	Province of Ontario	2.600%	8-Sep-2023	151,589	152,060	
700,000	Province of Ontario	2.600%	2-Jun-2025	754,618	759,534	
457,000	Province of Ontario	2.800%	2-Jun-2048	487,227	543,109	
758,000	Province of Ontario	2.900%	2-Jun-2049	824,196	921,693	
595,000	Province of Ontario	2.400%	2-Jun-2026	603,318	644,240	
407,000	Province of Ontario	2.600%	2-Jun-2027	447,113	448,129	
1,059,000	Province of Ontario	2.650%	2-Dec-2050	1,139,051	1,246,300	
192,000	Province of Quebec	1.900%	1-Sep-2030	193,068	202,999	
675,000	Province of Quebec	3.500%	1-Dec-2048	818,538	908,374	
1,538,000	Province of Quebec	3.100%	1-Dec-2051	1,829,740	1,986,919	
				12,238,603	13,028,838	32.31
				37,578,230	38,750,766	96.10
				\$ 37,578,230	\$ 38,750,766	96.10
Total Investments						
Net Investments						
Other Assets Less Liabilities				\$ 1,573,778	3.90	
Net Assets Attributable to Holders of Redeemable Units				\$ 40,324,544	100.00	

Summary of Investment Portfolio

The fair value percentages of Net Assets Attributable to Holders of Redeemable Units by major portfolio category are shown in the following table:

As a % of Fund's Net Assets attributable to holders of redeemable units		
Asset Type	June 30, 2020	December 31, 2019
Government Bonds	32.31%	50.32%
Corporate Bonds	60.31%	46.01%
Asset-Backed Securities	2.98%	1.30%
Short-term investments	0.50%	2.01%
Net Other Assets (Liabilities)	3.90%	0.36%
	100.00%	100.00%

Educators Balanced Fund

Statements of Financial Position

As at June 30, 2020 (unaudited) and December 31, 2019 (audited)

	2020	2019
Assets		
Current assets		
Cash	75,578	84,384
Interest and dividends receivable	516,940	562,364
Subscriptions receivable	9,256	139,958
Due from brokers	484,804	-
Investments	240,830,550	257,043,424
Total assets	\$ 241,917,128	\$ 257,830,130
Liabilities		
Current liabilities		
Redemptions payable	34,416	101,880
Amounts due to Manager-Trustee (Note 6)	392,747	422,634
Total liabilities	427,163	524,514
Net assets attributable to holders of redeemable units	\$ 241,489,965	\$ 257,305,616
Net assets attributable to holders of redeemable units per class		
Class A	231,319,619	257,305,616
Class E	10,170,346	-
Number of redeemable units outstanding (Note 3)		
Class A	12,180,711	12,805,897
Class E	991,993	-
Net assets attributable to holders of redeemable units per class per unit		
Class A	18.99	20.09
Class E	10.25	-

On behalf of the Manager-Trustee: Educators Financial Group Inc.

Signed: Chuck Hamilton, CEO

Signed: Stuart Mulcahy, CFO

Educators Balanced Fund

Statements of Comprehensive Income

For the six months ended June 30, 2020 and 2019 (unaudited)

	2020	2019
Income		
Interest for distribution purposes	\$ 1,084,672	\$ 1,081,836
Dividends	1,362,527	1,186,499
Securities lending (Note 5)	7,961	8,503
Other changes in fair value of investments:		
Net realized gain (loss)	2,370,977	1,807,580
Net change in unrealized appreciation (depreciation)	(16,797,992)	16,772,581
Total income	(11,971,855)	20,856,999
Expenses		
Management fees (Note 6)	1,981,402	2,030,171
Independent review committee fees	4,713	10,502
Transaction costs	33,566	10,955
Withholding taxes	127	7,761
Harmonised sales tax	256,207	262,298
Total expenses	2,276,015	2,321,687
Increase (decrease) in net assets attributable to holders of redeemable units	\$ (14,247,870)	\$ 18,535,312
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class A	\$ (14,500,099)	\$ 18,535,312
Class E	\$ 252,229	\$ -
Weighted average redeemable units outstanding during the period		
Class A	12,630,517	13,044,991
Class E	991,646	-
Increase (decrease) in net assets attributable to holders of redeemable units per class per unit		
Class A	\$ (1.15)	\$ 1.42
Class E	\$ 0.25	\$ -

Educators Balanced Fund**Statements of Changes in Net Assets Attributable to Holders of Redeemable Units***For the six months ended June 30, 2020 and 2019 (unaudited)*

	2020	2019
Net assets attributable to holders of redeemable units, beginning of period		
Class A	\$ 257,305,616	\$ 238,380,956
Class E	-	-
	<u>257,305,616</u>	<u>238,380,956</u>
Increase (decrease) in net assets attributable to holders of redeemable units		
Class A	(14,500,099)	18,535,312
Class E	252,229	-
	<u>(14,247,870)</u>	<u>18,535,312</u>
Redeemable unit transactions		
Proceeds from redeemable units issued		
Class A	11,738,929	14,079,645
Class E	10,061,581	-
	<u>21,800,510</u>	<u>14,079,645</u>
Redemption of redeemable units		
Class A	(23,224,827)	(17,932,999)
Class E	(143,464)	-
	<u>(23,368,291)</u>	<u>(17,932,999)</u>
Net (decrease) increase from redeemable unit transactions	<u>(1,567,781)</u>	<u>(3,853,354)</u>
Net (decrease) increase in net assets attributable to holders of redeemable units		
Class A	(25,985,997)	14,681,958
Class E	10,170,346	-
	<u>(15,815,651)</u>	<u>14,681,958</u>
Net assets attributable to holders of redeemable units, end of period		
Class A	231,319,619	253,062,914
Class E	10,170,346	-
	<u>241,489,965</u>	<u>253,062,914</u>

Educators Balanced Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (continued)

For the six months ended June 30, 2020 and 2019 (unaudited)

Redeemable unit continuity (Note 3)

The following redeemable units were issued for cash, issued on reinvestment of distributions and redeemed during the period ended June 30, 2020 and year ended December 31, 2019.

Class A	2020	2019
Number of units, beginning of period	12,805,897	13,109,688
Units issued	613,845	1,442,252
Units issued from reinvested distributions	-	228,700
Units redeemed	(1,239,031)	(1,974,743)
Number of units, end of period	12,180,711	12,805,897

Class E	2020	2019
Number of units, beginning of period	-	-
Units issued	1,005,944	-
Units issued from reinvested distributions	-	-
Units redeemed	(13,951)	-
Number of units, end of period	991,993	-

Educators Balanced Fund

Statements of Cash Flows

For the six months ended June 30, 2020 and 2019 (unaudited)

	2020	2019
Cash Flow from Operating Activities		
Increase (decrease) in net assets attributable to holders of redeemable units	\$ (14,247,870)	\$ 18,535,312
Adjustments for:		
Net realized (gain) loss on sale of investments	(2,370,977)	(1,807,580)
Net change in unrealized (appreciation) depreciation in value of investments	16,797,992	(16,772,581)
Purchase of investments	(171,784,172)	(100,042,524)
Proceeds from disposal of investments	173,085,227	104,054,794
(Increase) decrease in interest and dividends receivable	45,424	16,921
Increase (decrease) in amounts due to Manager-Trustee	(29,887)	(17,555)
Cash provided (used) by operating activities	1,495,737	3,966,787
Cash Flow from Financing Activities		
Proceeds from redeemable units issued	21,931,212	14,022,895
Redemption of redeemable units	(23,435,755)	(17,991,349)
Cash provided by financing activities	(1,504,543)	(3,968,454)
Increase (decrease) in cash	\$ (8,806)	\$ (1,667)
Cash, beginning of period	\$ 84,384	\$ 114,442
Cash, end of period	\$ 75,578	\$ 112,775
Supplemental cash flow information:		
Interest received	\$ 1,137,485	\$ 1,114,370
Dividends received, net of withholding taxes	\$ 1,355,138	\$ 1,163,416

Educators Balanced Fund

Schedule of Investments

As at June 30, 2020 (unaudited)

No. of Units or Shares or Par Value	Description	Coupon Rate	Maturity Date	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
Short-Term Investments						
Treasury Bills						
20,000	Canadian Treasury Bill	0.174%	27-Aug-2020	\$ 19,993	\$ 19,993	
2,775,000	Canadian Treasury Bill	0.207%	17-Sep-2020	2,773,658	2,773,658	
525,000	Canadian Treasury Bill	0.204%	1-Oct-2020	524,717	524,717	
				<u>3,318,368</u>	<u>3,318,368</u>	1.37
Canadian Bonds						
Asset-Backed						
359,000	Canadian Mortgage Pools	1.420%	1-Jun-2022	267,419	274,083	
374,000	Canadian Mortgage Pools	1.840%	1-Dec-2022	295,353	305,355	
				<u>562,772</u>	<u>579,438</u>	0.24
Corporate Bonds						
310,000	Aéroports de Montreal	3.030%	21-Apr-2050	316,857	337,387	
234,000	AltaGas Ltd.	2.609%	16-Dec-2022	234,056	240,253	
470,000	AltaGas Ltd.	2.157%	10-Jun-2025	471,134	475,084	
168,000	AltaLink LP	3.717%	3-Dec-2046	178,382	207,571	
1,652,000	Bank of Montreal	2.850%	6-Mar-2024	1,657,213	1,740,914	
537,000	Bank of Montreal	2.370%	3-Feb-2025	540,891	558,560	
103,000	Bank of Montreal	2.077%	17-Jun-2030	103,000	103,288	
578,000	Bank of Nova Scotia	2.380%	1-May-2023	579,291	596,664	
363,000	Bank of Nova Scotia	2.490%	23-Sep-2024	362,982	378,917	
938,000	Bank of Nova Scotia	2.160%	3-Feb-2025	949,701	967,182	
286,000	Bell Canada Inc.	3.350%	12-Mar-2025	305,382	308,029	
769,000	Bell Canada Inc.	2.500%	14-May-2030	768,949	789,639	
548,000	Brookfield Infrastructure Finance ULC	3.315%	22-Feb-2024	555,107	571,181	
228,000	Canadian Imperial Bank of Commerce	2.430%	9-Jun-2023	227,938	235,752	
1,045,000	Canadian Imperial Bank of Commerce	3.290%	15-Jan-2024	1,048,883	1,114,992	
1,154,000	Canadian Imperial Bank of Commerce	2.000%	17-Apr-2025	1,153,622	1,179,864	
950,000	Canadian Imperial Bank of Commerce	3.450%	4-Apr-2028	975,798	993,320	
198,000	CU Inc.	4.947%	18-Nov-2050	265,219	294,681	
35,000	Enbridge Gas Distribution Inc.	9.850%	2-Dec-2024	52,675	47,257	
221,000	Enbridge Gas Distribution Inc.	7.600%	29-Oct-2026	301,355	293,198	
248,000	Enbridge Gas Distribution Inc.	4.950%	22-Nov-2050	282,721	370,294	
101,000	Enbridge Gas Inc.	6.900%	15-Nov-2032	149,054	147,962	
383,000	Enbridge Gas Inc.	3.650%	1-Apr-2050	391,517	465,252	
414,000	Enbridge Inc.	2.440%	2-Jun-2025	413,897	424,767	
210,000	Enbridge Inc.	3.200%	8-Jun-2027	215,132	223,936	
163,000	Enbridge Pipelines Inc.	3.790%	17-Aug-2023	173,434	173,690	
424,000	Enbridge Pipelines Inc.	6.350%	17-Nov-2023	511,776	487,951	
112,000	Enbridge Pipelines Inc.	8.200%	15-Feb-2024	145,905	136,778	
107,000	Enbridge Pipelines Inc.	6.050%	12-Feb-2029	134,814	135,649	
95,000	Energir Inc.	2.100%	16-Apr-2027	94,988	98,702	
284,000	EPCOR Utilities Inc.	2.899%	19-May-2050	287,839	301,546	
216,000	FortisAlberta Inc.	3.734%	18-Sep-2048	225,689	263,852	
82,000	FortisAlberta Inc.	4.800%	27-Oct-2050	98,782	118,811	
99,000	FortisBC Energy Inc.	6.950%	21-Sep-2029	139,742	143,424	
101,000	FortisBC Energy Inc.	5.900%	26-Feb-2035	131,440	141,952	
81,000	FortisBC Energy Inc.	6.000%	2-Oct-2037	107,632	119,788	
109,000	FortisBC Energy Inc.	3.690%	30-Oct-2047	109,011	133,019	
61,000	FortisBC Inc.	5.000%	24-Nov-2050	74,308	89,055	
286,000	Hydro One Inc.	1.760%	28-Feb-2025	285,882	293,080	
200,000	Hydro One Inc.	3.630%	25-Jun-2049	241,388	243,669	
81,000	Hydro One Inc.	2.710%	28-Feb-2050	80,934	83,726	
327,000	Keyera Corp.	3.959%	29-May-2030	327,000	344,011	
143,000	NAV Canada	2.063%	29-May-2030	143,000	147,602	
109,000	NOVA Gas Transmission Ltd.	6.590%	1-Dec-2027	131,421	140,029	
224,000	Nova Scotia Power Inc.	6.950%	25-Aug-2033	323,072	331,402	
796,000	Pembina Pipeline Corp.	2.990%	22-Jan-2024	793,975	826,420	

Educators Balanced Fund

Schedule of Investments

As at June 30, 2020 (unaudited)

No. of Units or Shares or Par Value	Description	Coupon Rate	Maturity Date	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
162,000	Pembina Pipeline Corp.	3.620%	3-Apr-2029	169,519	173,918	
326,000	Rogers Communications Inc.	3.250%	1-May-2029	332,438	357,201	
1,005,000	Royal Bank of Canada	2.352%	2-Jul-2024	1,004,375	1,044,374	
1,475,000	Royal Bank of Canada	2.609%	1-Nov-2024	1,480,492	1,548,502	
853,000	Royal Bank of Canada	1.936%	1-May-2025	853,000	871,946	
284,000	Royal Bank of Canada	2.328%	28-Jan-2027	288,908	296,840	
910,000	Royal Bank of Canada	2.880%	23-Dec-2029	909,918	946,917	
393,000	Royal Bank of Canada	2.088%	30-Jun-2030	393,000	393,876	
336,000	Saputo Inc.	2.242%	16-Jun-2027	336,000	340,055	
576,000	TELUS Corp.	2.350%	27-Jan-2028	578,005	590,542	
545,000	Thomson Reuters Corp.	2.239%	14-May-2025	545,000	557,234	
1,170,000	Toronto-Dominion Bank	2.850%	8-Mar-2024	1,173,261	1,234,880	
1,328,000	Toronto-Dominion Bank	1.943%	13-Mar-2025	1,299,814	1,359,520	
1,229,000	Toronto-Dominion Bank	3.589%	14-Sep-2028	1,258,683	1,300,031	
850,000	Toronto-Dominion Bank	3.105%	22-Apr-2030	850,000	895,165	
291,000	Toyota Credit Canada Inc.	2.310%	23-Oct-2024	290,913	300,478	
721,000	TransCanada PipeLines Ltd.	8.290%	5-Feb-2026	991,545	947,471	
25,000	TransCanada PipeLines Ltd.	7.310%	15-Jan-2027	32,595	32,383	
480,000	TransCanada PipeLines Ltd.	3.800%	5-Apr-2027	494,255	530,934	
108,000	TransCanada PipeLines Ltd.	7.900%	15-Apr-2027	145,563	145,006	
126,000	TransCanada PipeLines Ltd.	8.210%	25-Apr-2030	176,024	181,949	
47,000	TransCanada PipeLines Ltd.	8.230%	16-Jan-2031	67,069	69,370	
232,000	TransCanada PipeLines Ltd.	8.200%	15-Aug-2031	331,658	346,404	
287,000	TransCanada Trust.	4.650%	18-May-2077	286,962	283,240	
95,000	Union Gas Ltd.	4.850%	25-Apr-2022	100,568	101,612	
147,000	Union Gas Ltd.	8.650%	10-Nov-2025	211,279	197,561	
174,000	Union Gas Ltd.	3.590%	22-Nov-2047	173,186	207,608	
100,000	Westcoast Energy Inc.	3.883%	28-Oct-2021	105,777	103,562	
41,000	Westcoast Energy Inc.	8.850%	21-Jul-2025	56,417	54,535	
556,000	Westcoast Energy Inc.	7.300%	18-Dec-2026	713,708	721,418	
108,000	Westcoast Energy Inc.	7.150%	20-Mar-2031	141,908	151,724	
				32,854,628	34,106,356	14.12
Government Bonds						
370,000	Canadian Government Bond	0.500%	1-Mar-2022	370,574	371,615	
3,464,000	Canadian Government Bond	1.500%	1-May-2022	3,543,118	3,542,010	
210,000	Canadian Government Bond	1.500%	1-Sep-2024	220,185	220,158	
301,000	Canadian Government Bond	2.250%	1-Jun-2025	329,297	329,356	
1,975,000	Canadian Government Bond	0.500%	1-Sep-2025	1,987,652	1,988,841	
1,268,000	Canadian Government Bond	1.500%	1-Jun-2026	1,327,468	1,352,021	
67,000	Canadian Government Bond	2.000%	1-Jun-2028	75,208	75,109	
404,000	Canadian Government Bond	1.250%	1-Jun-2030	431,472	432,275	
779,000	Canadian Government Bond	2.000%	1-Dec-2051	963,825	991,433	
581,000	Canadian Government Real Return Bond	6.943%	1-Dec-2021	1,053,521	1,002,319	
435,000	City of Montreal	3.000%	1-Sep-2027	433,199	484,806	
627,000	City of Montreal	2.300%	1-Sep-2029	635,473	669,450	
172,000	City of Toronto	3.900%	29-Sep-2023	182,749	189,559	
185,000	City of Toronto	2.650%	9-Nov-2029	201,502	204,241	
547,000	City of Toronto	3.250%	24-Jun-2046	619,704	645,274	
388,000	OMERS Finance Trust	1.550%	21-Apr-2027	387,616	391,526	
589,000	Province of Alberta	2.350%	1-Jun-2025	621,874	628,658	
1,834,000	Province of Alberta	2.900%	1-Dec-2028	1,866,569	2,051,670	
1,122,000	Province of Alberta	2.050%	1-Jun-2030	1,158,761	1,171,510	
103,000	Province of Alberta	3.500%	1-Jun-2031	117,808	122,300	
94,000	Province of Alberta	3.900%	1-Dec-2033	105,869	116,466	
342,000	Province of Alberta	3.050%	1-Dec-2048	337,273	400,680	
368,000	Province of Alberta	3.100%	1-Jun-2050	408,016	441,352	
1,369,000	Province of British Columbia	2.200%	18-Jun-2030	1,429,090	1,490,009	
124,000	Province of British Columbia	2.800%	18-Jun-2048	118,689	148,709	
1,267,000	Province of British Columbia	2.950%	18-Jun-2050	1,400,177	1,589,333	
153,000	Province of Manitoba	4.400%	5-Sep-2025	178,813	179,839	

Educators Balanced Fund

Schedule of Investments

As at June 30, 2020 (unaudited)

No. of Units or Shares or Par Value	Description	Coupon Rate	Maturity Date	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
1,412,000	Province of Ontario	2.850%	2-Jun-2023	1,504,258	1,505,736	
2,251,000	Province of Ontario	2.600%	8-Sep-2023	2,386,846	2,393,617	
724,000	Province of Ontario	2.600%	2-Jun-2025	780,490	785,575	
220,000	Province of Ontario	4.700%	2-Jun-2037	278,115	312,786	
1,596,000	Province of Ontario	3.500%	2-Jun-2043	1,933,808	2,056,288	
369,000	Province of Ontario	3.450%	2-Jun-2045	456,305	477,525	
369,000	Province of Ontario	2.800%	2-Jun-2048	403,634	438,528	
59,000	Province of Ontario	2.900%	2-Jun-2049	61,293	71,741	
2,074,000	Province of Ontario	2.400%	2-Jun-2026	2,147,957	2,245,638	
2,043,000	Province of Ontario	2.600%	2-Jun-2027	2,213,337	2,249,452	
3,377,000	Province of Ontario	2.650%	2-Dec-2050	3,634,751	3,974,273	
712,000	Province of Quebec	1.900%	1-Sep-2030	727,958	752,790	
528,000	Province of Quebec	5.000%	1-Dec-2041	704,798	815,199	
881,000	Province of Quebec	3.500%	1-Dec-2048	961,033	1,185,597	
2,203,000	Province of Quebec	3.100%	1-Dec-2051	2,514,758	2,846,024	
58,000	Province of Saskatchewan	5.800%	5-Sep-2033	78,358	85,382	
				41,293,201	43,426,670	17.98
				74,710,601	78,112,464	32.34
Canadian Common Stocks						
Consumer Discretionary						
19,731	Canadian Tire Corp Ltd.			2,385,588	2,321,155	
60,171	Magna International Inc.			2,964,544	3,637,939	
				5,350,132	5,959,094	2.47
Communication Services						
46,059	Quebecor Inc.			967,442	1,343,541	
97,131	Rogers Communications Inc.			5,370,395	5,298,496	
79,488	TELUS Corp.			1,592,560	1,809,942	
				7,930,397	8,451,979	3.50
Consumer Staples						
15,029	Loblaw Cos Ltd.			833,565	993,567	
55,597	Metro Inc.			2,377,275	3,113,432	
18,977	Molson Coors Canada Inc.			1,513,470	892,488	
60,761	Saputo Inc.			2,378,102	1,966,834	
				7,102,412	6,966,321	2.88
Energy						
110,030	Cameco Corp.			1,674,548	1,531,618	
47,961	Canadian Natural Resources Ltd.			1,591,652	1,129,482	
56,356	Suncor Energy Inc.			2,137,428	1,289,989	
				5,403,628	3,951,089	1.64
Financials						
28,200	Bank of Montreal			2,691,698	2,037,732	
18,675	Bank of Nova Scotia			1,140,580	1,049,162	
72,056	Brookfield Asset Management Inc.			2,234,947	3,219,462	
66,888	Great-West Lifeco Inc.			2,083,509	1,591,934	
57,014	Manulife Financial Corp.			1,171,944	1,053,049	
27,972	Onex Corp.			2,019,208	1,715,523	
70,031	Royal Bank of Canada			5,500,318	6,450,555	
62,271	Sun Life Financial Inc.			3,047,800	3,106,700	
97,680	Toronto-Dominion Bank			5,155,431	5,918,431	
				25,045,435	26,142,548	10.83
Industrials						
63,550	CAE Inc.			1,461,393	1,399,371	
28,724	Canadian National Railway Co.			2,343,692	3,450,040	
6,844	Canadian Pacific Railway Ltd.			1,769,895	2,363,370	
70,306	Finning International Inc.			1,668,356	1,301,364	

Educators Balanced Fund

Schedule of Investments

As at June 30, 2020 (unaudited)

No. of Units or Shares or Par Value	Description	Coupon Rate	Maturity Date	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
7,922	Thomson Reuters Corp.			215,013	730,725	
				7,458,349	9,244,870	3.83
	Information Technology					
39,641	Open Text Corp.			1,537,534	2,285,304	
				1,537,534	2,285,304	0.95
	Materials					
4,829	Franco-Nevada Corp.			456,731	915,820	
39,280	CCL Industries Inc.			1,714,966	1,723,606	
58,747	Nutrien Ltd.			3,479,108	2,562,544	
70,693	Teck Resources Ltd.			1,403,063	1,005,254	
				7,053,868	6,207,224	2.57
	Utilities					
43,710	Hydro One Ltd.			1,045,236	1,115,916	
				1,045,236	1,115,916	0.46
				67,926,991	70,324,345	29.13
	Foreign Bonds					
	United States					
711,000	Verizon Communications Inc.	2.500%	16-May-2030	711,938	738,849	
				711,938	738,849	0.31
	Canadian Mutual Funds					
2,562,382	Beutel Goodman American Equity Fund, Class I			38,398,942	44,731,238	
7,252,197	Beutel Goodman International Equity Fund, Class I			39,229,631	43,605,286	
				77,628,573	88,336,524	36.57
	Total Investments			\$ 224,296,471	\$ 240,830,550	99.72
	Transaction Costs			(49,469)		
	Net Investments			224,247,002	240,830,550	99.72
	Other Assets Less Liabilities				659,415	0.28
	Net Assets Attributable to Holders of Redeemable Units				\$ 241,489,965	100.00

Summary of Investment Portfolio

The fair value percentages of Net Assets Attributable to Holders of Redeemable Units by major portfolio category are shown in the following table:

As a % of Fund's Net Assets attributable to holders of redeemable units		
Asset Type	June 30, 2020	December 31, 2019
Canadian Mutual Funds	36.57%	36.87%
Government Bonds	17.98%	16.09%
Corporate Bonds	14.43%	14.73%
Financials	10.83%	12.63%
Consumer Discretionary	2.47%	2.55%
Industrials	3.83%	2.35%
Communication Services	3.50%	3.53%
Consumer Staples	2.88%	3.26%
Energy	1.64%	3.50%
Materials	2.57%	2.14%
Asset-Backed Securities	0.24%	0.41%
Short-term investments	1.37%	1.14%
Information Technology	0.95%	0.69%
Utilities	0.46%	-
Net Other Assets	0.28%	0.11%
	100.00%	100.00%

Educators Monthly Income Fund

Statements of Financial Position

As at June 30, 2020 (unaudited) and December 31, 2019 (audited)

	2020	2019
Assets		
Current assets		
Cash	-	81,991
Interest and dividends receivable	157,501	224,140
Subscriptions receivable	5,330	-
Investments	<u>52,844,861</u>	<u>59,204,248</u>
Total assets	\$ <u>53,007,692</u>	\$ <u>59,510,379</u>
Liabilities		
Current liabilities		
Bank overdraft	1,046,970	-
Redemptions payable	20,599	31,248
Distributions payable	13,604	-
Amounts due to Manager-Trustee (Note 6)	<u>59,188</u>	<u>68,287</u>
Total liabilities	<u>1,140,361</u>	<u>99,535</u>
Net assets attributable to holders of redeemable units	\$ <u>51,867,331</u>	\$ <u>59,410,844</u>
Net assets attributable to holders of redeemable units per class		
Class A	<u>51,867,331</u>	<u>59,410,844</u>
Number of redeemable units outstanding (Note 3)		
Class A	<u>5,837,323</u>	<u>6,101,290</u>
Net assets attributable to holders of redeemable units per class per unit		
Class A	<u>8.89</u>	<u>9.74</u>

On behalf of the Manager-Trustee: Educators Financial Group Inc.

Signed: Chuck Hamilton, CEO

Signed: Stuart Mulcahy, CFO

Educators Monthly Income Fund

Statements of Comprehensive Income

For the six months ended June 30, 2020 and 2019 (unaudited)

	2020	2019
Income		
Interest for distribution purposes	\$ 209,623	\$ 252,105
Dividends	638,170	794,645
Securities lending (Note 5)	1,844	4,703
Other changes in fair value of investments:		
Net realized gain (loss)	(981,202)	798,008
Net realized gain (loss) on forward contracts	-	10,381
Net change in unrealized appreciation (depreciation) on forward contracts	-	97,162
Net change in unrealized appreciation (depreciation)	(3,144,670)	4,769,767
Total income	(3,276,235)	6,726,771
Expenses		
Management fees (Note 6)	309,447	359,989
Independent review committee fees	1,038	2,739
Transaction costs	9,428	15,806
Withholding taxes	7,767	32,747
Harmonised sales tax	40,166	46,691
Total expenses	367,846	457,972
Increase (decrease) in net assets attributable to holders of redeemable units	\$ (3,644,081)	\$ 6,268,799
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class A	\$ (3,644,081)	\$ 6,268,799
Weighted average redeemable units outstanding during the period		
Class A	5,937,125	6,589,556
Increase (decrease) in net assets attributable to holders of redeemable units per class per unit		
Class A	\$ (0.61)	\$ 0.95

Educators Monthly Income Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

For the six months ended June 30, 2020 and 2019 (unaudited)

	2020	2019
Net assets attributable to holders of redeemable units, beginning of period		
Class A	\$ 59,410,844	\$ 59,836,114
Increase (decrease) in net assets attributable to holders of redeemable units		
Class A	<u>(3,644,081)</u>	<u>6,268,799</u>
Distributions to holders of redeemable units		
From net investment income and return of capital		
Class A	<u>(1,769,181)</u>	<u>(1,973,489)</u>
Total distributions to holders of redeemable units	<u>(1,769,181)</u>	<u>(1,973,489)</u>
Redeemable unit transactions		
Proceeds from redeemable units issued		
Class A	<u>2,320,306</u>	<u>4,420,359</u>
Redemption of redeemable units		
Class A	<u>(6,133,491)</u>	<u>(6,613,901)</u>
Reinvestments of distributions to holders of redeemable units		
Class A	<u>1,682,934</u>	<u>1,890,383</u>
Net (decrease) increase from redeemable unit transactions	<u>(2,130,251)</u>	<u>(303,159)</u>
Net (decrease) increase in net assets attributable to holders of redeemable units		
Class A	<u>(7,543,513)</u>	<u>3,992,151</u>
Net assets attributable to holders of redeemable units, end of period		
Class A	<u>51,867,331</u>	<u>63,828,265</u>

Educators Monthly Income Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (continued)

For the six months ended June 30, 2020 and 2019 (unaudited)

Redeemable unit continuity (Note 3)

The following redeemable units were issued for cash, issued on reinvestment of distributions and redeemed during the period ended June 30, 2020 and year ended December 31, 2019.

Class A	2020	2019
Number of units, beginning of period	6,101,290	6,596,034
Units issued	247,697	673,622
Units issued from reinvested distributions	186,690	376,746
Units redeemed	(698,354)	(1,545,112)
Number of units, end of period	5,837,323	6,101,290

Educators Monthly Income Fund

Statements of Cash Flows

For the six months ended June 30, 2020 and 2019 (unaudited)

	2020	2019
Cash Flow from Operating Activities		
Increase (decrease) in net assets attributable to holders of redeemable units	\$ (3,644,081)	\$ 6,268,799
Adjustments for:		
Net realized (gain) loss on sale of investments	981,202	(798,008)
Net change in unrealized (appreciation) depreciation in value of investments	3,144,670	(4,769,767)
Net change in unrealized (appreciation) depreciation on forward contracts	-	(97,162)
Purchase of investments	(23,268,394)	(26,990,248)
Proceeds from disposal of investments	25,501,909	28,338,707
(Increase) decrease in interest and dividends receivable	66,639	14,827
Increase (decrease) in amounts due to Manager-Trustee	(9,099)	(3,289)
Cash provided (used) by operating activities	2,772,846	1,963,859
Cash Flow from Financing Activities		
Proceeds from redeemable units issued	2,314,976	4,420,328
Redemption of redeemable units	(6,144,140)	(6,568,350)
Distributions paid to holders of redeemable units, net of reinvested distributions	(72,643)	(70,494)
Cash provided by financing activities	(3,901,807)	(2,218,516)
Increase (decrease) in cash	\$ (1,128,961)	\$ (254,657)
Cash, beginning of period	\$ 81,991	\$ 349,956
Bank overdraft (cash), end of period	\$ (1,046,970)	\$ 95,299
Supplemental cash flow information:		
Interest received	\$ 215,224	\$ 264,469
Dividends received, net of withholding taxes	\$ 691,492	\$ 764,412

Educators Monthly Income Fund

Schedule of Investments

As at June 30, 2020 (unaudited)

No. of Units or Shares or Par Value	Description	Coupon Rate	Maturity Date	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Fair Redeemable Units
Short-Term Investments						
Treasury Bills						
1,050,000	Canadian Treasury Bill	0.203%	3-Sep-2020	\$ 1,049,582	\$ 1,049,582	
175,000	Canadian Treasury Bill	0.204%	1-Oct-2020	174,906	174,906	
100,000	Canadian Treasury Bill	0.240%	15-Oct-2020	99,903	99,903	
				<u>1,324,391</u>	<u>1,324,391</u>	<u>2.55</u>
Canadian Bonds						
Asset-Backed						
15,000	Institutional Mortgage Securities Canada Inc.	4.619%	12-Jan-2023	14,594	15,058	
27,000	Institutional Mortgage Securities Canada Inc.	4.240%	12-Oct-2023	26,998	27,807	
110,000	Institutional Mortgage Securities Canada Inc.	4.186%	12-May-2024	109,995	111,925	
48,000	Institutional Mortgage Securities Canada Inc.	4.192%	12-Jul-2045	47,997	48,830	
80,000	MCAP CMBS Issuer Corp.	3.600%	12-Apr-2054	79,144	82,204	
235,000	MCAP RMBS Issuer Corp Mortgage Pass-Through Certificates	2.750%	15-May-2023	165,586	170,399	
70,000	Real Estate Asset Liquidity Trust	3.451%	12-May-2025	69,995	70,637	
73,000	Real Estate Asset Liquidity Trust	3.654%	12-Jul-2025	68,670	68,051	
200,000	Real Estate Asset Liquidity Trust	3.179%	12-Jan-2026	198,076	205,620	
130,000	Real Estate Asset Liquidity Trust	3.400%	12-Oct-2049	120,779	132,584	
				<u>901,834</u>	<u>933,115</u>	<u>1.79</u>
Corporate Bonds						
360,000	AIMCo Realty Investors LP	2.712%	1-Jun-2029	361,344	385,441	
125,000	bclMC Realty Corp.	2.840%	3-Jun-2025	128,773	133,644	
135,000	British Columbia Ferry Services Inc.	2.794%	15-Oct-2049	133,323	141,290	
150,000	Canadian Credit Card Trust II	3.553%	24-May-2023	150,000	150,000	
65,000	Canadian Western Bank	2.606%	30-Jan-2025	65,000	65,424	
260,000	Capital Power Corp.	4.986%	23-Jan-2026	280,979	282,302	
100,000	Capital Power Corp.	4.424%	8-Feb-2030	99,982	106,810	
155,000	CARDS II Trust	3.127%	15-Nov-2024	155,000	164,391	
200,000	CARDS II Trust	3.877%	15-Nov-2024	200,000	212,000	
105,000	Chip Mortgage Trust	2.981%	15-Nov-2021	105,000	106,202	
155,000	Co-operators Financial Services Ltd.	2.856%	26-May-2030	155,000	157,048	
216,000	CU Inc.	4.722%	9-Sep-2043	281,122	295,207	
125,000	Eagle Credit Card Trust	3.562%	17-Jul-2023	125,000	131,843	
340,000	Eagle Credit Card Trust	2.750%	17-Jul-2024	340,000	342,292	
175,000	Enbridge Gas Inc.	3.650%	1-Apr-2050	174,620	212,583	
220,000	ENMAX Corp.	3.836%	5-Jun-2028	221,175	240,239	
200,000	Equitable Bank	2.948%	26-Sep-2022	200,000	201,007	
354,000	Federation des Caisses Desjardins du Quebec	3.327%	13-May-2030	354,000	365,797	
130,000	FortisBC Energy Inc.	6.000%	2-Oct-2037	175,933	192,252	
250,000	Glacier Credit Card Trust	3.298%	20-Sep-2022	250,000	254,800	
212,000	Glacier Credit Card Trust	3.430%	6-Jun-2024	212,000	216,948	
218,000	Hydro One Inc.	2.710%	28-Feb-2050	217,821	225,337	
100,000	Inter Pipeline Ltd.	4.232%	1-Jun-2027	100,000	104,390	
134,000	Liberty Utilities Canada LP	3.315%	14-Feb-2050	134,000	139,290	
150,000	Master Credit Card Trust II	2.364%	21-Jan-2022	146,563	151,670	
430,000	Master Credit Card Trust II	3.056%	21-Jan-2022	416,740	431,105	
184,000	NAV Canada	2.924%	29-Sep-2051	184,000	200,217	
160,000	OMERS Realty Corp.	3.331%	5-Jun-2025	160,000	174,523	
199,000	Pembina Pipeline Corp.	3.310%	1-Feb-2030	198,849	208,778	
225,000	Pembina Pipeline Corp.	4.670%	28-May-2050	224,820	249,650	
200,000	Reliance LP	3.836%	15-Mar-2025	196,828	208,265	
90,000	Reliance LP	3.750%	15-Mar-2026	89,708	93,379	
348,000	Royal Bank of Canada	2.880%	23-Dec-2029	351,951	362,118	
172,000	Shaw Communications Inc.	6.750%	9-Nov-2039	225,734	244,500	
152,000	TELUS Corp.	3.950%	16-Feb-2050	152,537	168,438	
115,000	Toronto-Dominion Bank	3.105%	22-Apr-2030	115,000	121,111	
323,000	Toronto-Dominion Bank	3.060%	26-Jan-2032	322,884	342,491	
310,000	TransCanada Trust	4.650%	18-May-2077	309,732	305,939	
233	WTH Car Rental ULC	1.912%	20-Jul-2020	233	233	
325,000	WTH Car Rental ULC	2.781%	20-Jul-2024	325,000	331,154	
				<u>8,040,651</u>	<u>8,420,108</u>	<u>16.23</u>

Educators Monthly Income Fund

Schedule of Investments

As at June 30, 2020 (unaudited)

No. of Units or Shares or Par Value	Description	Coupon Rate	Maturity Date	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
Government Bonds						
260,000	Canadian Government Bond	2.250%	1-Mar-2024	278,447	278,346	
132,000	Canadian Government Bond	2.250%	1-Jun-2029	152,566	152,438	
105,000	Canadian Government Bond	1.250%	1-Jun-2030	112,067	112,349	
133,000	Canadian Government Bond	5.750%	1-Jun-2033	215,859	216,436	
318,000	Canadian Government Bond	2.000%	1-Dec-2051	378,555	404,719	
474,000	Canadian Government Bond	2.750%	1-Dec-2048	588,480	680,435	
117,000	Province of Manitoba	3.400%	5-Sep-2048	137,241	148,446	
				1,863,215	1,993,169	3.84
				10,805,700	11,346,392	21.86
Canadian Common Stocks						
Communication Services						
22,675	Rogers Communications Inc.			1,412,699	1,236,921	
47,605	Shaw Communications Inc.			1,149,454	1,053,975	
77,240	TELUS Corp.			1,837,772	1,758,755	
				4,399,925	4,049,651	7.81
Consumer Discretionary						
12,350	Restaurant Brands International Inc.			1,145,332	912,542	
				1,145,332	912,542	1.76
Consumer Staples						
28,950	Alimentation Couche-Tard Inc.			1,192,085	1,232,402	
25,965	Metro Inc/CN			1,423,492	1,454,040	
				2,615,577	2,686,442	5.18
Energy						
37,481	Pembina Pipeline Corp.			1,625,541	1,272,105	
20,725	TC Energy Corp.			1,332,684	1,202,050	
				2,958,225	2,474,155	4.77
Financials						
20,595	Bank of Montreal			1,763,864	1,488,195	
16,000	Brookfield Asset Management Inc.			725,117	714,880	
5,600	Intact Financial Corp.			730,128	723,576	
29,765	National Bank of Canada			1,809,202	1,831,142	
34,729	Power Corp of Canada			1,191,552	829,329	
24,573	Royal Bank of Canada			1,864,621	2,263,418	
5,595	TMX Group Ltd.			641,991	751,017	
35,701	Toronto-Dominion Bank			1,913,341	2,163,123	
				10,639,816	10,764,680	20.75
Industrials						
9,150	Canadian National Railway Co.			815,439	1,099,007	
2,150	Canadian Pacific Railway Ltd.			737,203	742,438	
44,145	Finning International Inc.			980,570	817,124	
8,000	Thomson Reuters Corp.			739,929	737,920	
				3,273,141	3,396,489	6.55
Information Technology						
615	Constellation Software Inc.			782,785	942,727	
				782,785	942,727	1.82
Utilities						
45,840	Canadian Utilities Ltd.			1,749,456	1,549,392	
				1,749,456	1,549,392	2.99
				27,564,257	26,776,078	51.63
Foreign Common Stocks						
Ireland						
Information Technology						
4,550	Accenture PLC			1,180,010	1,330,649	
				1,180,010	1,330,649	2.57

Educators Monthly Income Fund

Schedule of Investments

As at June 30, 2020 (unaudited)

No. of Units or Shares or Par Value	Description	Coupon Rate	Maturity Date	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
United Kingdom						
Consumer Staples						
16,700	Unilever PLC			1,292,839	1,248,275	
				1,292,839	1,248,275	2.41
United States						
Consumer Discretionary						
13,861	TJX Cos. Inc.			910,874	954,512	
				910,874	954,512	1.84
Consumer Staples						
2,115	Costco Wholesale Corp.			622,291	873,441	
8,177	PepsiCo Inc.			1,443,783	1,472,998	
				2,066,074	2,346,439	4.52
Financials						
4,000	CME Group Inc.			910,887	885,523	
2,344	FactSet Research Systems Inc.			859,583	1,048,656	
				1,770,470	1,934,179	3.73
Health Care						
3,782	Danaher Corp.			708,683	910,872	
				708,683	910,872	1.76
Information Technology						
3,650	Mastercard Inc.			1,350,464	1,470,022	
				1,350,464	1,470,022	2.83
				6,806,565	7,616,024	14.68
				9,279,414	10,194,948	19.66
Foreign Bonds						
Australia						
220,000	National Australia Bank Ltd.	3.515%	12-Jun-2030	220,000	224,850	
				220,000	224,850	0.43
Japan						
55,000	Heathrow Funding Ltd.	3.250%	21-May-2025	58,073	56,977	
				58,073	56,977	0.11
United States						
300,000	Bank of America Corp.	2.932%	25-Apr-2025	300,000	313,869	
				300,000	313,869	0.61
				578,073	595,696	1.15
Canadian Mutual Funds						
249,838	IMAXX Short Term Bond Fund, Class O			2,514,924	2,607,356	
				2,514,924	2,607,356	5.03
Total Investments				\$ 52,066,759	\$ 52,844,861	101.88
Transaction Costs				(8,850)		
Net Investments				52,057,909	52,844,861	101.88
Other Liabilities Less Assets					(977,530)	(1.88)
Net Assets Attributable to Holders of Redeemable Units					\$ 51,867,331	100.00

Educators Monthly Income Fund

Schedule of Investments

As at June 30, 2020 (unaudited)

No. of Units or Shares or Par Value	Description	Coupon Rate	Maturity Date	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
---	-------------	----------------	------------------	-----------------	---------------	--

Summary of Investment Portfolio

The fair value percentages of Net Assets Attributable to Holders of Redeemable Units by major portfolio category are shown in the following table:

As a % of Fund's Net Assets attributable to holders of redeemable units		
Asset Type	June 30, 2020	December 31, 2019
Financials	24.48%	28.06%
Energy	4.77%	8.35%
Corporate Bonds	17.38%	15.84%
Industrials	6.55%	3.50%
Materials	-	1.90%
Government Bonds	3.84%	4.31%
Information Technology	7.22%	6.44%
Consumer Discretionary	3.60%	3.78%
Utilities	2.99%	3.92%
Short-term investments	2.55%	1.71%
Communication Services	7.81%	5.63%
Asset-Backed Securities	1.79%	1.90%
Health Care	1.76%	1.63%
Consumer Staples	12.11%	8.45%
Mutual funds	5.03%	4.23%
Net Other Assets (Liabilities)	(1.88)%	0.35%
	100.00%	100.00%

Educators Dividend Fund

Statements of Financial Position

As at June 30, 2020 (unaudited) and December 31, 2019 (audited)

	2020	2019
Assets		
Current assets		
Cash	311,040	256,263
Interest and dividends receivable	216,185	215,559
Subscriptions receivable	11,667	237,152
Forward contracts (Note 10)	348,379	1,228,345
Investments	137,958,302	155,962,368
Total assets	\$ 138,845,573	\$ 157,899,687
Liabilities		
Current liabilities		
Redemptions payable	-	3,378
Distributions payable	8,150	-
Amounts due to Manager-Trustee (Note 6)	211,347	240,302
Forward contracts (Note 10)	-	478,533
Total liabilities	219,497	722,213
Net assets attributable to holders of redeemable units	\$ 138,626,076	\$ 157,177,474
Net assets attributable to holders of redeemable units per class		
Class A	132,068,209	151,108,799
Class I	6,557,867	6,068,675
Number of redeemable units outstanding (Note 3)		
Class A	4,599,214	4,621,623
Class I	654,533	531,550
Net assets attributable to holders of redeemable units per class per unit		
Class A	28.72	32.70
Class I	10.02	11.42

On behalf of the Manager-Trustee: Educators Financial Group Inc.

Signed: Chuck Hamilton, CEO

Signed: Stuart Mulcahy, CFO

Educators Dividend Fund

Statements of Comprehensive Income

For the six months ended June 30, 2020 and 2019 (unaudited)

	2020	2019
Income		
Interest for distribution purposes	\$ 84,797	\$ 38,856
Dividends	2,238,796	1,990,321
Securities lending (Note 5)	5,420	7,319
Other changes in fair value of investments:		
Net realized gain (loss)	526,628	1,043,137
Net realized gain (loss) on forward contracts	(1,148,661)	(604,077)
Net change in unrealized appreciation (depreciation) on forward contracts	(401,433)	1,496,571
Net change in unrealized appreciation (depreciation)	(18,764,979)	19,679,502
Total income	(17,459,432)	23,651,629
Expenses		
Management fees (Note 6)	1,104,155	1,095,170
Independent review committee fees	2,715	6,033
Transaction costs	20,886	14,587
Withholding taxes	35,268	36,441
Harmonised sales tax	142,988	139,138
	1,306,012	1,291,369
Less expenses waived/absorbed by Manager-Trustee (Note 6)	-	(19,915)
Total expenses	1,306,012	1,271,454
Increase (decrease) in net assets attributable to holders of redeemable units	\$ (18,765,444)	\$ 22,380,175
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class A	\$ (18,102,553)	\$ 21,942,201
Class I	\$ (662,891)	\$ 437,974
Weighted average redeemable units outstanding during the period		
Class A	4,613,966	4,705,412
Class I	594,526	275,995
Increase (decrease) in net assets attributable to holders of redeemable units per class per unit		
Class A	\$ (3.92)	\$ 4.66
Class I	\$ (1.11)	\$ 1.59

Educators Dividend Fund**Statements of Changes in Net Assets Attributable to Holders of Redeemable Units***For the six months ended June 30, 2020 and 2019 (unaudited)*

	2020	2019
Net assets attributable to holders of redeemable units, beginning of period		
Class A	\$ 151,108,799	\$ 125,811,370
Class I	6,068,675	2,021,520
	<u>157,177,474</u>	<u>127,832,890</u>
Increase (decrease) in net assets attributable to holders of redeemable units		
Class A	(18,102,553)	21,942,201
Class I	(662,891)	437,974
	<u>(18,765,444)</u>	<u>22,380,175</u>
Distributions to holders of redeemable units		
From net investment income and return of capital		
Class A	(910,600)	(708,946)
Class I	(108,414)	(46,415)
	<u>(1,019,014)</u>	<u>(755,361)</u>
Total distributions to holders of redeemable units	<u>(1,019,014)</u>	<u>(755,361)</u>
Redeemable unit transactions		
Proceeds from redeemable units issued		
Class A	9,569,434	10,019,806
Class I	1,655,777	1,222,302
	<u>11,225,211</u>	<u>11,242,108</u>
Redemption of redeemable units		
Class A	(10,499,277)	(13,028,628)
Class I	(503,738)	(166,571)
	<u>(11,003,015)</u>	<u>(13,195,199)</u>
Reinvestments of distributions to holders of redeemable units		
Class A	902,406	703,315
Class I	108,458	46,330
	<u>1,010,864</u>	<u>749,645</u>
Net (decrease) increase from redeemable unit transactions	<u>1,233,060</u>	<u>(1,203,446)</u>
Net (decrease) increase in net assets attributable to holders of redeemable units		
Class A	(19,040,590)	18,927,748
Class I	489,192	1,493,620
	<u>(18,551,398)</u>	<u>20,421,368</u>
Net assets attributable to holders of redeemable units, end of period		
Class A	132,068,209	144,739,118
Class I	6,557,867	3,515,140
	<u>138,626,076</u>	<u>148,254,258</u>

Educators Dividend Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (continued)

For the six months ended June 30, 2020 and 2019 (unaudited)

Redeemable unit continuity (Note 3)

The following redeemable units were issued for cash, issued on reinvestment of distributions and redeemed during the period ended June 30, 2020 and year ended December 31, 2019.

	2020	2019
Class A		
Number of units, beginning of period	4,621,623	4,770,089
Units issued	309,224	663,471
Units issued from reinvested distributions	31,422	25,226
Units redeemed	(363,055)	(837,163)
Number of units, end of period	4,599,214	4,621,623
Class I		
Number of units, beginning of period	531,550	219,663
Units issued	156,194	341,357
Units issued from reinvested distributions	10,825	9,173
Units redeemed	(44,036)	(38,643)
Number of units, end of period	654,533	531,550

Educators Dividend Fund

Statements of Cash Flows

For the six months ended June 30, 2020 and 2019 (unaudited)

	2020	2019
Cash Flow from Operating Activities		
Increase (decrease) in net assets attributable to holders of redeemable units	\$ (18,765,444)	\$ 22,380,175
Adjustments for:		
Net realized (gain) loss on sale of investments	(526,628)	(1,043,137)
Net change in unrealized (appreciation) depreciation in value of investments	18,764,979	(19,679,502)
Net change in unrealized (appreciation) depreciation on forward contracts	401,433	(1,496,571)
Purchase of investments	(144,134,949)	(14,162,460)
Proceeds from disposal of investments	143,900,664	15,775,217
(Increase) decrease in interest and dividends receivable	(626)	(5,366)
Increase (decrease) in amounts due to Manager-Trustee	(28,955)	12,240
Cash provided (used) by operating activities	(389,526)	1,780,596
Cash Flow from Financing Activities		
Proceeds from redeemable units issued	11,450,696	11,280,247
Redemption of redeemable units	(11,006,393)	(13,202,900)
Distributions paid to holders of redeemable units, net of reinvested distributions	-	(10)
Cash provided by financing activities	444,303	(1,922,663)
Increase (decrease) in cash	\$ 54,777	\$ (142,067)
Cash, beginning of period	\$ 256,263	\$ 215,626
Cash, end of period	\$ 311,040	\$ 73,559
Supplemental cash flow information:		
Interest received	\$ 92,730	\$ 37,553
Dividends received, net of withholding taxes	\$ 2,195,033	\$ 1,949,993

Educators Dividend Fund

Schedule of Investments

As at June 30, 2020 (unaudited)

No. of Units or Shares or Par Value	Description	Coupon Rate	Maturity Date	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
Short-Term Investments						
Treasury Bills						
2,000,000	Canadian Treasury Bill	0.250%	30-Jul-2020	\$ 1,998,760	\$ 1,998,760	
1,000,000	Canadian Treasury Bill	0.264%	13-Aug-2020	999,330	999,330	
600,000	Canadian Treasury Bill	0.250%	27-Aug-2020	599,598	599,598	
2,000,000	Canadian Treasury Bill	0.179%	17-Sep-2020	1,999,040	1,999,040	
250,000	Canadian Treasury Bill	0.205%	1-Oct-2020	249,870	249,870	
				5,846,598	5,846,598	4.22
Canadian Common Stocks						
Communication Services						
55,800	Rogers Communications Inc.			3,044,703	3,043,890	
				3,044,703	3,043,890	2.20
Consumer Discretionary						
44,600	Dollarama Inc.			662,069	2,014,136	
				662,069	2,014,136	1.45
Consumer Staples						
33,200	Metro Inc.			1,455,265	1,859,200	
				1,455,265	1,859,200	1.34
Energy						
110,700	Enbridge Inc.			4,247,590	4,569,696	
65,600	Keyera Corp.			1,934,354	1,355,952	
63,500	Pembina Pipeline Corp.			2,364,267	2,155,190	
63,548	Suncor Energy Inc.			2,889,328	1,454,614	
75,300	TC Energy Corp.			3,738,221	4,367,400	
				15,173,760	13,902,852	10.03
Financials						
46,400	Bank of Montreal			4,421,079	3,352,864	
128,500	Bank of Nova Scotia			7,443,944	7,219,131	
158,975	Brookfield Asset Management Inc.			3,727,768	7,103,003	
26,100	Intact Financial Corp.			1,201,114	3,372,381	
190,684	Manulife Financial Corp.			4,217,729	3,521,933	
101,100	Royal Bank of Canada			6,551,013	9,312,321	
140,100	Toronto-Dominion Bank			4,687,743	8,488,659	
				32,250,390	42,370,292	30.56
Industrials						
51,500	Canadian National Railway Co.			2,295,788	6,185,665	
61,200	Morneau Shepell Inc.			1,362,257	1,939,428	
29,789	Waste Connections Inc.			1,008,280	3,788,799	
22,700	WSP Global Inc.			1,348,498	1,890,002	
				6,014,823	13,803,894	9.96
Materials						
34,800	CCL Industries Inc.			2,168,642	1,527,024	
				2,168,642	1,527,024	1.10
Real Estate						
53,700	Allied Properties Real Estate Investment Trust			1,711,366	2,199,552	
43,500	Canadian Apartment Properties REIT			2,376,970	2,113,665	
164,000	Killam Apartment Real Estate Investment Trust			3,004,718	2,873,280	
216,500	Tricon Capital Group Inc.			2,185,529	1,980,975	
				9,278,583	9,167,472	6.61

Educators Dividend Fund

Schedule of Investments

As at June 30, 2020 (unaudited)

No. of Units or Shares or Par Value	Description	Coupon Rate	Maturity Date	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
Utilities						
175,700	Algonquin Power & Utilities Corp.			2,147,280	3,083,535	
81,500	Northland Power Inc.			2,063,568	2,769,370	
39,800	Fortis Inc.			1,327,621	2,054,874	
				5,538,469	7,907,779	5.70
				75,586,704	95,596,539	68.95
Foreign Common Stocks						
Bermuda						
Utilities						
99,000	Brookfield Infrastructure Partners LP			3,299,707	5,531,130	
				3,299,707	5,531,130	3.99
				3,299,707	5,531,130	3.99
United States						
Communication Services						
10,200	Walt Disney Co.			1,382,615	1,549,151	
				1,382,615	1,549,151	1.12
Consumer Discretionary						
36,800	TJX Cos Inc.			1,626,325	2,534,163	
				1,626,325	2,534,163	1.83
Consumer Staples						
7,100	Constellation Brands Inc.			1,900,529	1,691,812	
				1,900,529	1,691,812	1.22
Financials						
23,500	JPMorgan Chase & Co			1,411,226	3,010,596	
6,300	S&P Global Inc.			1,615,690	2,827,153	
				3,026,916	5,837,749	4.21
Health Care						
7,700	Becton Dickinson and Co.			2,198,672	2,509,335	
				2,198,672	2,509,335	1.81
Information Technology						
21,700	Microsoft Corp.			646,671	6,014,855	
9,900	Motorola Solutions Inc.			2,049,487	1,889,496	
17,200	Texas Instruments Inc.			2,215,303	2,974,468	
15,300	Visa Inc.			933,872	4,025,416	
				5,845,333	14,904,235	10.75
Utilities						
15,400	Prologis Inc.			1,905,038	1,957,590	
				1,905,038	1,957,590	1.41
				17,885,428	30,984,035	22.4
Total Investments				\$ 102,618,437	\$ 137,958,302	99.51
Transaction Costs				(75,601)		
Net Investments				102,542,836	137,958,302	99.51
Other Assets Less Liabilities					667,774	0.49
Net Assets Attributable to Holders of Redeemable Units					\$ 138,626,076	100.00

Educators Dividend Fund

Schedule of Investments

As at June 30, 2020 (unaudited)

No. of Units or Shares or Par Value	Description	Coupon Rate	Maturity Date	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
---	-------------	----------------	------------------	-----------------	---------------	--

Summary of Investment Portfolio

The fair value percentages of Net Assets Attributable to Holders of Redeemable Units by major portfolio category are shown in the following table:

As a % of Fund's Net Assets attributable to holders of redeemable units		
Asset Type	June 30, 2020	December 31, 2019
Financials	34.77%	37.68%
Energy	10.03%	12.70%
Information Technology	10.75%	9.30%
Industrials	9.96%	8.68%
Consumer Staples	2.56%	3.68%
Utilities	11.10%	8.56%
Consumer Discretionary	3.28%	5.20%
Materials	1.10%	1.54%
Short-term investments	4.22%	2.34%
Real Estate	6.61%	4.06%
Communication Services	3.32%	3.51%
Health Care	1.81%	1.97%
Net Other Assets	0.49%	0.78%
	100.00%	100.00%

Educators Growth Fund

Statements of Financial Position

As at June 30, 2020 (unaudited) and December 31, 2019 (audited)

	2020	2019
Assets		
Current assets		
Cash	133,981	147,297
Interest and dividends receivable	278,833	223,888
Subscriptions receivable	28,362	54,301
Investments	<u>86,644,797</u>	<u>97,212,117</u>
Total assets	\$ <u>87,085,973</u>	\$ <u>97,637,603</u>
Liabilities		
Current liabilities		
Redemptions payable	105,214	46,053
Distributions payable	1,198	-
Amounts due to Manager-Trustee (Note 6)	<u>123,515</u>	<u>146,345</u>
Total liabilities	<u>229,927</u>	<u>192,398</u>
Net assets attributable to holders of redeemable units	\$ <u>86,856,046</u>	\$ <u>97,445,205</u>
Net assets attributable to holders of redeemable units per class		
Class A	71,556,694	83,978,901
Class I	<u>15,299,352</u>	<u>13,466,304</u>
Number of redeemable units outstanding (Note 3)		
Class A	3,344,387	3,482,624
Class I	<u>1,689,149</u>	<u>1,318,514</u>
Net assets attributable to holders of redeemable units per class per unit		
Class A	21.40	24.11
Class I	<u>9.06</u>	<u>10.21</u>

On behalf of the Manager-Trustee: Educators Financial Group Inc.

Signed: Chuck Hamilton, CEO

Signed: Stuart Mulcahy, CFO

Educators Growth Fund

Statements of Comprehensive Income

For the six months ended June 30, 2020 and 2019 (unaudited)

	2020	2019
Income		
Interest for distribution purposes	\$ 21,490	\$ 51,757
Dividends	1,295,760	1,168,525
Securities lending (Note 5)	15,035	7,455
Other income	6,030	9,959
Other changes in fair value of investments:		
Net realized gain (loss)	(577,656)	1,025,018
Net change in unrealized appreciation (depreciation)	(10,464,008)	11,258,014
Total income	(9,703,349)	13,520,728
Expenses		
Management fees (Note 6)	643,140	729,700
Independent review committee fees	1,592	3,926
Transaction costs	15,137	12,639
Withholding taxes	66	12,062
Harmonised sales tax	82,901	92,992
	742,836	851,319
Less expenses waived/absorbed by Manager-Trustee (Note 6)	-	(8,268)
Total expenses	742,836	843,051
Increase (decrease) in net assets attributable to holders of redeemable units	\$ (10,446,185)	\$ 12,677,677
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class A	\$ (9,197,565)	\$ 11,628,288
Class I	\$ (1,248,620)	\$ 1,049,389
Weighted average redeemable units outstanding during the period		
Class A	3,419,947	3,788,063
Class I	1,468,247	844,741
Increase (decrease) in net assets attributable to holders of redeemable units per class per unit		
Class A	\$ (2.69)	\$ 3.07
Class I	\$ (0.85)	\$ 1.24

Educators Growth Fund**Statements of Changes in Net Assets Attributable to Holders of Redeemable Units***For the six months ended June 30, 2020 and 2019 (unaudited)*

	2020	2019
Net assets attributable to holders of redeemable units, beginning of period		
Class A	\$ 83,978,901	\$ 78,907,219
Class I	13,466,304	5,597,772
	<u>97,445,205</u>	<u>84,504,991</u>
Increase (decrease) in net assets attributable to holders of redeemable units		
Class A	(9,197,565)	11,628,288
Class I	(1,248,620)	1,049,389
	<u>(10,446,185)</u>	<u>12,677,677</u>
Distributions to holders of redeemable units		
From net investment income and return of capital		
Class A	(246,398)	(197,869)
Class I	(212,341)	(113,422)
	<u>(458,739)</u>	<u>(311,291)</u>
Total distributions to holders of redeemable units	<u>(458,739)</u>	<u>(311,291)</u>
Redeemable unit transactions		
Proceeds from redeemable units issued		
Class A	2,275,744	2,552,343
Class I	3,741,857	3,387,247
	<u>6,017,601</u>	<u>5,939,590</u>
Redemption of redeemable units		
Class A	(5,499,263)	(7,359,250)
Class I	(660,114)	(446,920)
	<u>(6,159,377)</u>	<u>(7,806,170)</u>
Reinvestments of distributions to holders of redeemable units		
Class A	245,275	197,201
Class I	212,266	113,036
	<u>457,541</u>	<u>310,237</u>
Net (decrease) increase from redeemable unit transactions	<u>315,765</u>	<u>(1,556,343)</u>
Net (decrease) increase in net assets attributable to holders of redeemable units		
Class A	(12,422,207)	6,820,713
Class I	1,833,048	3,989,330
	<u>(10,589,159)</u>	<u>10,810,043</u>
Net assets attributable to holders of redeemable units, end of period		
Class A	71,556,694	85,727,932
Class I	15,299,352	9,587,102
	<u>86,856,046</u>	<u>95,315,034</u>

Educators Growth Fund**Statements of Changes in Net Assets Attributable to Holders of Redeemable Units** (continued)*For the six months ended June 30, 2020 and 2019 (unaudited)*

Redeemable unit continuity (Note 3)

The following redeemable units were issued for cash, issued on reinvestment of distributions and redeemed during the period ended June 30, 2020 and year ended December 31, 2019.

Class A	2020	2019
Number of units, beginning of period	3,482,624	3,901,914
Units issued	103,605	228,655
Units issued from reinvested distributions	11,460	21,064
Units redeemed	(253,302)	(669,009)
Number of units, end of period	<u>3,344,387</u>	<u>3,482,624</u>
Class I	2020	2019
Number of units, beginning of period	1,318,514	658,596
Units issued	414,697	768,948
Units issued from reinvested distributions	23,436	19,466
Units redeemed	(67,498)	(128,496)
Number of units, end of period	<u>1,689,149</u>	<u>1,318,514</u>

Educators Growth Fund**Statements of Cash Flows***For the six months ended June 30, 2020 and 2019 (unaudited)*

	2020	2019
Cash Flow from Operating Activities		
Increase (decrease) in net assets attributable to holders of redeemable units	\$ (10,446,185)	\$ 12,677,677
Adjustments for:		
Net realized (gain) loss on sale of investments	577,656	(1,025,018)
Net change in unrealized (appreciation) depreciation in value of investments	10,464,008	(11,258,014)
Purchase of investments	(43,859,101)	(31,412,498)
Proceeds from disposal of investments	43,384,757	32,926,696
(Increase) decrease in interest and dividends receivable	(54,945)	(14,186)
Increase (decrease) in amounts due to Manager-Trustee	(22,830)	(1,401)
Cash provided (used) by operating activities	<u>43,360</u>	<u>1,893,256</u>
Cash Flow from Financing Activities		
Proceeds from redeemable units issued	6,043,540	5,897,170
Redemption of redeemable units	(6,100,216)	(7,875,582)
Distributions paid to holders of redeemable units, net of reinvested distributions	-	(61)
Cash provided by financing activities	<u>(56,676)</u>	<u>(1,978,473)</u>
Increase (decrease) in cash	<u>\$ (13,316)</u>	<u>\$ (85,217)</u>
Cash, beginning of period	<u>\$ 147,297</u>	<u>\$ 184,650</u>
Cash, end of period	<u>\$ 133,981</u>	<u>\$ 99,433</u>
Supplemental cash flow information:		
Interest received	\$ 23,336	\$ 52,533
Dividends received, net of withholding taxes	\$ 1,238,969	\$ 1,142,246

Educators Growth Fund

Schedule of Investments

As at June 30, 2020 (unaudited)

No. of Units or Shares or Par Value	Description	Coupon Rate	Maturity Date	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
Short-Term Investments						
Treasury Bills						
200,000	Government of Canada	0.209%	24-Sep-2020	\$ 199,894	\$ 199,894	
900,000	Canadian Treasury Bill	0.205%	27-Aug-2020	899,483	899,483	
				<u>1,099,377</u>	<u>1,099,377</u>	<u>1.27</u>
Canadian Common Stocks						
Communication Services						
63,769	BCE Inc.			3,992,878	3,610,601	
42,800	Quebecor Inc.			1,178,127	1,248,476	
				<u>5,171,005</u>	<u>4,859,077</u>	<u>5.59</u>
Consumer Discretionary						
29,916	BRP Inc.			1,699,027	1,732,136	
13,300	Great Canadian Gaming Corp.			669,740	359,499	
				<u>2,368,767</u>	<u>2,091,635</u>	<u>2.41</u>
Consumer Staples						
52,200	Alimentation Couche-Tard Inc.			2,184,116	2,222,154	
54,300	Empire Co Ltd.			1,670,992	1,765,293	
13,600	George Weston Ltd.			1,473,951	1,352,520	
				<u>5,329,059</u>	<u>5,339,967</u>	<u>6.15</u>
Energy						
127,500	Canadian Natural Resources Ltd.			4,013,551	3,002,625	
80,600	Enbridge Inc.			3,755,312	3,327,168	
21,107	Gibson Energy Inc.			501,631	445,991	
34,200	Parkland Corp.			1,487,029	1,152,882	
14,200	Pembina Pipeline Corp.			646,518	481,948	
32,600	TC Energy Corp.			1,988,400	1,890,800	
				<u>12,392,441</u>	<u>10,301,414</u>	<u>11.86</u>
Financials						
29,530	Bank of Montreal			2,940,464	2,133,838	
25,703	Bank of Nova Scotia			1,829,789	1,443,995	
27,150	Brookfield Asset Management Inc.			1,286,749	1,213,062	
8,800	Canadian Imperial Bank of Commerce			970,435	798,512	
21,900	Element Fleet Management Corp.			251,919	221,847	
110,600	Manulife Financial Corp.			2,479,303	2,042,782	
29,300	National Bank of Canada			2,046,478	1,802,536	
69,600	Royal Bank of Canada			6,489,652	6,410,856	
53,300	Sun Life Financial Inc.			2,900,479	2,659,137	
53,400	Toronto-Dominion Bank			2,667,104	3,235,506	
				<u>23,862,372</u>	<u>21,962,071</u>	<u>25.29</u>
Health Care						
50,400	Bausch Health Cos Inc.			1,596,548	1,251,936	
				<u>1,596,548</u>	<u>1,251,936</u>	<u>1.44</u>
Industrials						
54,100	Air Canada			1,010,290	916,995	
10,100	Canadian National Railway Co.			978,251	1,213,111	
10,900	Canadian Pacific Railway Ltd.			2,779,515	3,763,988	
8,900	Stantec Inc.			329,816	372,999	
23,100	TFI International Inc.			1,029,882	1,113,188	
14,100	Thomson Reuters Corp.			1,346,410	1,300,584	
6,700	Waste Connections Inc.			854,170	852,173	
				<u>8,328,334</u>	<u>9,533,038</u>	<u>10.98</u>
Information Technology						
19,100	CGI Inc.			752,482	1,633,623	

Educators Growth Fund

Schedule of Investments

As at June 30, 2020 (unaudited)

No. of Units or Shares or Par Value	Description	Coupon Rate	Maturity Date	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
2,200	Constellation Software Inc.			2,234,796	3,372,358	
3,300	Shopify Inc.			2,695,103	4,256,241	
				5,682,381	9,262,222	10.66
Materials						
65,500	B2Gold Corp.			481,550	505,660	
51,000	Barrick Gold Corp.			1,615,479	1,863,030	
22,100	First Quantum Minerals Ltd.			214,145	239,122	
18,100	Franco-Nevada Corp.			1,986,983	3,432,665	
46,900	Kirkland Lake Gold Ltd.			1,853,392	2,621,710	
70,700	Pretium Resources Inc.			914,413	803,152	
				7,065,962	9,465,339	10.90
Real Estate						
40,400	Canadian Apartment Properties REIT			1,538,032	1,963,036	
29,200	Granite Real Estate Investment Trust			1,794,787	2,045,752	
				3,332,819	4,008,788	4.62
Utilities						
66,700	Algonquin Power & Utilities Corp.			986,319	1,170,585	
15,300	Capital Power Corp.			500,130	428,094	
42,500	Northland Power Inc.			1,086,756	1,444,150	
				2,573,205	3,042,829	3.50
Canadian Exchange-Traded Fund						
52,600	BMO Low Volatility Canadian Equity ETF			1,544,511	1,600,618	
61,100	BMO S&P 500 Index ETF			2,350,199	2,826,486	
				3,894,710	4,427,104	5.10
				81,597,603	85,545,420	98.5
Total Investments				\$ 82,696,980	\$ 86,644,797	99.77
Transaction Costs				\$ (26,015)		
Net Investments				\$ 82,670,965	86,644,797	99.77
Other Assets Less Liabilities					211,249	0.23
Net Assets Attributable to Holders of Redeemable Units					\$ 86,856,046	100.00

Summary of Investment Portfolio

The fair value percentages of Net Assets Attributable to Holders of Redeemable Units by major portfolio category are shown in the following table:

As a % of Fund's Net Assets attributable to holders of redeemable units

Asset Type	June 30, 2020	December 31, 2019
Financials	25.29%	27.67%
Energy	11.86%	15.23%
Materials	10.90%	8.10%
Industrials	10.98%	9.42%
Consumer Discretionary	2.41%	3.23%
Exchange Traded Fund	5.10%	7.06%
Information Technology	10.66%	6.83%
Consumer Staples	6.15%	5.16%
Utilities	3.50%	3.60%
Communication Services	5.59%	5.44%
Real Estate	4.62%	4.54%
Short-term investments	1.27%	1.12%
Health Care	1.44%	2.36%
Net Other Assets	0.23%	0.24%
	100.00%	100.00%

Educators U.S. Equity Fund

Statements of Financial Position

As at June 30, 2020 (unaudited) and December 31, 2019 (audited)

	2020	2019
Assets		
Current assets		
Cash	1,493,013	19,979
Interest and dividends receivable	166,190	119,291
Subscriptions receivable	19,669	70,662
Due from brokers	363,667	-
Investments	108,326,562	115,931,900
Total assets	\$ 110,369,101	\$ 116,141,832
Liabilities		
Current liabilities		
Due to brokers	858,160	-
Redemptions payable	30,654	-
Distributions payable	10,618	-
Amounts due to Manager-Trustee (Note 6)	166,802	180,774
Total liabilities	1,066,234	180,774
Net assets attributable to holders of redeemable units	\$ 109,302,867	\$ 115,961,058
Net assets attributable to holders of redeemable units per class		
Class A	95,738,422	103,369,572
Class I	13,564,445	12,591,486
Number of redeemable units outstanding (Note 3)		
Class A	4,850,798	4,858,227
Class I	1,286,996	1,107,668
Net assets attributable to holders of redeemable units per class per unit		
Class A	19.74	21.28
Class I	10.54	11.37

On behalf of the Manager-Trustee: Educators Financial Group Inc.

Signed: Chuck Hamilton, CEO

Signed: Stuart Mulcahy, CFO

Educators U.S. Equity Fund

Statements of Comprehensive Income

For the six months ended June 30, 2020 and 2019 (unaudited)

	2020	2019
Income		
Interest for distribution purposes	\$ 29,178	\$ 19,434
Dividends	4,796,723	1,344,740
Securities lending (Note 5)	7,946	13,234
Other changes in fair value of investments:		
Net realized gain (loss)	370,736	3,368,713
Net change in unrealized appreciation (depreciation)	(8,616,144)	6,436,558
Total income	(3,411,561)	11,182,679
Expenses		
Management fees (Note 6)	834,659	830,101
Independent review committee fees	2,062	4,401
Transaction costs	28,978	15,509
Withholding taxes	714,221	254,228
Harmonised sales tax	107,588	105,799
	1,687,508	1,210,038
Less expenses waived/absorbed by Manager-Trustee (Note 6)	-	(9,310)
Total expenses	1,687,508	1,200,728
Increase (decrease) in net assets attributable to holders of redeemable units	\$ (5,099,069)	\$ 9,981,951
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class A	\$ (4,694,986)	\$ 9,275,023
Class I	\$ (404,083)	\$ 706,928
Weighted average redeemable units outstanding during the period		
Class A	4,768,199	5,102,104
Class I	1,183,999	706,792
Increase (decrease) in net assets attributable to holders of redeemable units per class per unit		
Class A	\$ (0.98)	\$ 1.82
Class I	\$ (0.34)	\$ 1.00

Educators U.S. Equity Fund**Statements of Changes in Net Assets Attributable to Holders of Redeemable Units***For the six months ended June 30, 2020 and 2019 (unaudited)*

	2020	2019
Net assets attributable to holders of redeemable units, beginning of period		
Class A	\$ 103,369,572	\$ 92,384,894
Class I	12,591,486	5,206,824
	<u>115,961,058</u>	<u>97,591,718</u>
Increase (decrease) in net assets attributable to holders of redeemable units		
Class A	(4,694,986)	9,275,023
Class I	(404,083)	706,928
	<u>(5,099,069)</u>	<u>9,981,951</u>
Distributions to holders of redeemable units		
From net investment income and return of capital		
Class A	(2,720,890)	(228,737)
Class I	(520,234)	(100,313)
	<u>(3,241,124)</u>	<u>(329,050)</u>
Total distributions to holders of redeemable units	<u>(3,241,124)</u>	<u>(329,050)</u>
Redeemable unit transactions		
Proceeds from redeemable units issued		
Class A	3,819,773	3,881,320
Class I	2,846,480	3,120,873
	<u>6,666,253</u>	<u>7,002,193</u>
Redemption of redeemable units		
Class A	(6,745,682)	(7,973,018)
Class I	(1,469,075)	(601,520)
	<u>(8,214,757)</u>	<u>(8,574,538)</u>
Reinvestments of distributions to holders of redeemable units		
Class A	2,710,635	228,032
Class I	519,871	99,918
	<u>3,230,506</u>	<u>327,950</u>
Net (decrease) increase from redeemable unit transactions	<u>1,682,002</u>	<u>(1,244,395)</u>
Net (decrease) increase in net assets attributable to holders of redeemable units		
Class A	(7,631,150)	5,182,620
Class I	972,959	3,225,886
	<u>(6,658,191)</u>	<u>8,408,506</u>
Net assets attributable to holders of redeemable units, end of period		
Class A	95,738,422	97,567,514
Class I	13,564,445	8,432,710
	<u>109,302,867</u>	<u>106,000,224</u>

Educators U.S. Equity Fund**Statements of Changes in Net Assets Attributable to Holders of Redeemable Units** (continued)*For the six months ended June 30, 2020 and 2019 (unaudited)*

Redeemable unit continuity (Note 3)

The following redeemable units were issued for cash, issued on reinvestment of distributions and redeemed during the period ended June 30, 2020 and year ended December 31, 2019.

Class A	2020	2019
Number of units, beginning of period	4,858,227	5,237,316
Units issued	190,790	435,280
Units issued from reinvested distributions	137,311	39,642
Units redeemed	(335,530)	(854,011)
Number of units, end of period	<u>4,850,798</u>	<u>4,858,227</u>
Class I	2020	2019
Number of units, beginning of period	1,107,668	552,851
Units issued	265,205	661,698
Units issued from reinvested distributions	49,325	26,231
Units redeemed	(135,202)	(133,112)
Number of units, end of period	<u>1,286,996</u>	<u>1,107,668</u>

Educators U.S. Equity Fund**Statements of Cash Flows***For the six months ended June 30, 2020 and 2019 (unaudited)*

	2020	2019
Cash Flow from Operating Activities		
Increase (decrease) in net assets attributable to holders of redeemable units	\$ (5,099,069)	\$ 9,981,951
Adjustments for:		
Net realized (gain) loss on sale of investments	(370,736)	(3,368,713)
Net change in unrealized (appreciation) depreciation in value of investments	8,616,144	(6,436,558)
Purchase of investments	(30,368,358)	(15,078,268)
Proceeds from disposal of investments	30,222,781	16,402,914
(Increase) decrease in interest and dividends receivable	(46,899)	66,395
Increase (decrease) in amounts due to Manager-Trustee	(13,972)	(4,885)
Cash provided (used) by operating activities	<u>2,939,891</u>	<u>1,562,836</u>
Cash Flow from Financing Activities		
Proceeds from redeemable units issued	6,717,246	7,018,470
Redemption of redeemable units	(8,184,103)	(8,576,617)
Cash provided by financing activities	<u>(1,466,857)</u>	<u>(1,558,147)</u>
Increase (decrease) in cash	<u>\$ 1,473,034</u>	<u>\$ 4,689</u>
Cash, beginning of period	<u>\$ 19,979</u>	<u>\$ 61,773</u>
Cash, end of period	<u>\$ 1,493,013</u>	<u>\$ 66,462</u>
Supplemental cash flow information:		
Interest received	\$ 36,433	\$ 21,878
Dividends received, net of withholding taxes	\$ 4,030,496	\$ 1,156,266

Educators U.S. Equity Fund

Schedule of Investments

As at June 30, 2020 (unaudited)

No. of Shares or Par Value	Description	Coupon Rate	Maturity Date	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
Short-Term Investments						
Treasury Bills						
1,050,000	Canadian Treasury Bill	0.226%	6-Aug-2020	\$ 1,049,407	\$ 1,049,407	
1,125,000	Canadian Treasury Bill	0.174%	27-Aug-2020	1,124,514	1,124,514	
100,000	Canadian Treasury Bill	0.207%	17-Sep-2020	99,952	99,952	
				<u>2,273,873</u>	<u>2,273,873</u>	<u>2.08</u>
Foreign Common Stocks						
Channel Islands						
Information Technology						
62,056	Amdocs Ltd.			4,818,767	5,145,625	
				<u>4,818,767</u>	<u>5,145,625</u>	<u>4.71</u>
Ireland						
Industrials						
11,228	Trane Technologies PLC			1,261,195	1,360,738	
				<u>1,261,195</u>	<u>1,360,738</u>	<u>1.24</u>
United States						
Communication Services						
86,750	Comcast Corp.			3,636,975	4,605,651	
69,394	Omnicom Group Inc.			6,281,913	5,160,530	
70,805	Verizon Communications Inc.			4,328,193	5,316,571	
				<u>14,247,081</u>	<u>15,082,752</u>	<u>13.80</u>
Consumer Discretionary						
1,656	AutoZone Inc.			1,128,732	2,544,458	
109,990	Harley-Davidson Inc.			6,490,624	3,560,919	
				<u>7,619,356</u>	<u>6,105,377</u>	<u>5.59</u>
Consumer Staples						
52,052	Campbell Soup Co.			3,143,734	3,518,531	
57,922	Kellogg Co.			4,712,150	5,211,489	
23,310	Kimberly-Clark Corp.			3,446,176	4,487,638	
				<u>11,302,060</u>	<u>13,217,658</u>	<u>12.09</u>
Financials						
36,403	American Express Co.			4,404,354	4,720,129	
28,960	Ameriprise Financial Inc.			5,117,575	5,918,141	
6,690	BlackRock Inc.			3,649,854	4,957,658	
13,153	JPMorgan Chase & Co.			1,263,742	1,685,037	
6,760	SEI Investments Co.			470,901	506,210	
				<u>14,906,426</u>	<u>17,787,175</u>	<u>16.27</u>
Health Care						
44,627	AmerisourceBergen Corp.			4,414,437	6,125,037	
16,590	Amgen Inc.			3,871,491	5,329,425	
33,715	Merck & Co Inc.			3,433,423	3,551,002	
				<u>11,719,351</u>	<u>15,005,464</u>	<u>13.74</u>
Industrials						
21,060	Cummins Inc.			4,135,560	4,969,771	
47,560	Flowserv Corp.			2,351,589	1,847,443	
119,167	Ingersoll Rand Inc.			4,819,796	4,564,066	
12,755	Parker-Hannifin Corp.			2,779,321	3,183,842	
40,100	Westinghouse Air Brake Technologies Corp.			3,164,495	3,144,273	
				<u>17,250,761</u>	<u>17,709,395</u>	<u>16.20</u>

Educators U.S. Equity Fund

Schedule of Investments

As at June 30, 2020 (unaudited)

No. of Shares or Par Value	Description	Coupon Rate	Maturity Date	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
Information Technology						
5,860	KLA-Tencor Corp.			832,390	1,552,216	
130,932	NortonLifeLock Inc.			4,603,035	3,536,293	
79,484	Oracle Corp.			5,115,830	5,983,412	
				<u>10,551,255</u>	<u>11,071,921</u>	<u>10.13</u>
Materials						
24,690	PPG Industries Inc			3,127,899	3,566,584	
				<u>3,127,899</u>	<u>3,566,584</u>	<u>3.26</u>
				<u>90,724,189</u>	<u>99,546,326</u>	<u>91.08</u>
				<u>96,804,151</u>	<u>106,052,689</u>	<u>97.03</u>
Total Investments				\$ 99,078,024	\$ 108,326,562	\$ 99.11
Transaction Costs				\$ (48,297)		
Net Investments				<u>\$ 99,029,727</u>	<u>\$ 108,326,562</u>	<u>99.11</u>
Other Assets Less Liabilities					\$ 976,305	0.89
Net Assets Attributable to Holders of Redeemable Units					<u>\$ 109,302,867</u>	<u>100.00</u>

Summary of Investment Portfolio

The fair value percentages of Net Assets Attributable to Holders of Redeemable Units by major portfolio category are shown in the following table:

As a % of Fund's Net Assets attributable to holders of redeemable units		
Asset Type	June 30, 2020	December 31, 2019
Consumer Discretionary	5.59%	6.14%
Health Care	13.74%	10.99%
Industrials	17.44%	18.55%
Financials	16.27%	14.62%
Information Technology	14.84%	16.63%
Consumer Staples	12.09%	12.26%
Communication Services	13.80%	15.26%
Materials	3.26%	2.44%
Short-term investments	2.08%	3.09%
Net Other Assets	0.89%	0.02%
	<u>100.00%</u>	<u>100.00%</u>

Educators Monitored Conservative Portfolio

Statements of Financial Position

As at June 30, 2020 (unaudited) and December 31, 2019 (audited)

	2020	2019
Assets		
Current assets		
Cash	54,045	59,435
Distributions receivable from underlying funds	425,771	2,861
Subscriptions receivable	258,427	87,480
Due from brokers	20,000	-
Investments	45,334,114	38,089,568
Total assets	\$ 46,092,357	\$ 38,239,344
Liabilities		
Current liabilities		
Redemptions payable	3,000	1,045
Distributions payable	612	-
Amounts due to Manager-Trustee (Note 6)	64,559	53,422
Total liabilities	68,171	54,467
Net assets attributable to holders of redeemable units	\$ 46,024,186	\$ 38,184,877
Net assets attributable to holders of redeemable units per class		
Class A	44,480,108	38,168,617
Class E	1,537,047	-
Class I	7,031	16,260
Number of redeemable units outstanding (Note 3)		
Class A	4,393,741	3,711,910
Class E	151,290	-
Class I	684	1,558
Net assets attributable to holders of redeemable units per class per unit		
Class A	10.12	10.28
Class E	10.16	-
Class I	10.28	10.44

On behalf of the Manager-Trustee: Educators Financial Group Inc.

Signed: Chuck Hamilton, CEO

Signed: Stuart Mulcahy, CFO

Educators Monitored Conservative Portfolio

Statements of Comprehensive Income

For the six months ended June 30, 2020 and 2019 (unaudited)

	2020	2019
Income		
Distributions from underlying funds	745,621	228,948
Other changes in fair value of investments:		
Net realized gain (loss)	(53,994)	8,426
Net change in unrealized appreciation (depreciation)	(553,940)	787,124
Total income	137,687	1,024,498
Expenses		
Management fees (Note 6)	300,422	105,023
Independent review committee fees	848	690
Harmonised sales tax	38,936	13,327
Total expenses	340,206	119,040
Increase (decrease) in net assets attributable to holders of redeemable units	\$ (202,519)	\$ 905,458
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class A	\$ (239,043)	\$ 904,646
Class E	\$ 36,429	\$ -
Class I	\$ 95	\$ 812
Weighted average redeemable units outstanding during the period		
Class A	4,117,865	1,482,592
Class E	140,734	-
Class I	615	1,008
Increase (decrease) in net assets attributable to holders of redeemable units per class per unit		
Class A	\$ (0.06)	\$ 0.61
Class E	\$ 0.26	\$ -
Class I	\$ 0.15	\$ 0.81

Educators Monitored Conservative Portfolio

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

For the six months ended June 30, 2020 and 2019 (unaudited)

	2020	2019
Net assets attributable to holders of redeemable units, beginning of period		
Class A	\$ 38,168,617	\$ 11,062,147
Class E	-	-
Class I	16,260	17,668
	<u>38,184,877</u>	<u>11,079,815</u>
Increase (decrease) in net assets attributable to holders of redeemable units		
Class A	(239,043)	904,646
Class E	36,429	-
Class I	95	812
	<u>(202,519)</u>	<u>905,458</u>
Distributions to holders of redeemable units		
From net investment income and return of capital		
Class A	(400,921)	(117,847)
Class E	(15,395)	-
Class I	(112)	(139)
	<u>(416,428)</u>	<u>(117,986)</u>
Total distributions to holders of redeemable units	<u>(416,428)</u>	<u>(117,986)</u>
Redeemable unit transactions		
Proceeds from redeemable units issued		
Class A	12,373,124	8,994,930
Class E	1,500,621	-
Class I	1,595	4,191
	<u>13,875,340</u>	<u>8,999,121</u>
Redemption of redeemable units		
Class A	(5,821,981)	(1,902,747)
Class E	-	-
Class I	(10,919)	(11,063)
	<u>(5,832,900)</u>	<u>(1,913,810)</u>
Reinvestments of distributions to holders of redeemable units		
Class A	400,312	117,884
Class E	15,392	-
Class I	112	135
	<u>415,816</u>	<u>118,019</u>
Net (decrease) increase from redeemable unit transactions	<u>8,458,256</u>	<u>7,203,330</u>
Net (decrease) increase in net assets attributable to holders of redeemable units		
Class A	6,311,491	7,996,866
Class E	1,537,047	-
Class I	(9,229)	(6,064)
	<u>7,839,309</u>	<u>7,990,802</u>
Net assets attributable to holders of redeemable units, end of period		
Class A	44,480,108	19,059,013
Class E	1,537,047	-
Class I	7,031	11,604
	<u>46,024,186</u>	<u>19,070,617</u>

Educators Monitored Conservative Portfolio

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (continued)

For the six months ended June 30, 2020 and 2019 (unaudited)

Redeemable unit continuity (Note 3)

The following redeemable units were issued for cash, issued on reinvestment of distributions and redeemed during the period ended June 30, 2020 and year ended December 31, 2019.

Class A	2020	2019
Number of units, beginning of period	3,711,910	1,153,112
Units issued	1,220,898	2,890,001
Units issued from reinvested distributions	40,174	34,601
Units redeemed	(579,241)	(365,804)
Number of units, end of period	4,393,741	3,711,910

Class E	2020	2019
Number of units, beginning of period	-	-
Units issued	149,775	-
Units issued from reinvested distributions	1,515	-
Units redeemed	-	-
Number of units, end of period	151,290	-

Class I	2020	2019
Number of units, beginning of period	1,558	1,821
Units issued	157	825
Units issued from reinvested distributions	11	32
Units redeemed	(1,042)	(1,120)
Number of units, end of period	684	1,558

Educators Monitored Conservative Portfolio

Statements of Cash Flows

For the six months ended June 30, 2020 and 2019 (unaudited)

	2020	2019
Cash Flow from Operating Activities		
Increase (decrease) in net assets attributable to holders of redeemable units	\$ (202,519)	\$ 905,458
Adjustments for:		
Net realized (gain) loss on sale of investments	53,994	(8,426)
Net change in unrealized (appreciation) depreciation in value of investments	553,940	(787,124)
Purchase of investments	(11,007,264)	(8,080,534)
Proceeds from disposal of investments	3,134,784	1,019,350
(Increase) decrease in distributions receivable from underlying funds	(422,910)	(123,456)
Increase (decrease) in amounts due to Manager-Trustee	11,137	8,077
Cash provided (used) by operating activities	(7,878,838)	(7,066,655)
Cash Flow from Financing Activities		
Proceeds from redeemable units issued	13,704,393	9,020,576
Redemption of redeemable units	(5,830,945)	(1,913,810)
Cash provided by financing activities	7,873,448	7,106,766
Increase (decrease) in cash	\$ (5,390)	\$ 40,111
Cash, beginning of period	\$ 59,435	\$ 16,916
Cash, end of period	\$ 54,045	\$ 57,027

Educators Monitored Conservative Portfolio

Schedule of Investments

As at June 30, 2020 (unaudited)

No. of Units	Description	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
Canadian Mutual Funds				
1,652,100	Educators Bond Fund, Class I	\$ 17,124,741	\$ 18,115,604	
425,710	Educators Dividend Fund, Class I	4,512,300	4,265,275	
336,269	Educators Growth Fund, Class I	3,229,646	3,045,725	
248,087	Educators Money Market Fund, Class I	2,484,620	2,480,874	
280,596	Educators U.S. Equity Fund, Class I	2,941,110	2,957,369	
216,321	HSBC Emerging Markets Debt Fund, Institutional Series	2,138,291	2,065,302	
50,607	HSBC Emerging Markets Pooled Fund	540,016	449,073	
305,073	HSBC Global High Yield Bond Pooled Fund	2,413,906	2,295,098	
35,344	HSBC Global Inflation Linked Bond Pooled Fund	418,025	434,106	
102,027	HSBC International Equity Pooled Fund	1,610,512	1,425,855	
728,806	HSBC Mortgage Fund, Institutional Series	7,725,045	7,799,833	
		<u>45,138,212</u>	<u>45,334,114</u>	<u>98.50</u>
	Total Investments	<u>\$ 45,138,212</u>	<u>\$ 45,334,114</u>	<u>98.50</u>
	Transaction Costs			
	Net Investments	<u>45,138,212</u>	<u>45,334,114</u>	<u>98.50</u>
	Other Assets Less Liabilities		690,072	1.50
	Net Assets Attributable to Holders of Redeemable Units		<u>\$ 46,024,186</u>	<u>100.00</u>

Educators Monitored Balanced Portfolio**Statements of Financial Position***As at June 30, 2020 (unaudited) and December 31, 2019 (audited)*

	2020	2019
Assets		
Current assets		
Cash	56,136	45,516
Distributions receivable from underlying funds	501,741	2,950
Subscriptions receivable	67,794	318,033
Investments	<u>41,423,217</u>	<u>40,770,979</u>
Total assets	\$ <u>42,048,888</u>	\$ <u>41,137,478</u>
Liabilities		
Current liabilities		
Due to brokers	10,500	-
Redemptions payable	47,498	675
Distributions payable	-	402
Amounts due to Manager-Trustee (Note 6)	<u>65,889</u>	<u>65,032</u>
Total liabilities	<u>123,887</u>	<u>66,109</u>
Net assets attributable to holders of redeemable units	\$ <u>41,925,001</u>	\$ <u>41,071,369</u>
Net assets attributable to holders of redeemable units per class		
Class A	39,441,910	40,262,141
Class E	1,632,520	-
Class I	<u>850,571</u>	<u>809,228</u>
Number of redeemable units outstanding (Note 3)		
Class A	4,036,311	3,921,640
Class E	161,138	-
Class I	<u>85,559</u>	<u>77,470</u>
Net assets attributable to holders of redeemable units per class per unit		
Class A	9.77	10.27
Class E	10.13	-
Class I	<u>9.94</u>	<u>10.45</u>

On behalf of the Manager-Trustee: Educators Financial Group Inc.

Signed: Chuck Hamilton, CEO

Signed: Stuart Mulcahy, CFO

Educators Monitored Balanced Portfolio

Statements of Comprehensive Income

For the six months ended June 30, 2020 and 2019 (unaudited)

	2020	2019
Income		
Distributions from underlying funds	721,667	332,012
Other changes in fair value of investments:		
Net realized gain (loss)	(56,964)	20,577
Net change in unrealized appreciation (depreciation)	(2,016,786)	1,687,591
Total income	(1,352,083)	2,040,180
Expenses		
Management fees (Note 6)	326,016	200,935
Independent review committee fees	796	1,134
Harmonised sales tax	42,253	26,082
Total expenses	369,065	228,151
Increase (decrease) in net assets attributable to holders of redeemable units	\$ (1,721,148)	\$ 1,812,029
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class A	\$ (1,737,493)	\$ 1,756,942
Class E	\$ 40,489	\$ -
Class I	\$ (24,144)	\$ 55,087
Weighted average redeemable units outstanding during the period		
Class A	4,038,037	2,535,990
Class E	141,731	-
Class I	80,300	66,119
Increase (decrease) in net assets attributable to holders of redeemable units per class per unit		
Class A	\$ (0.43)	\$ 0.69
Class E	\$ 0.29	\$ -
Class I	\$ (0.30)	\$ 0.83

Educators Monitored Balanced Portfolio

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

For the six months ended June 30, 2020 and 2019 (unaudited)

	2020	2019
Net assets attributable to holders of redeemable units, beginning of period		
Class A	\$ 40,262,141	\$ 18,315,683
Class E	-	-
Class I	809,228	606,043
	<u>41,071,369</u>	<u>18,921,726</u>
Increase (decrease) in net assets attributable to holders of redeemable units		
Class A	(1,737,493)	1,756,942
Class E	40,489	-
Class I	(24,144)	55,087
	<u>(1,721,148)</u>	<u>1,812,029</u>
Distributions to holders of redeemable units		
From net investment income and return of capital		
Class A	(311,843)	(107,272)
Class E	(27,045)	-
Class I	(14,611)	(8,146)
	<u>(353,499)</u>	<u>(115,418)</u>
Total distributions to holders of redeemable units	<u>(353,499)</u>	<u>(115,418)</u>
Redeemable unit transactions		
Proceeds from redeemable units issued		
Class A	6,170,724	10,536,231
Class E	1,592,036	-
Class I	65,483	67,866
	<u>7,828,243</u>	<u>10,604,097</u>
Redemption of redeemable units		
Class A	(5,253,597)	(2,380,068)
Class E	-	-
Class I	-	(20,601)
	<u>(5,253,597)</u>	<u>(2,400,669)</u>
Reinvestments of distributions to holders of redeemable units		
Class A	311,978	107,480
Class E	27,040	-
Class I	14,615	8,055
	<u>353,633</u>	<u>115,535</u>
Net (decrease) increase from redeemable unit transactions	<u>2,928,279</u>	<u>8,318,963</u>
Net (decrease) increase in net assets attributable to holders of redeemable units		
Class A	(820,231)	9,913,313
Class E	1,632,520	-
Class I	41,343	102,261
	<u>853,632</u>	<u>10,015,574</u>
Net assets attributable to holders of redeemable units, end of period		
Class A	39,441,910	28,228,996
Class E	1,632,520	-
Class I	850,571	708,304
	<u>41,925,001</u>	<u>28,937,300</u>

Educators Monitored Balanced Portfolio

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (continued)

For the six months ended June 30, 2020 and 2019 (unaudited)

Redeemable unit continuity (Note 3)

The following redeemable units were issued for cash, issued on reinvestment of distributions and redeemed during the period ended June 30, 2020 and year ended December 31, 2019.

Class A	2020	2019
Number of units, beginning of period	3,921,640	1,971,446
Units issued	614,871	2,531,402
Units issued from reinvested distributions	31,926	31,250
Units redeemed	(532,126)	(612,458)
Number of units, end of period	4,036,311	3,921,640
Class E	2020	2019
Number of units, beginning of period	-	-
Units issued	158,469	-
Units issued from reinvested distributions	2,669	-
Units redeemed	-	-
Number of units, end of period	161,138	-
Class I	2020	2019
Number of units, beginning of period	77,470	64,321
Units issued	6,619	13,512
Units issued from reinvested distributions	1,470	1,794
Units redeemed	-	(2,157)
Number of units, end of period	85,559	77,470

Educators Monitored Balanced Portfolio

Statements of Cash Flows

For the six months ended June 30, 2020 and 2019 (unaudited)

	2020	2019
Cash Flow from Operating Activities		
Increase (decrease) in net assets attributable to holders of redeemable units	\$ (1,721,148)	\$ 1,812,029
Adjustments for:		
Net realized (gain) loss on sale of investments	56,964	(20,577)
Net change in unrealized (appreciation) depreciation in value of investments	2,016,786	(1,687,591)
Purchase of investments	(6,802,494)	(9,852,975)
Proceeds from disposal of investments	4,087,006	1,729,446
(Increase) decrease in distributions receivable from underlying funds	(498,791)	(202,567)
Increase (decrease) in amounts due to Manager-Trustee	857	11,558
Cash provided (used) by operating activities	(2,860,820)	(8,210,677)
Cash Flow from Financing Activities		
Proceeds from redeemable units issued	8,078,482	10,561,475
Redemption of redeemable units	(5,206,774)	(2,328,460)
Distributions paid to holders of redeemable units, net of reinvested distributions	(268)	-
Cash provided by financing activities	2,871,440	8,233,015
Increase (decrease) in cash	\$ 10,620	\$ 22,338
Cash, beginning of period	\$ 45,516	\$ 28,240
Cash, end of period	\$ 56,136	\$ 50,578

Educators Monitored Balanced Portfolio

Schedule of Investments

As at June 30, 2020 (unaudited)

No. of Units	Description	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
Canadian Mutual Funds				
939,366	Educators Bond Fund, Class I	\$ 9,612,557	\$ 10,300,340	
185,812	Educators Dividend Fund, Class I	1,939,538	1,861,692	
848,908	Educators Growth Fund, Class I	8,071,267	7,688,897	
234,457	Educators Money Market Fund, Class I	2,347,609	2,344,569	
577,448	Educators U.S. Equity Fund, Class I	5,928,632	6,086,076	
195,695	HSBC Emerging Markets Debt Fund, Institutional Series	1,930,390	1,868,375	
117,138	HSBC Emerging Markets Pooled Fund	1,273,196	1,039,461	
286,201	HSBC Global High Yield Bond Pooled Fund	2,272,535	2,153,116	
37,358	HSBC Global Inflation Linked Bond Pooled Fund	436,951	458,844	
17,895	HSBC Global Real Estate Equity Pooled Fund	202,376	170,581	
241,735	HSBC International Equity Pooled Fund	3,854,901	3,378,321	
310,301	HSBC Mortgage Fund, Institutional Series	3,280,028	3,320,901	
24,954	HSBC Small Cap Growth Fund, Institutional Series	743,276	752,044	
		41,893,256	41,423,217	98.80
Total Investments		\$ 41,893,256	\$ 41,423,217	98.80
Net Investments		41,893,256	41,423,217	98.80
Other Assets Less Liabilities			501,784	1.20
Net Assets Attributable to Holders of Redeemable Units			\$ 41,925,001	100.00

Educators Monitored Growth Portfolio

Statements of Financial Position

As at June 30, 2020 (unaudited) and December 31, 2019 (audited)

	2020	2019
Assets		
Current assets		
Cash	28,260	16,067
Distributions receivable from underlying funds	188,443	-
Subscriptions receivable	58,569	132,006
Investments	<u>12,114,694</u>	<u>11,122,655</u>
Total assets	\$ <u>12,389,966</u>	\$ <u>11,270,728</u>
Liabilities		
Current liabilities		
Due to brokers	33,600	-
Redemptions payable	28,220	-
Distributions payable	61	-
Amounts due to Manager-Trustee (Note 6)	<u>19,108</u>	<u>17,934</u>
Total liabilities	<u>80,989</u>	<u>17,934</u>
Net assets attributable to holders of redeemable units	\$ <u>12,308,977</u>	\$ <u>11,252,794</u>
Net assets attributable to holders of redeemable units per class		
Class A	10,239,257	10,452,041
Class E	1,285,379	-
Class I	<u>784,341</u>	<u>800,753</u>
Number of redeemable units outstanding (Note 3)		
Class A	1,086,169	1,020,525
Class E	125,136	-
Class I	<u>82,000</u>	<u>77,062</u>
Net assets attributable to holders of redeemable units per class per unit		
Class A	9.43	10.24
Class E	10.27	-
Class I	<u>9.57</u>	<u>10.39</u>

On behalf of the Manager-Trustee: Educators Financial Group Inc.

Signed: Chuck Hamilton, CEO

Signed: Stuart Mulcahy, CFO

Educators Monitored Growth Portfolio

Statements of Comprehensive Income

For the six months ended June 30, 2020 and 2019 (unaudited)

	2020	2019
Income		
Distributions from underlying funds	225,549	89,624
Other changes in fair value of investments:		
Net realized gain (loss)	(11,974)	2,868
Net change in unrealized appreciation (depreciation)	(882,836)	515,996
Total income	(669,261)	608,488
Expenses		
Management fees (Note 6)	88,774	53,251
Independent review committee fees	206	323
Harmonised sales tax	11,454	6,923
Total expenses	100,434	60,497
Increase (decrease) in net assets attributable to holders of redeemable units	\$ (769,695)	\$ 547,991
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class A	\$ (753,674)	\$ 483,918
Class E	\$ 31,752	\$ -
Class I	\$ (47,773)	\$ 64,073
Weighted average redeemable units outstanding during the period		
Class A	1,053,246	639,286
Class E	92,266	-
Class I	77,534	67,730
Increase (decrease) in net assets attributable to holders of redeemable units per class per unit		
Class A	\$ (0.72)	\$ 0.76
Class E	\$ 0.34	\$ -
Class I	\$ (0.62)	\$ 0.95

Educators Monitored Growth Portfolio

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

For the six months ended June 30, 2020 and 2019 (unaudited)

	2020	2019
Net assets attributable to holders of redeemable units, beginning of period		
Class A	\$ 10,452,041	\$ 4,259,817
Class E	-	-
Class I	800,753	593,255
	<u>11,252,794</u>	<u>4,853,072</u>
Increase (decrease) in net assets attributable to holders of redeemable units		
Class A	(753,674)	483,918
Class E	31,752	-
Class I	(47,773)	64,073
	<u>(769,695)</u>	<u>547,991</u>
Distributions to holders of redeemable units		
From net investment income and return of capital		
Class A	(89,125)	(27,322)
Class E	(22,774)	-
Class I	(14,347)	(7,217)
	<u>(126,246)</u>	<u>(34,539)</u>
Total distributions to holders of redeemable units	<u>(126,246)</u>	<u>(34,539)</u>
Redeemable unit transactions		
Proceeds from redeemable units issued		
Class A	1,457,874	3,530,464
Class E	1,337,801	-
Class I	48,832	64,086
	<u>2,844,507</u>	<u>3,594,550</u>
Redemption of redeemable units		
Class A	(916,931)	(334,325)
Class E	(84,168)	-
Class I	(17,469)	(23,434)
	<u>(1,018,568)</u>	<u>(357,759)</u>
Reinvestments of distributions to holders of redeemable units		
Class A	89,072	27,406
Class E	22,768	-
Class I	14,345	7,133
	<u>126,185</u>	<u>34,539</u>
Net (decrease) increase from redeemable unit transactions	<u>1,952,124</u>	<u>3,271,330</u>
Net (decrease) increase in net assets attributable to holders of redeemable units		
Class A	(212,784)	3,680,141
Class E	1,285,379	-
Class I	(16,412)	104,641
	<u>1,056,183</u>	<u>3,784,782</u>
Net assets attributable to holders of redeemable units, end of period		
Class A	10,239,257	7,939,958
Class E	1,285,379	-
Class I	784,341	697,896
	<u>12,308,977</u>	<u>8,637,854</u>

Educators Monitored Growth Portfolio

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (continued)

For the six months ended June 30, 2020 and 2019 (unaudited)

Redeemable unit continuity (Note 3)

The following redeemable units were issued for cash, issued on reinvestment of distributions and redeemed during the period ended June 30, 2020 and year ended December 31, 2019.

Class A	2020	2019
Number of units, beginning of period	1,020,525	468,052
Units issued	152,867	680,624
Units issued from reinvested distributions	9,449	16,015
Units redeemed	(96,672)	(144,166)
Number of units, end of period	1,086,169	1,020,525

Class E	2020	2019
Number of units, beginning of period	-	-
Units issued	130,918	-
Units issued from reinvested distributions	2,217	-
Units redeemed	(7,999)	-
Number of units, end of period	125,136	-

Class I	2020	2019
Number of units, beginning of period	77,062	64,535
Units issued	5,113	12,497
Units issued from reinvested distributions	1,500	2,350
Units redeemed	(1,675)	(2,320)
Number of units, end of period	82,000	77,062

Educators Monitored Growth Portfolio

Statements of Cash Flows

For the six months ended June 30, 2020 and 2019 (unaudited)

	2020	2019
Cash Flow from Operating Activities		
Increase (decrease) in net assets attributable to holders of redeemable units	\$ (769,695)	\$ 547,991
Adjustments for:		
Net realized (gain) loss on sale of investments	11,974	(2,868)
Net change in unrealized (appreciation) depreciation in value of investments	882,836	(515,996)
Purchase of investments	(2,547,195)	(3,665,504)
Proceeds from disposal of investments	693,946	491,700
(Increase) decrease in distributions receivable from underlying funds	(188,443)	(68,084)
Increase (decrease) in amounts due to Manager-Trustee	1,174	5,414
Cash provided (used) by operating activities	(1,915,403)	(3,207,347)
Cash Flow from Financing Activities		
Proceeds from redeemable units issued	2,917,944	3,526,064
Redemption of redeemable units	(990,348)	(310,702)
Cash provided by financing activities	1,927,596	3,215,362
Increase (decrease) in cash	\$ 12,193	\$ 8,015
Cash, beginning of period	\$ 16,067	\$ 8,162
Cash, end of period	\$ 28,260	\$ 16,177

Educators Monitored Growth Portfolio

Schedule of Investments

As at June 30, 2020 (unaudited)

No. of Units	Description	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
Canadian Mutual Funds				
133,340	Educators Bond Fund, Class I	\$ 1,373,252	\$ 1,462,102	
384,167	Educators Growth Fund, Class I	3,647,242	3,479,551	
281,900	Educators U.S. Equity Fund, Class I	2,896,901	2,971,117	
57,391	HSBC Emerging Markets Debt Fund, Institutional Series	564,745	547,939	
61,263	HSBC Emerging Markets Pooled Fund	655,348	543,639	
80,501	HSBC Global High Yield Bond Pooled Fund	633,678	605,617	
1,705	HSBC Global Inflation Linked Bond Pooled Fund	19,994	20,939	
4,995	HSBC Global Real Estate Equity Pooled Fund	55,616	47,619	
119,427	HSBC International Equity Pooled Fund	1,881,605	1,669,025	
49,636	HSBC Mortgage Fund, Institutional Series	525,965	531,216	
7,829	HSBC Small Cap Growth Fund, Institutional Series	230,301	235,930	
		<u>12,484,647</u>	<u>12,114,694</u>	<u>98.42</u>
Total Investments		\$ 12,484,647	\$ 12,114,694	98.42
Net Investments		<u>12,484,647</u>	<u>12,114,694</u>	<u>98.42</u>
Other Assets Less Liabilities			194,283	1.58
Net Assets Attributable to Holders of Redeemable Units			<u>\$ 12,308,977</u>	<u>100.00</u>

Educators Monitored Aggressive Portfolio

Statements of Financial Position

As at June 30, 2020 (unaudited) and December 31, 2019 (audited)

	2020	2019
Assets		
Current assets		
Cash	19,934	11,288
Distributions receivable from underlying funds	44,180	-
Subscriptions receivable	1,600	6,331
Investments	<u>2,447,825</u>	<u>2,061,236</u>
Total assets	\$ <u>2,513,539</u>	\$ <u>2,078,855</u>
Liabilities		
Current liabilities		
Due to brokers	-	12,691
Distributions payable	9	-
Amounts due to Manager-Trustee (Note 6)	<u>3,725</u>	<u>3,150</u>
Total liabilities	<u>3,734</u>	<u>15,841</u>
Net assets attributable to holders of redeemable units	\$ <u>2,509,805</u>	\$ <u>2,063,014</u>
Net assets attributable to holders of redeemable units per class		
Class A	1,963,634	1,847,476
Class E	322,525	-
Class I	<u>223,646</u>	<u>215,538</u>
Number of redeemable units outstanding (Note 3)		
Class A	211,236	178,890
Class E	31,771	-
Class I	<u>23,845</u>	<u>20,701</u>
Net assets attributable to holders of redeemable units per class per unit		
Class A	9.30	10.33
Class E	10.15	-
Class I	<u>9.38</u>	<u>10.41</u>

On behalf of the Manager-Trustee: Educators Financial Group Inc.

Signed: Chuck Hamilton, CEO

Signed: Stuart Mulcahy, CFO

Educators Monitored Aggressive Portfolio**Statements of Comprehensive Income***For the six months ended June 30, 2020 and 2019 (unaudited)*

	2020	2019
Income		
Distributions from underlying funds	48,381	13,066
Other changes in fair value of investments:		
Net realized gain (loss)	(15,376)	(4,772)
Net change in unrealized appreciation (depreciation)	(209,218)	116,612
Total income	(176,213)	124,906
Expenses		
Management fees (Note 6)	16,351	9,144
Independent review committee fees	38	53
Harmonised sales tax	2,121	1,189
Total expenses	18,510	10,386
Increase (decrease) in net assets attributable to holders of redeemable units	\$ (194,723)	\$ 114,520
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class A	\$ (185,572)	\$ 91,754
Class E	\$ 7,252	\$ -
Class I	\$ (16,403)	\$ 22,766
Weighted average redeemable units outstanding during the period		
Class A	194,499	110,023
Class E	22,497	-
Class I	21,591	21,510
Increase (decrease) in net assets attributable to holders of redeemable units per class per unit		
Class A	\$ (0.95)	\$ 0.83
Class E	\$ 0.32	\$ -
Class I	\$ (0.76)	\$ 1.06

Educators Monitored Aggressive Portfolio

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

For the six months ended June 30, 2020 and 2019 (unaudited)

	2020	2019
Net assets attributable to holders of redeemable units, beginning of period		
Class A	\$ 1,847,476	\$ 875,568
Class E	-	-
Class I	215,538	262,552
	<u>2,063,014</u>	<u>1,138,120</u>
Increase (decrease) in net assets attributable to holders of redeemable units		
Class A	(185,572)	91,754
Class E	7,252	-
Class I	(16,403)	22,766
	<u>(194,723)</u>	<u>114,520</u>
Distributions to holders of redeemable units		
From net investment income and return of capital		
Class A	(20,010)	(880)
Class E	(6,122)	-
Class I	(4,309)	(2,032)
	<u>(30,441)</u>	<u>(2,912)</u>
Total distributions to holders of redeemable units	<u>(30,441)</u>	<u>(2,912)</u>
Redeemable unit transactions		
Proceeds from redeemable units issued		
Class A	531,174	471,899
Class E	353,995	-
Class I	29,766	39,882
	<u>914,935</u>	<u>511,781</u>
Redemption of redeemable units		
Class A	(229,436)	(272,976)
Class E	(38,720)	-
Class I	(5,256)	(109,468)
	<u>(273,412)</u>	<u>(382,444)</u>
Reinvestments of distributions to holders of redeemable units		
Class A	20,002	872
Class E	6,120	-
Class I	4,310	1,966
	<u>30,432</u>	<u>2,838</u>
Net (decrease) increase from redeemable unit transactions	<u>671,955</u>	<u>132,175</u>
Net (decrease) increase in net assets attributable to holders of redeemable units		
Class A	116,158	290,669
Class E	322,525	-
Class I	8,108	(46,886)
	<u>446,791</u>	<u>243,783</u>
Net assets attributable to holders of redeemable units, end of period		
Class A	1,963,634	1,166,237
Class E	322,525	-
Class I	223,646	215,666
	<u>2,509,805</u>	<u>1,381,903</u>

Educators Monitored Aggressive Portfolio

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (continued)

For the six months ended June 30, 2020 and 2019 (unaudited)

Redeemable unit continuity (Note 3)

The following redeemable units were issued for cash, issued on reinvestment of distributions and redeemed during the period ended June 30, 2020 and year ended December 31, 2019.

Class A	2020	2019
Number of units, beginning of period	178,890	96,718
Units issued	55,632	112,376
Units issued from reinvested distributions	2,152	3,090
Units redeemed	(25,438)	(33,294)
Number of units, end of period	211,236	178,890
Class E	2020	2019
Number of units, beginning of period	-	-
Units issued	34,883	-
Units issued from reinvested distributions	603	-
Units redeemed	(3,715)	-
Number of units, end of period	31,771	-
Class I	2020	2019
Number of units, beginning of period	20,701	28,861
Units issued	3,183	8,317
Units issued from reinvested distributions	460	707
Units redeemed	(499)	(17,184)
Number of units, end of period	23,845	20,701

Educators Monitored Aggressive Portfolio

Statements of Cash Flows

For the six months ended June 30, 2020 and 2019 (unaudited)

	2020	2019
Cash Flow from Operating Activities		
Increase (decrease) in net assets attributable to holders of redeemable units	\$ (194,723)	\$ 114,520
Adjustments for:		
Net realized (gain) loss on sale of investments	15,376	4,772
Net change in unrealized (appreciation) depreciation in value of investments	209,218	(116,612)
Purchase of investments	(834,117)	(419,207)
Proceeds from disposal of investments	210,243	322,800
(Increase) decrease in distributions receivable from underlying funds	(44,180)	(10,699)
Increase (decrease) in amounts due to Manager-Trustee	575	233
Cash provided (used) by operating activities	(637,608)	(104,193)
Cash Flow from Financing Activities		
Proceeds from redeemable units issued	919,666	482,791
Redemption of redeemable units	(273,412)	(382,444)
Distributions paid to holders of redeemable units, net of reinvested distributions	-	(18)
Cash provided by financing activities	646,254	100,329
Increase (decrease) in cash	\$ 8,646	\$ (3,864)
Cash, beginning of period	\$ 11,288	\$ 13,173
Cash, end of period	\$ 19,934	\$ 9,309

Educators Monitored Aggressive Portfolio

Schedule of Investments

As at June 30, 2020 (unaudited)

No. of Units	Description	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
Canadian Mutual Funds				
68,775	Educators Growth Fund, Class I	\$ 653,541	\$ 622,927	
79,963	Educators U.S. Equity Fund, Class I	831,721	842,779	
11,634	HSBC Emerging Markets Debt Fund, Institutional Series	114,030	111,072	
16,592	HSBC Emerging Markets Pooled Fund	172,569	147,232	
17,636	HSBC Global High Yield Bond Pooled Fund	138,222	132,674	
1,082	HSBC Global Real Estate Equity Pooled Fund	11,814	10,317	
36,916	HSBC International Equity Pooled Fund	571,655	515,911	
2,154	HSBC Small Cap Growth Fund, Institutional Series	64,042	64,913	
		<u>2,557,594</u>	<u>2,447,825</u>	<u>97.53</u>
Total Investments		<u>\$ 2,557,594</u>	<u>\$ 2,447,825</u>	<u>97.53</u>
Net Investments		<u>2,557,594</u>	<u>2,447,825</u>	<u>97.53</u>
Other Assets Less Liabilities			61,980	2.47
Net Assets Attributable to Holders of Redeemable Units			<u>\$ 2,509,805</u>	<u>100.00</u>

Educators Financial Group Inc. Funds

Notes to the Financial Statements

June 30, 2020 (Unaudited)

1. Educators Financial Group Inc. Funds

The Educators Financial Group Inc. Funds (individually “Fund” and collectively “Funds”) consist of twelve mutual fund trusts. The Funds are open-end trustee investment funds established under the laws of Ontario issuing units of the Funds to eligible purchasers on a continuous basis, with the objective of providing a means to invest through professionally managed pools of money.

Educators Financial Group Inc. is the manager and trustee (“Manager-Trustee”) of the Funds.

Each Fund has authorized an unlimited number of Class A, Class E and Class I non-transferable, redeemable trust units (“units”) which may only be issued as fully paid (Note 6). The unit continuity of Class A units, Class E units and Class I units is shown in Note 3.

<u>Fund</u>	<u>Date of Inception</u>
Money Market Fund	June 24, 1984
Mortgage & Income Fund	June 24, 1984
Bond Fund	March 14, 2011 ⁽²⁾
Balanced Fund	June 24, 1984
Monthly Income Fund	March 14, 2011
Dividend Fund	February 7, 2000
Growth Fund	June 24, 1984
U.S. Equity Fund	June 24, 1984
Monitored Conservative Portfolio	January 2, 2018 ^(1,2)
Monitored Balanced Portfolio	January 2, 2018 ^(1,2)
Monitored Growth Portfolio	January 2, 2018 ^(1,2)
Monitored Aggressive Portfolio	January 2, 2018 ^(1,2)

(1) The Fund was established on January 2, 2018; Class A and Class I units were first offered by prospectus dated January 4, 2018.

(2) Class E units were first offered by prospectus dated February 20, 2020.

The address of the Funds’ registered office is 2225 Sheppard Avenue East, Suite 1105, Toronto, Ontario M2J 5C2.

These financial statements were authorized for issue by the Board of Directors on August 19, 2020.

Educators Financial Group Inc. Funds

Notes to the Financial Statements

June 30, 2020 (Unaudited)

2. Summary of significant accounting policies

Basis of presentation

These financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS") including International Accounting Standards ("IAS") 34: Interim Financial Reporting, as published by the International Accounting Standards Board ("IASB").

The financial statements are presented in Canadian dollars, the functional currency of the Funds, and are rounded to the nearest dollar unless otherwise noted.

The following summarizes the accounting policies of the Funds for the period ended June 30, 2020 and year ended December 31, 2019:

Financial instruments

The Funds applied IFRS 9, Financial Instruments - Classification and Measurement ("IFRS 9"). The standard requires financial assets to be classified as amortized cost, fair value through profit or loss ("FVTPL"), or fair value through other comprehensive income ("FVOCI") based on the entity's business model for managing the financial assets and the contractual cash flow characteristics of these assets. Assessment and decision on the business model approach used is an accounting judgement.

The Funds' investments and derivative assets and liabilities are classified and measured at FVTPL.

The classification and measurements of financial assets and liabilities are at amortized cost with the exception of financial assets and liability recorded at FVTPL. For financial liabilities, fair value changes attributable to changes in the entity's own credit risk are to be presented in other comprehensive income unless they affect amounts recorded in income. Under amortized cost, financial assets and liabilities reflect the amounts to be received or paid, discounted when appropriate at the financial instrument's effective interest rate. The fair value of the Fund's financial assets and liabilities that are not carried at FVTPL approximate their carrying amounts due to their short-term nature.

The Funds' financial instruments consist of cash, interest and dividends receivable, subscriptions receivable, amounts due from brokers, investments, bank overdraft, redemptions payable, distributions payable, amounts due to brokers, foreign currency forward contracts, amounts due to Manager-Trustee and net assets attributable to holders of redeemable units. Investments are subsequently measured at fair value based on the policies described below. The Funds' obligations for net assets attributable to holders of redeemable units are presented at the redemption amount. Financial instruments other than investments and foreign currency forward contracts are subsequently measured at amortized cost using the effective interest method and their carrying values approximate their fair values given their short-term nature.

Educators Financial Group Inc. Funds

Notes to the Financial Statements

June 30, 2020 (Unaudited)

2. Summary of significant accounting policies (continued)

Valuation of investments

Under IFRS, the Funds measure the fair values of their investments using the guidance in IFRS 13 *Fair Value Measurement* ("IFRS 13"). Fair value is 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. All investments and derivative assets and liabilities are measured at fair value through profit or loss ("FVTPL"). The Funds' accounting policies for measuring the fair value of their investments and derivatives are consistent with those used in measuring its Net Asset Value ("NAV") for transactions with unitholders. Investments held include common stocks, short-term investments, bonds, debentures, mutual funds and asset-backed securities.

The fair value of investments is determined as follows:

- (a) Investments that are publicly traded are valued at last traded market price where the last traded price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager-Trustee determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.
- (b) Investments held that are not traded in an active market are valued based on the results of using valuation techniques, using observable market inputs, to the extent available, on such basis and in such manner established by the Manager-Trustee.
- (c) Investments in underlying funds are valued at the NAV per unit as at the valuation date, as this value is the most readily and regularly available.

Impairments

IFRS 9 requires that an entity recognize a loss allowance for expected credit losses on financial assets which are measured at amortized costs or FVOCI. Financial assets held by the Fund which are measured at FVTPL will not be subject to the impairment requirements.

With respect to financial assets at amortized cost, the Funds consider both historical analysis and forward looking information in determining any expected credit loss. As at the financial statement date, all loans and receivables are due to be settled within the short term. The Funds consider the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligation in the near term. Given the limited exposure of the Funds to credit risk, no loss allowance has been recognized as any such impairment will not have a significant impact on the financial statements.

Cost of investments

The cost of investments represents the amount paid for each security and is determined on an average cost basis, excluding transaction costs.

Educators Financial Group Inc. Funds

Notes to the Financial Statements

June 30, 2020 (Unaudited)

2. Summary of significant accounting policies (continued)

Transaction costs

Transaction costs are expensed as incurred in the Statements of Comprehensive Income. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commission paid to agents, advisors and brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties.

Forward currency contracts

Forward currency contracts are recognized in the Statements of Financial Position when the Funds become a party to the contractual provisions of the instrument. The instrument is derecognized from the Statements of Financial Position when the contractual rights or obligations arising from that instrument expire or are extinguished. Forward currency contracts are recognized at fair value, which is the gain or loss, if any, that would be realized if the position in the contracts were to be settled on the valuation date. The resulting unrealized gain or loss is presented as a Forward contract asset or liability in the Statements of Financial Position and is included in Change in unrealized appreciation (depreciation) on forward currency contracts in the Statements of Comprehensive Income. Any gain or loss arising from forward currency contracts at close or delivery will be recorded as Realized gain (loss) on forward currency contracts in the Statements of Comprehensive Income. As described in Note 10, the Bond, Mortgage & Income Fund and Dividend Fund use forward currency contracts to deliver currencies at specified future dates.

Investment transactions and investment income

Investment transactions are accounted for on the trade date. The dividend income is recognized on the ex-dividend date. The interest for distribution purposes shown on the Statements of Comprehensive Income represents the coupon interest received by the Fund accounted for on an accrual basis. The Funds do 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. Realized gain (loss) on sale of investments and change in unrealized appreciation (depreciation) of investments are determined on an average cost basis. Average cost does not include amortization of premiums or discounts on fixed income securities with the exception of zero coupon bonds.

Unit valuation

The Funds' units are issued and redeemed at the NAV per unit. For the Mortgage & Income Fund, Bond Fund, Balanced Fund, Monthly Income Fund, Dividend Fund, Growth Fund, U.S. Equity Fund (formerly North American Diversified Fund), Monitored Conservative Portfolio, Monitored Balanced Portfolio, Monitored Growth Portfolio and Monitored Aggressive Portfolio, the NAV per unit is determined by dividing the NAV at the close of business of each day by the total number of units outstanding at such time. For the Money Market Fund, the month end NAV per unit is fixed at \$10 per unit by distributing net investment income monthly.

Educators Financial Group Inc. Funds

Notes to the Financial Statements

June 30, 2020 (Unaudited)

2. Summary of significant accounting policies (continued)

Foreign currency translation

The Funds' subscriptions and redemptions are denominated in Canadian dollars, which is also the Funds' functional and presentation currency. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates that the transactions occur. Foreign currency assets and liabilities denominated in a foreign currency are translated into the functional currency using the exchange rate prevailing at the measurement date. Foreign exchange gains and losses relating to investments are presented within Realized gain (loss) on sale of investments and Change in unrealized appreciation (depreciation) in value of investments in the Statements of Comprehensive Income.

Per unit from operations

Increase (decrease) in net assets attributable to holders of redeemable units per unit on the Statements of Comprehensive Income represents the increase (decrease) in net assets attributable to holders of redeemable units, divided by the daily weighted average number of units outstanding during the year.

Use of estimates and judgments

These financial statements, prepared in accordance with IFRS, include estimates and assumptions by management that affect the reported amounts of certain assets and liabilities at the date of the financial statements and income and expenses during the period. Actual results could differ from these estimates.

In classifying and measuring financial instruments held by the Funds, the Manager is required to make significant judgments in determining the most appropriate classification in accordance with IFRS 9. The Manager has assessed the Funds' business models, the manner in which all financial assets and financial liabilities are managed and performance evaluated as a group on a fair value basis, and concluded that FVTPL in accordance with IFRS 9 provides the most appropriate classification of the Funds' financial instruments.

Management uses valuation techniques in measuring the fair value of investments where active market quotes are not available. In applying the valuation techniques management makes maximum use of market inputs, and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Educators Financial Group Inc. Funds

Notes to the Financial Statements

June 30, 2020 (Unaudited)

2. Summary of significant accounting policies (continued)

Distribution to unitholders

The net investment income and net realized capital gains of each of the Funds are distributed in cash or reinvested in additional units, as follows:

<u>Fund</u>	<u>Distribution of Net Investment Income</u>	<u>Distribution of Net Realized Capital Gain</u>
Money Market Fund	Monthly	N/A
Mortgage & Income Fund	Monthly	Annually
Bond Fund	Quarterly	Annually
Balanced Fund	Semi-annually	Annually
Monthly Income Fund	Monthly	Annually
Dividend Fund	Semi-annually	Annually
Growth Fund	Semi-annually	Annually
U.S. Equity Fund	Semi-annually	Annually
Monitored Conservative Portfolio	Quarterly	Annually
Monitored Balanced Portfolio	Semi-annually	Annually
Monitored Growth Portfolio	Semi-annually	Annually
Monitored Aggressive Portfolio	Semi-annually	Annually

3. Redeemable unit continuity

Each redeemable unit represents a beneficial interest ranking equally in all distributions when and as declared payable, including the proceeds of liquidation of Fund property.

An unlimited number of the Funds' redeemable units may be issued, which are redeemable at the Unitholder's option in accordance with the terms of the Declaration of Trust of the Funds. The capital of the Funds is represented by its redeemable units. The Funds' units are managed by the Manager-Trustee in accordance with the Funds' investment objectives, strategies and restrictions as outlined in the Simplified Prospectus, while maintaining sufficient liquidity to meet redemptions.

Classification of redeemable units issued by the Fund

Under IFRS, IAS 32 *Financial Instruments – Presentation* ("IAS 32") requires that issued capital of an entity which includes a contractual obligation for the issuer to repurchase or redeem them for cash or another financial asset be classified as financial liabilities. The Funds' units do not meet the criteria in IAS 32 for classification as equity and therefore, have been classified as financial liabilities.

Educators Financial Group Inc. Funds

Notes to the Financial Statements

June 30, 2020 (Unaudited)

4. Income taxes

The Money Market Fund, Mortgage & Income Fund, Bond Fund, Balanced Fund, Monthly Income Fund, Dividend Fund, Growth Fund, U.S. Equity Fund, Monitored Conservative Portfolio, Monitored Balanced Portfolio and Monitored Growth Portfolio each qualify as Mutual Fund Trust under the Income Tax Act (the "Act"). The Funds are subject to tax under the Act on all of their taxable income for the year (including net taxable capital gains) and are permitted a deduction in computing taxable income for all amounts which are paid or payable in the year to the Unitholders. It is the policy of the Funds to allocate to the Unitholders all income of the Funds for the year, which then becomes taxable for the Unitholders. Accordingly, no provision for income taxes has been made in these financial statements. Since the Funds do not record income taxes, the tax benefit of capital and non-capital losses have not been reflected in the Statements of Financial Position as deferred tax assets.

Monitored Aggressive Portfolio qualifies as unit trusts under the provisions of the Act, and therefore are not subject to tax on net income, including net realized taxable capital gains for the taxation year, which are paid or payable to unitholders at the end of the taxation year. However, such part of the Fund's taxable income and net realized capital gains that is not paid or payable to unitholders will be taxable to the Funds.

As at the Funds most recent taxation year end of December 31, 2019 and 2018, the Funds had capital losses carried forward as follows:

		2019		2018
Mortgage & Income Fund	\$	3,971,382	\$	4,053,013
Bond Fund		146,739		630,965
Dividend Fund		6,963,017		6,963,017

The Funds currently incur withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the Statements of Comprehensive Income.

5. Securities lending

The Funds lend portfolio securities to earn additional income. Income from securities lending is included in the Statements of Comprehensive Income of the Funds.

The Funds have entered into a securities lending program with RBC Investor Services Trust (the "Custodian" and "Securities Lending Agent"). The aggregate market value of all securities loaned by a Fund cannot exceed 50% of the assets of the Fund. The Funds receive collateral of at least 102% of the value of securities on loan. Collateral consists primarily of fixed income securities.

Educators Financial Group Inc. Funds

Notes to the Financial Statements

June 30, 2020 (Unaudited)

5. Securities lending (continued)

The aggregate dollar value of the securities that were on loan and the collateral received by the Funds that remains outstanding as at June 30, 2020 and December 31, 2019 are as follows:

	Market Value of Securities On Loan	Market Value of Collateral Received	Market Value of Securities On Loan	Market Value of Collateral Received
	\$	\$	\$	\$
	<u>2020</u>	<u>2020</u>	<u>2019</u>	<u>2019</u>
Money Market Fund	934,640	953,336	1,870,424	1,907,834
Mortgage & Income Fund	9,323,919	9,510,400	8,755,709	8,930,828
Bond Fund	3,314,342	3,380,634	6,371,258	6,500,768
Balanced Fund	26,709,411	27,252,272	20,987,760	21,412,728
Monthly Income Fund	4,608,134	4,700,300	4,336,938	4,423,681
Dividend Fund	18,491,214	18,861,046	15,868,178	16,185,547
Growth Fund	7,331,805	7,478,444	14,310,609	14,596,825
U.S. Equity Fund	18,933,050	19,311,715	31,579,043	32,210,637

Securities lending income reported in the Statements of Comprehensive Income is net of a securities lending charge which the Funds' Securities Lending Agent is entitled to receive. The Securities Lending Agent manages the Funds' securities lending program in accordance with NI 81-102 Investment Funds and charges a fee for the service.

The securities lending charges represent 40% of the gross securities lending income.

Educators Financial Group Inc. Funds

Notes to the Financial Statements

June 30, 2020 (Unaudited)

5. Securities lending (continued)

For the period ended June 30, 2020, the securities lending income were as follows:

	Gross securities lending income \$	Securities lending charges \$	Net securities lending income \$	Withholding taxes on securities lending income \$	Net securities lending income received by the Fund \$
Money Market Fund	1,647	(659)	988	-	988
Mortgage & Income Fund	5,165	(2,066)	3,099	-	3,099
Bond Fund	3,150	(1,260)	1,890	-	1,890
Balanced Fund	13,269	(5,308)	7,961	(127)	7,834
Monthly Income Fund	3,074	(1,230)	1,844	(51)	1,793
Dividend Fund	9,034	(3,614)	5,420	(64)	5,356
Growth Fund	25,059	(10,024)	15,035	(66)	14,969
U.S. Equity Fund	13,243	(5,297)	7,946	(2,148)	5,798

For the period ended June 30, 2019, the securities lending income were as follows:

	Gross securities lending income \$	Securities lending charges \$	Net securities lending income \$	Withholding taxes on securities lending income \$	Net securities lending income received by the Fund \$
Money Market Fund	3,850	(1,573)	2,277	-	2,277
Mortgage & Income Fund	5,865	(2,346)	3,519	-	3,519
Bond Fund	1,886	(754)	1,132	-	1,132
Balanced Fund	14,172	(5,669)	8,503	(291)	8,212
Monthly Income Fund	7,838	(3,135)	4,703	(51)	4,652
Dividend Fund	12,199	(4,880)	7,319	(176)	7,143
Growth Fund	12,425	(4,970)	7,455	(745)	6,710
U.S. Equity Fund	22,057	(8,823)	13,234	(1,803)	11,431

Educators Financial Group Inc. Funds

Notes to the Financial Statements

June 30, 2020 (Unaudited)

6. Management fees

The Manager-Trustee is responsible for the management of the overall business and operations of the Funds. The annual management fee rate applicable to each Fund is as follows:

Fund	Class A		Class E	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Money Market Fund	0.55%	0.55%	-	-
Mortgage & Income Fund	1.10%	1.10%	-	-
Bond Fund	1.10%	1.10%	-	-
Balanced Fund	1.65%	1.65%	1.32%	-
Monthly Income Fund	1.15%	1.15%	-	-
Dividend Fund	1.60%	1.60%	-	-
Growth Fund	1.75%	1.75%	-	-
U.S. Equity Fund	1.75%	1.75%	-	-
Monitored Conservative Portfolio	1.45%	1.45%	1.16%	-
Monitored Balanced Portfolio	1.65%	1.65%	1.32%	-
Monitored Growth Portfolio	1.75%	1.75%	1.40%	-
Monitored Aggressive Portfolio	1.75%	1.75%	1.40%	-

The Manager-Trustee has elected to reduce the management fees for Money Market Fund. The management fee rates presented above relate to the contractual rates prior to any reduction. Management fees and related reductions are presented on a gross basis on the Statements of Comprehensive Income.

Expenses related to the Funds, including bookkeeping, accounting, registry and transfer agency services, services required in connection with the provision of information to investors, interest expenses, audit and legal fees, RSP fees and custodial charges are paid by the Manager-Trustee from management fees received. The Funds are responsible for paying any applicable harmonized sales taxes owing on management fees or expenses of the Funds.

The Class I units are identical in all respects to the Class A units, except that there is no management fee payable by the Funds in respect of the Class I units. Class E units are identical in all respects to the Class A units, except with respect to the management fee payable by the applicable Fund to the Manager. The Manager pays all the costs of the Portfolio Adviser and all custody fees and expenses. All of the other expenses are borne by the Class I units unless the Manager agrees to absorb or pay these expenses on behalf of the Class I units. Class I units may be purchased by any other Fund managed by the Manager which is investing in the Fund and other investors that the Manager may determine from time to time in its discretion. Such investors could include pension funds serving the education community or associated with the Manager. Individual investors may not purchase Class I units.

Educators Financial Group Inc. Funds

Notes to the Financial Statements

June 30, 2020 (Unaudited)

7. Related party transactions

At June 30, 2020 and December 31, 2019, the parent company of the Manager-Trustee hold units of the Funds with an aggregate fair market value of the following:

Funds	Parent company of Manager Trustee	
	2020	2019
	\$	\$
Money Market Fund	3,422,696	3,528,571
Mortgage & Income Fund	1,097,218	1,070,622
Balanced Fund	13,973,401	14,784,350
Monthly Income Fund	76,361	80,948
Dividend Fund	101,771	102,788
U.S. Equity Fund	260,905	273,284
Monitored Conservative Portfolio	244,257	174,528
Monitored Balanced Portfolio	152,730	159,197
Monitored Growth Portfolio	149,401	160,906
Monitored Aggressive Portfolio	147,773	162,497
Total	\$ 19,626,513	\$20,497,693

8. Financial risk management

The Funds are exposed to various types of risks that are associated with their investment strategies, financial instruments and markets in which they invest. The most important risks include market risk (which includes other price risk, interest rate risk and currency risk), liquidity risk and credit risk. These risks and related risk management practices employed by the Funds are discussed below.

The COVID-19 global pandemic is likely to have an ongoing effect on the financial markets where the Funds operates. The Fund manager performs routine risk assessment procedures and robust controls over its accounts, balances, and transactions. As at the financial statement issue date, there are no material events or conditions that impact the Fund's ability to continue as going concern.

(a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: other price risk, interest rate risk and currency risk. The investments of the Funds are subject to normal market fluctuations and the risks inherent of investment in financial markets. The Manager-Trustee moderates this risk through a careful selection of securities within specified limits and the Funds' market risk is managed through diversification of the investment portfolio. The Manager-Trustee also manages this risk by using four external investment managers to manage the investment portfolios. These investment managers monitor the Funds' overall market positions on a daily basis and positions are maintained within established ranges. Financial instruments held by each Fund are susceptible to market risk arising from uncertainties about future prices of the instruments.

Educators Financial Group Inc. Funds
Notes to the Financial Statements
June 30, 2020 (Unaudited)

8. Financial risk management (continued)

Market risk (continued)

At June 30, 2020 and December 31, 2019, the overall market exposures were as follows:

	2020	2019	2020	2019
Money Market Fund	26,589,958	22,752,546	97.67	99.87
Mortgage & Income Fund	130,751,992	128,853,294	99.66	99.72
Bond Fund	38,750,766	33,330,734	96.10	99.64
Balanced Fund	240,830,550	257,043,424	99.72	99.89
Monthly Income Fund	52,844,860	59,204,248	101.88	99.65
Dividend Fund	137,958,302	155,962,368	99.51	99.22
Growth Fund	86,644,797	97,212,117	99.77	99.76
U.S. Equity Fund	108,326,562	115,931,900	99.11	99.98
Monitored Conservative Portfolio	45,334,114	38,089,568	98.50	99.75
Monitored Balanced Portfolio	41,423,217	40,770,979	98.80	99.27
Monitored Growth Portfolio	12,114,694	11,122,655	98.42	98.84
Monitored Aggressive Portfolio	2,447,825	2,061,236	97.53	99.91

(i) Other price risk and interest rate risk

At June 30, 2020 and December 31, 2019, the Funds' market risk is affected by two main components: changes in actual equity prices for equity securities and changes in interest rates for debt securities. As at June 30, 2020 and December 31, 2019, if the following indexes had increased (decreased) by 1%, using historical correlation between the return of the Funds' investments as compared to the return of the Funds' benchmark index, with all other variables held constant, this would have approximately increased (decreased) the net assets as follows:

Educators Financial Group Inc. Funds
Notes to the Financial Statements
June 30, 2020 (Unaudited)

8. Financial risk management (continued)

(i) Other price risk and interest rate risk (continued)

June 30, 2020	Index	Increase in Net Assets attributable to holders of redeemable units \$	Decrease in Net Assets attributable to holders of redeemable units \$
Money Market Fund	FTSE TMX Canada 91 Day T-Bill	145,000	(145,000)
Mortgage & Income Fund	FTSE TMX Short Term Bond	1,155,000	(1,155,000)
Bond Fund	FTSE TMX Canada Universe Bond	397,000	(397,000)
Balanced Fund	S&P/TSX composite TR (35%), S&P 500 (12%), FTSE TMX Canada Universe Bond (40%) and MSCI EAFE TR (13%)	2,302,000	(2,302,000)
Monthly Income Fund	FTSE TMX (3%), FTSE TMX Canada Universe Bond (27%) and S&P/TSX Composite (70%)	654,000	(654,000)
Dividend Fund	S&P/TSX 60	1,291,000	(1,291,000)
Growth Fund	S&P/TSX composite	861,000	(861,000)
U.S. Equity Fund	S&P 500 TR	1,058,000	(1,058,000)
Monitored Conservative Portfolio	FTSE TMX 91-day T-bill (5.0%), FTSE TMX Canada Short Term Bond (15.5%), FTSE TMX Canada Universe Bond (51.5%), S&P/TSX Composite TR (16.0%), S&P 500 TR – C\$ (6.5%) and MSCI EAFE TR – C\$ (5.5%)	497,000	(497,000)
Monitored Balanced Portfolio	FTSE TMX 91-day T-bill (5.0%), FTSE TMX Canada Short Term Bond (6.0%), FTSE TMX Canada Universe Bond (37.0%), S&P/TSX Composite TR (24.5%), S&P 500 TR – C\$ (15.0%) and MSCI EAFE TR – C\$ (12.5%)	449,000	(449,000)
Monitored Growth Portfolio	FTSE TMX Canada Short Term Bond (2.5%), FTSE TMX Canada Universe Bond (22.5%), S&P/TSX Composite TR (30.0%), S&P 500 TR – C\$ (25.0%) and MSCI EAFE TR – C\$ (20.0%)	130,000	(130,000)
Monitored Aggressive Portfolio	FTSE TMX Canada Universe Bond (10.0%), S&P/TSX Composite TR (27.5%), S&P 500 TR – C\$ (34.0%) and MSCI EAFE TR \$ (28.5%)	26,000	(26,000)

Educators Financial Group Inc. Funds
Notes to the Financial Statements
June 30, 2020 (Unaudited)

8. Financial risk management (continued)

(i) Other price risk and interest rate risk (continued)

December 31, 2019	Index	Increase in Net Assets attributable to holders of redeemable units \$	Decrease in Net Assets attributable to holders of redeemable units \$
Money Market Fund	FTSE TMX Canada 91 Day T-Bill	211,000	(211,000)
Mortgage & Income Fund	FTSE TMX Short Term Bond	1,037,000	(1,037,000)
Bond Fund	FTSE TMX Canada Universe Bond	333,000	(333,000)
Balanced Fund	S&P/TSX composite TR (35%), S&P 500 (12%), FTSE TMX Canada Universe Bond (40%) and MSCI EAFE TR (13%)	2,505,000	(2,505,000)
Monthly Income Fund	FTSE TMX (3%), FTSE TMX Canada Universe Bond (27%) and S&P/TSX Composite (70%)	538,000	(538,000)
Dividend Fund	S&P/TSX 60	1,403,000	(1,403,000)
Growth Fund	S&P/TSX composite	935,000	(935,000)
U.S. Equity Fund	S&P 500 TR	1,185,000	(1,185,000)
Monitored Conservative Portfolio	FTSE TMX 91-day T-bill (5.0%), FTSE TMX Canada Short Term Bond (15.5%), FTSE TMX Canada Universe Bond (51.5%), S&P/TSX Composite TR (16.0%), S&P 500 TR – C\$ (6.5%) and MSCI EAFE TR – C\$ (5.5%)	345,000	(345,000)
Monitored Balanced Portfolio	FTSE TMX 91-day T-bill (5.0%), FTSE TMX Canada Short Term Bond (6.0%), FTSE TMX Canada Universe Bond (37.0%), S&P/TSX Composite TR (24.5%), S&P 500 TR – C\$ (15.0%) and MSCI EAFE TR – C\$ (12.5%)	395,000	(395,000)
Monitored Growth Portfolio	FTSE TMX Canada Short Term Bond (2.5%), FTSE TMX Canada Universe Bond (22.5%), S&P/TSX Composite TR (30.0%), S&P 500 TR – C\$ (25.0%) and MSCI EAFE TR – C\$ (20.0%)	111,000	(111,000)
Monitored Aggressive Portfolio	FTSE TMX Canada Universe Bond (10.0%), S&P/TSX Composite TR (27.5%), S&P 500 TR – C\$ (34.0%) and MSCI EAFE TR \$ (28.5%)	20,000	(20,000)

Educators Financial Group Inc. Funds

Notes to the Financial Statements

June 30, 2020 (Unaudited)

8. Financial risk management (continued)

(i) Other price risk and interest rate risk (continued)

The historical correlation may not be representative of the future correlation, and accordingly the impact on Net assets attributable to holders of redeemable units could be materially different.

At June 30, 2020 and December 31, 2019, should interest rates have decreased (increased) by 100 basis points, with all other variables held constant, this would have approximately increased (decreased) the Net assets attributable to holders of redeemable units as follows:

	Increase in Net Assets attributable to holders of redeemable units \$	Decrease in Net Assets attributable to holders of redeemable units \$
June 30, 2020		
Money Market Fund	36,000	(36,000)
Mortgage & Income Fund	3,861,000	(3,861,000)
Bond Fund	3,457,000	(3,457,000)
Balanced Fund	7,028,000	(7,028,000)
Monthly Income Fund	1,103,000	(1,103,000)
Dividend Fund	1,000	(1,000)
Growth Fund	1,000	(1,000)
U.S. Equity Fund	4,000	(4,000)

	Increase in Net Assets attributable to holders of redeemable units \$	Decrease in Net Assets attributable to holders of redeemable units \$
December 31, 2019		
Money Market Fund	53,000	(53,000)
Mortgage & Income Fund	3,453,000	(3,453,000)
Bond Fund	2,661,000	(2,661,000)
Balanced Fund	6,571,000	(6,571,000)
Monthly Income Fund	1,155,000	(1,155,000)
Dividend Fund	56,000	(56,000)
Growth Fund	16,000	(16,000)
U.S. Equity Fund	4,000	(4,000)

Educators Financial Group Inc. Funds

Notes to the Financial Statements

June 30, 2020 (Unaudited)

8. Financial risk management (continued)

As at June 30, 2020 and December 31, 2019, Monitored Conservative Portfolio, Monitored Balanced Portfolio, Monitored Growth Portfolio and Monitored Aggressive Portfolio's direct exposure to interest risk was negligible as the Portfolios had no significant exposure to interest-bearing investments and the underlying funds are non-interest bearing. The Portfolios were exposed to indirect interest rate risk to the extent the underlying funds invest in debt-based securities.

At June 30, 2020 and December 31, 2019, the exposure to debt instruments by the Funds by maturity is as follows:

	Less than 1 month	1 - 3 months	3 months - 1 year	1 - 5 years	More than 5 years
June 30, 2020	\$	\$	\$	\$	\$
Mortgage & Income Fund	-	844,645	306,046	36,747,576	27,880,861
Bond Fund	-	74,964	124,932	10,271,306	28,279,564
Balanced Fund	-	2,793,651	524,717	29,427,482	49,423,831
Monthly Income Fund	233	1,049,582	274,809	4,320,286	7,621,568

	Less than 1 month	1 - 3 months	3 months - 1 year	1 - 5 years	More than 5 years
December 31, 2019	\$	\$	\$	\$	\$
Mortgage & Income Fund	-	1,273,825	-	46,047,906	15,797,102
Bond Fund	-	597,541	74,682	10,995,063	21,663,448
Balanced Fund	-	2,858,318	74,684	27,505,596	52,833,437
Monthly Income Fund	1,013,805	-	287,367	3,579,113	9,247,916

For the remaining Funds, debt instruments have contractual maturities of less than one year and the balance of investments in these Funds are represented by equity instruments.

(ii) Currency risk

The Mortgage & Income Fund, Balanced Fund, Monthly Income Fund, Dividend Fund, Growth Fund and U.S. Equity Fund hold assets and liabilities that are denominated in currencies other than the Canadian Dollar - the functional currency of the Funds. They are therefore exposed to currency risk, as the value of the securities denominated in other currencies will fluctuate due to changes in exchange rates. The Mortgage & Income Fund, Monthly Income Fund and Dividend Fund use forward current contracts to mitigate exposure to currency risk. The tables below summarize the Funds' exposure to currency risks as at June 30, 2020 and December 31, 2019:

Educators Financial Group Inc. Funds

Notes to the Financial Statements

June 30, 2020 (Unaudited)

8. Financial risk management (continued)

(ii) Currency risk (continued)

	Investments at fair value (\$)	Cash (\$)	Other assets (\$)	Forward currency contracts (\$)	Total assets (\$)	Impact on Net Assets attributable to holders of redeemable units ⁽¹⁾ (\$)
	\$	\$	\$	\$	\$	\$
Mortgage & Income Fund						
2020	-	38	-	-	38	-
2019	1,121,875	-	12,827	(1,147,624)	(12,922)	(100)
Balanced Fund						
2020	-	13,088	36,006	-	49,094	500
2019	-	9,438	31,842	-	41,280	400
Monthly Income Fund						
2020	10,194,948	21,343	1,813	-	10,218,104	102,200
2019	8,891,005	4,728	27,884	-	8,923,617	89,200
Dividend Fund						
2020	30,984,036	108,763	44,451	(30,372,600)	764,650	7,600
2019	31,553,657	119,560	65,135	(31,122,000)	616,352	6,200
Growth Fund						
2020	-	4,437	26,215	-	30,652	300
2019	-	15,782	19,449	-	35,231	400
U.S. Equity Fund						
2020	106,052,689	6,282	165,694	-	106,224,665	1,062,200
2019	112,346,924	8,939	111,540	-	112,467,403	1,124,700

⁽¹⁾ Impact of a 1% change in the Canadian dollar against the US dollar. The impact on the net assets may be an increase or decrease.

All exposure to currency risk relates to the United States Dollar, the currency in which all foreign assets are held.

As at June 30, 2020 and December 31, 2019, the Monitored Conservative Portfolio, Monitored Balanced Portfolio, Monitored Growth Portfolio and Monitored Aggressive Portfolio did not have direct exposure to currency risk as they invested in Canadian-dollar-denominated underlying funds. The Portfolios may additionally be indirectly exposed to currency risk through its investments in underlying funds, to the extent that investments in underlying funds hold financial investments that are denominated in a currency other than Canadian dollars.

The remaining Funds did not have significant exposure to currency risk as they are mainly invested in securities denominated in Canadian dollars.

Educators Financial Group Inc. Funds

Notes to the Financial Statements

June 30, 2020 (Unaudited)

8. Financial risk management (continued)

(b) Liquidity risk

Liquidity risk is the risk that the Funds will encounter difficulty in meeting obligations associated with financial liabilities. The Funds are exposed to daily cash redemptions of units on demand by the unitholders and other operating expenses. The ability to meet these needs is managed by retaining sufficient cash within the Funds, and by investing in securities which are highly liquid and readily convertible to cash. Therefore, the Funds' liquidity risk is considered to be minimal.

(c) Credit risk

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Funds. The Funds' main credit risk concentrations are investments in short-term debt securities, fixed income bonds and asset backed securities. The maximum exposure to credit risk is the fair value of the short-term investments, bonds, debentures, asset-backed securities and other debt instruments. The Funds' exposure to credit risk relating to forward currency contracts is limited to the fair value recorded at period end.

The Funds limit their exposure to credit loss by placing the cash and short-term investments with high credit quality issuers. To maximize the credit quality of the investments, the Funds' investment managers perform ongoing credit evaluations based upon factors surrounding the credit risk of the issuer, historical trends and other information.

The Funds invest in financial assets, which have an investment grade as rated primarily by *Dominion Bond Rating Service*. Ratings for securities that subject the Funds to credit risk at June 30, 2020 and December 31, 2019 are noted below:

Educators Financial Group Inc. Funds

Notes to the Financial Statements

June 30, 2020 (Unaudited)

8. Financial risk management (continued)

Credit risk (continued)

	<u>by rating</u>						
June 30, 2020	AAA %	AA %	A %	BBB %	BB Not Rated %		Total %
Money Market Fund							
Short-term investments	100.00	-	-	-	-	-	100.00
Mortgage & Income Fund							
Bonds	6.51	4.49	56.67	24.26	-	0.47	92.40
Asset backed	5.61	-	0.24	0.47	-	-	6.32
Short-term investments	1.28	-	-	-	-	-	1.28
Bond Fund							
Bonds	8.78	16.03	34.17	33.62		3.33	95.93
Asset backed	3.49	-	-	-	-	-	3.49
Short-term investments	0.58	-	-	-	-	-	0.58
Balanced Fund							
Bonds	12.16	15.59	46.34	14.94	-	6.22	95.25
Asset backed	0.71	-	-	-	-	-	0.71
Short-term investments	4.04	-	-	-	-	-	4.04
Monthly Income Fund							
Bonds	17.20	8.95	25.55	28.53	-	2.76	82.99
Asset backed	2.83	1.11	1.96	1.13	-	-	7.03
Short-term investments	9.98	-	-	-	-	-	9.98
Dividend Fund							
Short-term investments	100.00	-	-	-	-	-	100.00
Growth Fund							
Short-term investments	100.00	-	-	-	-	-	100.00
U.S. Equity Fund							

Educators Financial Group Inc. Funds

Notes to the Financial Statements

June 30, 2020 (Unaudited)

8. Financial risk management (continued)

Credit risk (continued)

December 31, 2019	AAA %	AA %	A %	BBB %	BB %	Not Rated %	Total %
Money Market Fund							
Short-term investments	68.12	14.70	17.18	-	-	-	100.00
Mortgage & Income Fund							
Bonds	9.33	8.00	41.88	32.43	-	-	91.64
Asset backed	6.44	0.47	0.47	0.47	-	-	7.85
Short-term investments	0.51	-	-	-	-	-	0.51
Bond Fund							
Bonds	16.87	18.02	46.38	14.39	-	1.01	96.67
Asset backed	1.31	-	-	-	-	-	1.31
Short-term investments	2.02	-	-	-	-	-	2.02
Balanced Fund							
Bonds	16.80	18.55	44.89	13.86	-	1.03	95.13
Asset backed	1.28	-	-	-	-	-	1.28
Short-term investments	3.59	-	-	-	-	-	3.59
Monthly Income Fund							
Bonds	19.79	12.10	22.60	28.09	-	1.56	84.14
Asset backed	4.53	1.03	1.77	1.05	-	-	8.38
Short-term investments	7.48	-	-	-	-	-	7.48
Dividend Fund							
Short-term investments	100.00	-	-	-	-	-	100.00
Growth Fund							
Short-term investments	100.00	-	-	-	-	-	100.00
U.S. Equity Fund							
Short-term investments	100.00	-	-	-	-	-	100.00

Educators Financial Group Inc. Funds

Notes to the Financial Statements

June 30, 2020 (Unaudited)

8. Financial risk management (continued)

(d) Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographic region, asset type or sector. Individual Fund's concentration risk is mitigated by the monitoring of the Fund's investment portfolio to ensure compliance with Fund's investment guidelines. The Manager regularly monitors the Funds' positions and market events, and diversifies investment portfolios within the constraints of the investment guidelines.

A summary of concentration of risks is disclosed in each Fund's Schedule of Investment Portfolio.

As at June 30, 2020 and December 31, 2019, the Monitored Conservative Portfolio, Monitored Balanced Portfolio, Monitored Growth Portfolio and Monitored Aggressive Portfolio had investments in underlying funds only. The Schedule of Investment Portfolio of the respective Portfolio provides information on investments in underlying funds.

9. Financial instruments – Disclosures

Fair value disclosure

IFRS 13 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows.

- | | |
|---------|---|
| Level 1 | Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Manager-Trustee has the ability to access at the measurement date. |
| Level 2 | Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active. |
| Level 3 | Inputs that are unobservable. There is little if any market activity. Inputs into the determination of fair value require significant management judgment or estimation. |

Educators Financial Group Inc. Funds

Notes to the Financial Statements

June 30, 2020 (Unaudited)

9. Financial instruments – Disclosures (continued)

Fair value disclosure (continued)

All fair value measurements are recurring. Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

(a) Equities

The Funds' common stocks positions are classified as Level 1 when the security is actively traded and a reliable price is observable. Certain of the Funds' common stocks do not trade frequently and therefore observable prices may not be available. In such cases, fair value is determined using observable market data (e.g., transactions for similar securities of the same issuer) and the fair value is classified as Level 2, unless the determination of fair value requires significant unobservable data, in which case the measurement is classified as Level 3.

(b) Warrants

Warrants that are not traded on an exchange have no market value readily available. When there are sufficient and reliable observable market inputs, a valuation technique is used. Warrants are classified as Level 2.

(c) Fixed income investments

Bonds are comprised primarily of government and corporate bonds, which are valued using models with inputs including interest rate curves, credit spreads and volatilities. The inputs that are significant to valuation are generally observable and therefore the Funds' bonds have been classified as Level 2. Asset backed securities are recorded in the financial statements at their estimated fair values determined by discounting the expected future cash flows at current market interest rates for loans with similar terms and credit risks.

(d) Short-term investments

Short-term investments are classified as Level 2.

(e) Forward contracts

Forward contracts are valued based primarily on the contract notional amount, the difference between the contract rate and the forward market rate for the same currency, interest rates and credit spreads. Forward contracts are classified as Level 2.

(f) Mutual funds

Investments in mutual funds are classified as Level 2.

Educators Financial Group Inc. Funds

Notes to the Financial Statements

June 30, 2020 (Unaudited)

9. Financial instruments – Disclosures (continued)

Financial instruments by category

The carrying values of cash, interest and dividends receivable, subscriptions receivable, amounts due from brokers, bank overdraft, redemptions payable, distributions payable, amounts due to brokers, amounts due to Manager-Trustee and net assets attributable to holders of redeemable units approximate their fair values due to their short-term nature.

The following fair value hierarchy tables present information about the Funds' investments measured at fair value as at June 30, 2020 and December 31, 2019.

Educators Financial Group Inc. Funds

Notes to the Financial Statements

June 30, 2020 (Unaudited)

9. Financial instruments – Disclosures (continued)

	Financial Assets at fair value as at June 30, 2020			
	Level 1	Level 2	Level 3	Total
Money Market Fund				
Short Term Investments	-	26,589,958	-	26,589,958
Mortgage & Income Fund				
Asset Backed	-	4,155,338	-	4,155,338
Bonds	-	60,779,145	-	60,779,145
Mutual Funds	-	64,972,864	-	64,972,864
Short Term Investments	-	844,645	-	844,645
Total Investments	-	130,751,992	-	130,751,992
Bond Fund				
Asset Backed	-	1,202,177	-	1,202,177
Bonds	-	37,348,693	-	37,348,693
Short Term Investments	-	199,896	-	199,896
Total Investments	-	38,750,766	-	38,750,766
Derivative Assets - forward contracts	-	55,786	-	55,786
Balanced Fund				
Asset Backed	-	579,438	-	579,438
Bonds	-	78,271,875	-	78,271,875
Mutual Funds	-	88,336,524	-	88,336,524
Equities	70,324,345	-	-	70,324,345
Short Term Investments	-	3,318,368	-	3,318,368
Total Investments	70,324,345	170,506,205	-	240,830,550
Monthly Income Fund				
Asset Backed	-	933,115	-	933,115
Bonds	-	11,008,972	-	11,008,972
Mutual Funds	-	2,607,356	-	2,607,356
Equities	36,971,027	-	-	36,971,027
Short Term Investments	-	1,324,391	-	1,324,391
Total Investments	36,971,027	15,873,834	-	52,844,861
Dividend Fund				
Equities	132,111,704	-	-	132,111,704
Short Term Investments	-	5,846,598	-	5,846,598
Total Investments	132,111,704	5,846,598	-	137,958,302
Derivative Assets - forward contracts	-	348,379	-	348,379
Growth Fund				
Equities	85,545,420	-	-	85,545,420
Short Term Investments	-	1,099,377	-	1,099,377
Total Investments	85,545,420	1,099,377	-	86,644,797
U.S. Equity Fund				
Equities	106,052,689	-	-	106,052,689
Short Term Investments	-	2,273,873	-	2,273,873
Total Investments	106,052,689	2,273,873	-	108,326,562

Educators Financial Group Inc. Funds
Notes to the Financial Statements
June 30, 2020 (Unaudited)

9. Financial instruments – Disclosures (continued)

	Financial Assets at fair value as at June 30, 2020			
	Level 1	Level 2	Level 3	Total
Monitored Conservative Portfolio Mutual Funds	-	45,334,114	-	45,334,114
Monitored Balanced Portfolio Mutual Funds	-	41,423,217	-	41,423,217
Monitored Growth Portfolio Mutual Funds	-	12,114,694	-	12,114,694
Monitored Aggressive Portfolio Mutual Funds	-	2,447,825	-	2,447,825

Educators Financial Group Inc. Funds

Notes to the Financial Statements

June 30, 2020 (Unaudited)

9. Financial instruments – Disclosures (continued)

	Financial Assets at fair value as at December 31, 2019			
	Level 1	Level 2	Level 3	Total
Money Market Fund				
Short Term Investments	-	22,752,546	-	22,752,546
Mortgage & Income Fund				
Asset Backed	-	4,962,466	-	4,962,466
Bonds	-	57,832,256	-	57,832,256
Mutual Funds	-	65,734,461	-	65,734,461
Short Term Investments	-	324,111	-	324,111
Total Investments	-	128,853,294	-	128,853,294
Derivative Assets - forward contracts	-	20,797	-	20,797
Bond Fund				
Asset Backed	-	436,077	-	436,077
Bonds	-	32,222,434	-	32,222,434
Short Term Investments	-	672,223	-	672,223
Total Investments	-	33,330,734	-	33,330,734
Balanced Fund				
Asset Backed	-	1,044,268	-	1,044,268
Bonds	-	79,294,767	-	79,294,767
Mutual Funds	-	94,871,291	-	94,871,291
Equities	78,900,098	-	-	78,900,098
Short Term Investments	-	2,933,000	-	2,933,000
Total Investments	78,900,098	178,143,326	-	257,043,424
Monthly Income Fund				
Asset Backed	-	1,135,534	-	1,135,534
Bonds	-	11,978,863	-	11,978,863
Mutual Funds	-	2,514,990	-	2,514,990
Equities	42,561,057	-	-	42,561,057
Short Term Investments	-	1,013,804	-	1,013,804
Total Investments	42,561,057	16,643,191	-	59,204,248
Dividend Fund				
Equities	152,280,305	-	-	152,280,305
Short Term Investments	-	3,682,063	-	3,682,063
Total Investments	152,280,305	3,682,063	-	155,962,368
Derivative Assets - forward contracts	-	1,228,345	-	1,228,345
Derivative Liabilities - forward contracts	-	(478,533)	-	(478,533)
Growth Fund				
Equities	96,117,016	-	-	96,117,016
Short Term Investments	-	1,095,101	-	1,095,101
Total Investments	96,117,016	1,095,101	-	97,212,117
U.S. Equity Fund				
Equities	112,346,924	-	-	112,346,924
Short Term Investments	-	3,584,976	-	3,584,976
Total Investments	112,346,924	3,584,976	-	115,931,900

Educators Financial Group Inc. Funds

Notes to the Financial Statements

June 30, 2020 (Unaudited)

9. Financial instruments – Disclosures (continued)

	Financial Assets at fair value as at December 31, 2019			
	Level 1	Level 2	Level 3	Total
Monitored Conservative Portfolio Mutual Funds	-	38,089,568	-	38,089,568
Monitored Balanced Portfolio Mutual Funds	-	40,770,979	-	40,770,979
Monitored Growth Portfolio Mutual Funds	-	11,122,655	-	11,122,655
Monitored Aggressive Portfolio Mutual Funds	-	2,061,236	-	2,061,236

There were no significant transfers from Level 1 to Level 2 during the period ended June 30, 2020 and year ended December 31, 2019.

10. Forward currency contracts

As at June 30, 2020 the Bond Fund and Dividend Fund had the following forward currency contracts:

June 30, 2020

	Buy Currency	Sell Currency		Maturity Date	Forward Contract Asset (Liability)
Dividend Fund					
30,720,815	CAD	22,300,000	USD	2-Jul-20	348,379
Bond Fund					
121,224	CAD	88,000	USD	31-Aug-20	1,382
993,155	CAD	727,000	USD	30-Sep-20	3,157
211,536	CAD	155,000	USD	30-Sep-20	464
1,710,927	CAD	1,219,000	USD	31-Jul-20	50,783

Educators Financial Group Inc. Funds

Notes to the Financial Statements

June 30, 2020 (Unaudited)

10. Forward currency contracts (continued)

As at December 31, 2019 the Mortgage & Income Fund and Dividend Fund had the following forward currency contracts:

December 31, 2019

	Buy Currency	Sell Currency		Maturity Date	Forward Contract Asset (Liability)
Mortgage & Income Fund					
1,168,342	CAD	885,000	USD	15-Jan-20	20,797
Dividend Fund					
31,609,446	CAD	23,800,000	USD	3-Jan-20	747,113
23,800,000	USD	31,340,792	CAD	3-Jan-20	(478,533)
31,598,568	CAD	24,000,000	USD	4-Feb-20	481,232

11. Investments with associates

The individual Funds have determined that all of the other mutual funds ('Investee Funds') in which they invest are unconsolidated associates. The table below describes the types of associates that the Fund does not consolidate but in which it can exercise significant influence.

The tables below set out interest held by the individual Funds in Investee Funds. The maximum exposure to loss is the carrying amounts of the financial assets held.

These assets are financed through the issue of units to investors.

June 30, 2020

Fund of Funds	Number of investee funds held	Total Net Assets of investee funds	Carrying amount included in investments
Educators Monitored Conservative Portfolio	11	\$4,205,014,559	\$45,334,114

Underlying Fund	Relationship	Principal place of business	Total Net Assets of investee fund	Ownership interest	Carrying amount included in investments in Statement of Financial Position
Educators Bond Fund, Class I	Investment	Canada	\$40,324,544	44.92%	\$18,115,604

Educators Financial Group Inc. Funds

Notes to the Financial Statements

June 30, 2020 (Unaudited)

11. Investments with associates (continued)

December 31, 2019

Fund of Funds	Number of investee funds held	Total Net Assets of investee funds	Carrying amount included in investments
Educators Monitored Conservative Portfolio	11	\$4,389,222,814	\$38,089,568

Underlying Fund	Relationship	Principal place of business	Total Net Assets of investee fund	Ownership interest	Carrying amount included in investments in Statement of Financial Position
Educators Bond Fund, Class I	Investment	Canada	\$33,451,625	42.17%	\$14,106,017

June 30, 2020

Fund of Funds	Number of investee funds held	Total Net Assets of investee funds	Carrying amount included in investments
Educators Monitored Balanced Portfolio	13	\$4,585,817,191	\$41,423,217

Underlying Fund	Relationship	Principal place of business	Total Net Assets of investee fund	Ownership interest	Carrying amount included in investments in Statement of Financial Position
Educators Bond Fund, Class I	Investment	Canada	\$40,324,544	25.54%	\$10,300,340

Educators Financial Group Inc. Funds

Notes to the Financial Statements

June 30, 2020 (Unaudited)

11. Investments with associates (continued)

December 31, 2019

Fund of Funds	Number of investee funds held	Total Net Assets of investee funds	Carrying amount included in investments
Educators Monitored Balanced Portfolio	12	\$4,608,352,696	\$40,770,979

Underlying Fund	Relationship	Principal place of business	Total Net Assets of investee fund	Ownership interest	Carrying amount included in investments in Statement of Financial Position
Educators Bond Fund, Class I	Investment	Canada	\$33,451,625	26.90%	\$8,999,405

June 30, 2020

Fund of Funds	Number of investee funds held	Total Net Assets of investee funds	Carrying amount included in investments
Educators Balanced Fund	2	\$1,388,079,319	\$88,336,524

Underlying Fund	Relationship	Principal place of business	Total Net Assets of investee fund	Ownership interest	Carrying amount included in investments in Statement of Financial Position
Beutel Goodman International Equity Fund, Class I	Investment	Canada	\$220,375,794	19.79%	\$43,605,286

Educators Financial Group Inc. Funds

Notes to the Financial Statements

June 30, 2020 (Unaudited)

11. Investments with associates (continued)

December 31, 2019

	Number of investee funds held	Total Net Assets of investee funds	Carrying amount included in investments
Educators Balanced Fund	2	\$1,768,446,365	\$94,871,291

Underlying Fund	Relationship	Principal place of business	Total Net Assets of investee fund	Ownership interest	Carrying amount included in investments in Statement of Financial Position
Beutel Goodman International Equity Fund, Class I	Investment	Canada	\$235,094,005	20.51%	\$48,220,599

During the period and prior year, the individual Funds did not provide financial support to the Investee Funds and has no intention of providing financial or other support. The individual Funds can redeem its units in the above Investee Funds at any time, subject to liquidity of the Investee Fund.

12. Future accounting changes / Standards issued but not yet effective

The Funds have determined there are no material implications to the Funds' financial statements arising from IFRS standards issued but not yet effective.

EDUCATORS MONEY MARKET FUND
EDUCATORS MORTGAGE & INCOME FUND
EDUCATORS BOND FUND
EDUCATORS BALANCED FUND
EDUCATORS MONTHLY INCOME FUND
EDUCATORS DIVIDEND FUND
EDUCATORS GROWTH FUND
EDUCATORS U.S. EQUITY FUND
EDUCATORS MONITORED CONSERVATIVE PORTFOLIO
EDUCATORS MONITORED BALANCED PORTFOLIO
EDUCATORS MONITORED GROWTH PORTFOLIO
EDUCATORS MONITORED AGGRESSIVE PORTFOLIO

*Educators Financial Group Inc.
2225 Sheppard Ave. East
Suite 1105
Toronto, Ontario
M2J 5C2*

*Telephone: 416-752-6843
1-800-263-9541*

*Fax: 416-752-6649
1-888-662-2209*

www.educatorsfinancialgroup.ca