

2022

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

June 30, 2022

Offered by Educators Financial Group
Portfolio Manager: Fiera Capital Inc., Toronto, Ontario

Educators Money Market Fund



This interim management report of fund performance contains financial highlights but does not contain either the interim financial report or annual financial statements of the investment fund. You can get a copy of the interim financial report or annual financial statements at your request, and at no cost, by calling 1.800.263.9541, by writing to us at Educators Financial Group, 2225 Sheppard Ave. East, Suite 1105, Toronto, Ontario, M2J 5C2, or by visiting our website at www.educatorsfinancialgroup.ca or SEDAR at www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

Caution Regarding Forward-looking Statements

This report may contain forward-looking statements about the Fund, including its strategy, risks, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates” or negative versions thereof and similar forward-looking expressions.

In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Fund action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future general economic, political and relevant market factors, such as interest rates, foreign exchange rates, equity and capital markets, and the general business environment, in each case assuming no changes to applicable tax or other laws or government regulation. Expectations and projections about future events are inherently subject to, among other things, risks, and uncertainties, some of which may be unforeseeable. Accordingly, assumptions concerning future economic and other factors may prove to be incorrect at a future date.

Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by the Fund. Any number of important factors could contribute to these digressions, including, but not limited to, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events, including the potential impact of the COVID-19 pandemic on the Fund and/or its operations.

It should be stressed that the above-mentioned list of factors is not exhaustive. You are encouraged to consider these and other factors carefully before making any investment decisions and you are urged to avoid placing undue reliance on forward-looking statements. Further, you should be aware of the fact that the Fund has no specific intention of updating any forward-looking statements, whether as a result of new information, future events or otherwise, prior to the release of the next Management Report of Fund Performance unless required by applicable law.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Risk

The impact of the coronavirus (*COVID-19*) pandemic on the financial performance of the Fund's investments will depend on future developments, including the duration and spread of the outbreak and related advisories and restrictions. This public health crisis and the impact of *COVID-19* on the financial markets and the overall economy are highly uncertain and cannot be predicted. If the financial markets and/or the overall economy are impacted for an extended period, the Fund's future investment results may be materially affected.

Results of Operations

The Fund's net assets increased by 6.8% to \$29.7 million at the end of June 2022, up from \$27.8 million at the end of December 2021.

Investment Performance

For the year/period ending June 30, 2022 (the 'period'), the Educators Money Market Fund – Class A Series provided a return of 0.16% versus the FTSE Canada 91 Day Treasury Bill Index (the 'Benchmark') return of 0.28%.

The Fund underperformed its Benchmark over the period. Unlike the Benchmark, the Fund's return is net of fees and expenses paid by the Fund. Detailed performance is provided under the heading "Past Performance" in this report. Investors cannot invest in the Benchmark without incurring fees, expenses and commissions which are not reflected in Benchmark returns.

The proportion of corporate and government-guaranteed securities within the Fund remained constant during the period. As of June 30, 2022, the Fund held 20.6% of its investments in Government of Canada Treasury Bills, with the balance held in corporate paper.

Market participants began the year anticipating that short-term interest rate hikes would most likely materialize by the end of spring or the beginning of summer. However, during the first two weeks of the year, indicators came in much stronger than expected and market participants began to expect a hike by the Bank of Canada in January. While the Bank of Canada (BoC) held rates steady at that meeting, the accompanying statement was more hawkish than at previous meetings, leading the BoC to raise rates by 0.25% in March and by 0.50% in April and June.

Recent economic releases have signaled an economy running faster than expected, strong job creation, and inflation levels above those seen in decades. In the futures market, valuations have been pricing in rate hikes up to a terminal rate higher than 3 % by year-end. The recent interest rate hikes, along with those anticipated for the remainder of 2022, have increased fears of a recession, which can be seen in stock market performance and bond yields (which are now slightly lower than their recent peaks).

In positioning the portfolio, the portfolio manager is targeting an average term shorter than that of the Benchmark (91 days) so they can re-invest maturing securities faster in this rising-yield environment (and also to avoid selling a security with a longer term to maturity where valuations may be less attractive).

The yield of the Benchmark rose sharply to 2.10% from its 2022 entry point of 0.16%. The same can be said for the yield of banker's acceptances, which moved from 0.20% to 2.34%. Over the period, the Fund's greater weight in corporate securities, as compared to its Benchmark, enhanced performance. The portfolio manager intends to continue with their long-proven strategy of holding high-quality corporate money market securities and benefitting from their greater yield, as compared to government-guaranteed securities.

Recent Developments

The portfolio manager continues to focus on high-quality corporate holdings and selecting securities with maturities that present the most attractive yields in order to provide the Fund with a yield in excess of Government of Canada treasury bills. Furthermore, the portfolio manager continues to take advantage of yield-enhancing opportunities as they arise. In this environment, the Fund will continue to hold a significant weight of high-quality commercial paper, bank-sponsored asset-backed commercial paper, and banker's acceptances to complement the Fund's holdings of Government of Canada treasury bills.

Related Party Transactions

In the first six months of 2022 Educators Financial Group did not refer any conflict of interest matters to the Fund's Independent Review Committee (IRC) and accordingly did not rely upon any recommendation of the IRC in respect of any related party transactions.

Educators Financial Group is the Manager and Trustee of the Fund. Educators Financial Group is a wholly-owned subsidiary of the Ontario Secondary School Teachers' Federation ("OSSTF"). OSSTF may from time to time invest in units of the Fund.



FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the six-month period and the past five years. Currently Class I units of the Fund are not being offered to purchase by retail investors.

Educators Money Market Fund – Class A Series – Net Assets per Unit ⁽¹⁾

	Six months ended June 30	Year ended December 31				
	2022	2021	2020	2019	2018	2017
Net Assets, beginning of year/period	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
Increase (decrease) from operations:						
Total revenue	\$0.04	\$0.02	\$0.08	\$0.18	\$0.15	\$0.08
Total expenses, including transaction costs [excluding distributions]	(\$0.02)	(\$0.02)	(\$0.03)	(\$0.06)	(\$0.06)	(\$0.06)
Realized gains (losses) for the period	\$--	\$--	\$--	\$--	\$--	\$--
Unrealized gains (losses) for the period	\$--	\$--	\$--	\$--	\$--	\$--
Total increase (decrease) from operations ⁽²⁾	\$0.02	\$--	\$0.05	\$0.12	\$0.09	\$0.02

Distributions:

From net investment income (excluding dividends)	\$0.02	\$--	\$0.05	\$0.12	\$0.09	\$0.02
From dividends	\$--	\$--	\$--	\$--	\$--	\$--
From capital gains	\$--	\$--	\$--	\$--	\$--	\$--
Return of capital	\$--	\$--	\$--	\$--	\$--	\$--
Total Annual Distributions ⁽³⁾	\$0.02	\$0.00	\$0.05	\$0.12	\$0.09	\$0.02
Net Assets, end of year/period	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00

Ratios and Supplemental Data (based on Net Asset Value)

	Six months ended June 30	Year ended December 31				
	2022	2021	2020	2019	2018	2017
Total Net Asset Value (000's) ⁽⁴⁾	\$21,722	\$21,596	\$24,620	\$18,693	\$15,959	\$14,624
Number of units outstanding ⁽⁴⁾	2,172,150	2,159,613	2,461,987	1,869,288	1,595,937	1,462,438
Management expense ratio ⁽⁵⁾	0.52%	0.18%	0.31%	0.62%	0.59%	0.58%
Management expense ratio before waivers or absorptions ⁽⁶⁾	0.62%	0.58%	0.59%	0.62%	0.62%	0.62%
Trading expense ratio ⁽⁷⁾	N/A	N/A	N/A	N/A	N/A	N/A
Net Asset Value per unit	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00



EDUCATORS MONEY MARKET FUND

Educators Money Market Fund – Class I Series – Net Assets per Unit ⁽¹⁾

	Six months ended June 30	Year ended December 31			
	2022	2021	2020	2019	2018
Net Assets, beginning of year/period	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
Increase (decrease) from operations:					
Total revenue	\$0.04	\$0.02	\$0.08	\$0.21	\$0.17
Total expenses, including transaction costs [excluding distributions]	\$--	\$--	\$--	\$--	\$--
Realized gains (losses) for the period	\$--	\$--	\$--	\$--	\$--
Unrealized gains (losses) for the period	\$--	\$--	\$--	\$--	\$--
Total increase (decrease) from operations ⁽²⁾	\$0.04	\$0.02	\$0.08	\$0.21	\$0.17

Distributions:

From net investment income (excluding dividends)	\$0.04	\$0.02	\$0.08	\$0.18	\$0.15
From dividends	\$--	\$--	\$--	\$--	\$--
From capital gains	\$--	\$--	\$--	\$--	\$--
Return of capital	\$--	\$--	\$--	\$--	\$--
Total Annual Distributions ⁽³⁾	\$0.04	\$0.02	\$0.08	\$0.18	\$0.15
Net Assets, end of year/period	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00

Ratios and Supplemental Data (based on Net Asset Value)

	Six months ended June 30	Year ended December 31			
	2022	2021	2020	2019	2018
Total Net Asset Value (000's) ⁽⁴⁾	\$7,700	\$6,116	\$5,296	\$4,089	\$1,602
Number of units outstanding ⁽⁴⁾	770,006	611,598	529,564	408,916	160,159
Management expense ratio ⁽⁵⁾	0.01%	0.01%	0.01%	--	--
Management expense ratio before waivers or absorptions ⁽⁶⁾	0.01%	0.01%	0.01%	--	--
Trading expense ratio ⁽⁷⁾	N/A	N/A	N/A	N/A	N/A
Net Asset Value per unit	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00

Educators Money Market Fund – Class F Series – Net Assets per Unit ⁽¹⁾

	Six months ended June 30 2022	Year ended December 31 2021
Net Assets, beginning of year/period	\$10.00	\$10.00
Increase (decrease) from operations:		
Total revenue	\$0.04	\$0.01
Total expenses, including transaction costs [excluding distributions]	(\$0.02)	(\$0.01)
Realized gains (losses) for the period	\$--	\$--
Unrealized gains (losses) for the period	\$--	\$--
Total increase (decrease) from operations ⁽²⁾	\$0.02	\$0.00
Distributions:		
From net investment income (excluding dividends)	\$0.02	\$--
From dividends	\$--	\$--
From capital gains	\$--	\$--
Return of capital	\$--	\$--
Total Annual Distributions ⁽³⁾	\$0.02	\$0.00
Net Assets, end of year/period	\$10.00	\$10.00

Ratios and Supplemental Data (based on Net Asset Value)

	Six months ended June 30 2022	Year ended December 31 2021
Total Net Asset Value (000's) ⁽⁴⁾	\$226	\$70
Number of units outstanding ⁽⁴⁾	22,622	7,007
Management expense ratio ⁽⁵⁾	0.34%	0.21%
Management expense ratio before waivers or absorptions ⁽⁶⁾	0.34%	0.33%
Trading expense ratio ⁽⁷⁾	N/A	N/A
Portfolio turnover rate ⁽⁸⁾	\$--	\$10.00
Net Asset Value per unit	\$10.00	\$70

⁽¹⁾ This information is derived from the Fund's interim financial report and audited annual financial statements. For the financial years beginning after January 1, 2014, the financial highlights were derived from the Fund's financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). All references to "Net Assets" or "Net Assets per Unit" in these financial highlights are references to net assets attributable to holders of redeemable units determined in accordance with IFRS as presented in the financial statements of the Fund.

⁽²⁾ Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

⁽³⁾ Distributions were either paid in cash or reinvested in additional units of the Fund.

⁽⁴⁾ This information is provided as at June 30 and December 31 of the year shown.

⁽⁵⁾ Management expense ratio is based on total expenses (excluding [distributions], commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

⁽⁶⁾ The management expense ratio before waivers or absorptions shows what the management expense ratio of the Fund would have been if Educators Financial Group had not charged a lesser amount for its management fee.

⁽⁷⁾ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

Management Fees

Educators Financial Group is the Manager-Trustee, promoter, and principal distributor of the Fund, and is responsible for the day-to-day management and administration of the Fund.

The Manager-Trustee monitors and evaluates the performance of the Fund and pays for the investment management services of the portfolio manager, as well as all administrative services required by the Fund. As compensation for these services, the Manager-Trustee is entitled to receive a fee payable monthly, calculated daily, and based on the Net Asset Value of the Fund, at a maximum annual rate of 0.55% for the Class A Series and 0.30% for the Class F Series. The Class I Series is identical in all respect to the Class A Series, except that there is no management fee payable by the Fund in respect of the Class I units.

Educators Financial Group is waiving management fees to ensure that there is a positive return to unitholders and that the Net Asset Value of the fund remains at or above \$10.00.

The Fund is responsible for paying any applicable tax owing on its management fee.

Approximately 21.7% of the management fees collected from all Series were used to pay for portfolio management services, with the remainder of the fees allocated to custodial services, marketing, technology, and Manager-Trustee operating expenses.

PAST PERFORMANCE

General

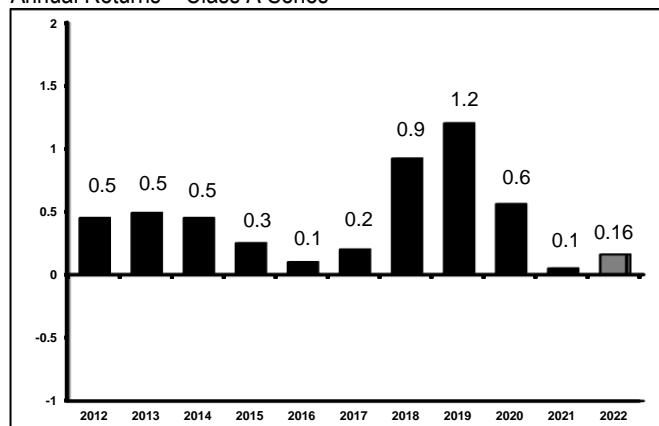
The Fund's performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund.

The performance information does not take into account sales, redemption, distribution, or other optional charges that would have reduced returns or performance. The performance of different fund series may vary for a number of reasons, including differences in management fees and expenses. Please remember that how the Fund has performed in the past does not necessarily indicate how it will perform in the future.

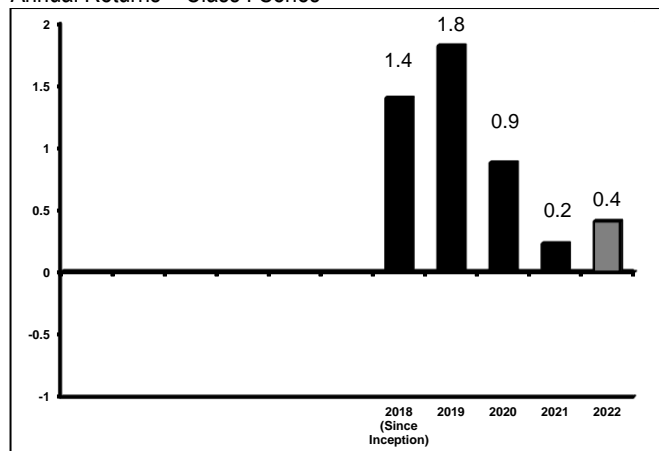
Year-by-Year Returns

The bar chart shows the Fund's annual performance for each of the years shown and for the six-month period, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial period would have grown or decreased by the last day of each financial period.

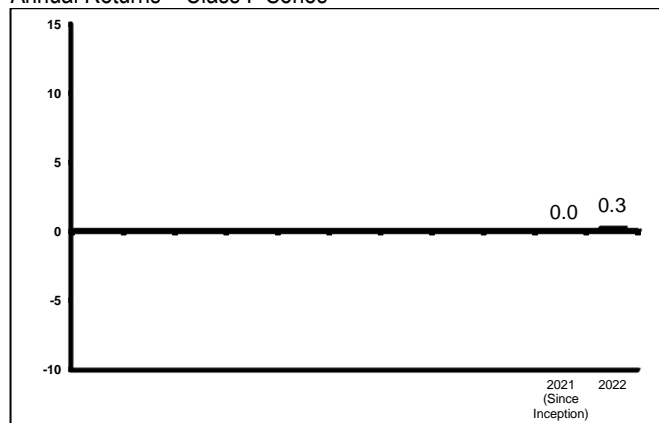
Annual Returns – Class A Series



Annual Returns – Class I Series ⁽¹⁾



Annual Returns – Class F Series ⁽²⁾



(1) The Class I Series commenced operations January 4, 2018

(2) The Class F Series commenced operation May 14, 2021

■ % Increase/decrease ■ For the six-month period ended June 30, 2022

SUMMARY OF INVESTMENT PORTFOLIO

(Based on Net Asset Value)

As at June 30, 2022

Sector Mix	Percentage of Net Asset Value
Bankers' Acceptances	49.16 %
Discount Commercial Paper	30.22 %
Treasury Bills	20.60 %
Cash and Cash Equivalents	0.37 %
Net Other Liabilities	(0.35) %

Top Holdings

Security Name	Percentage of Net Asset Value
Canadian Treasury Bill, 2.66%, March 2, 2023	19.19 %
Bank of Montreal, 1.82%, August 3, 2022	8.41 %
Bank of Nova Scotia, 1.82%, August 22, 2022	7.72 %
Toyota Credit Canada Inc., 1.14%, October 18, 2022	7.53 %
National Bank of Canada, 1.61%, August 2, 2022	7.47 %
Hydro One Inc., 2.03%, August 11, 2022	5.55 %
Canadian Imperial Bank of Commerce, 2.09%, August 11, 2022	5.21 %
HSBC Bank Canada, 2.12%, August 22, 2022	5.04 %
Honda Canada Finance Inc., 2.12%, August 18, 2022	4.71 %
Clarity Trust, 1.96%, July 27, 2022	4.46 %
Toronto-Dominion Bank, 1.98%, August 8, 2022	4.46 %
Royal Bank of Canada, 1.85%, August 18, 2022	4.20 %
Royal Bank of Canada, 2.15%, August 15, 2022	4.03 %
Clarity Trust, 1.90%, August 18, 2022	3.11 %
Honda Canada Finance Inc., 1.60%, July 14, 2022	2.86 %
HSBC Bank Canada, 1.90%, August 5, 2022	2.61 %
Hydro One Inc., 1.76%, August 4, 2022	2.01 %
Canadian Treasury Bill, 1.55%, August 4, 2022	1.41 %
Total Net Assets (000's)	\$29,648

The summary of investment portfolio of the Fund is as at June 30, 2022 and may change due to the Fund's ongoing portfolio transactions. Updates are available quarterly.

EDUCATORS FINANCIAL GROUP

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

E-Mail: info@educatorsfinancialgroup.ca

Web: www.educatorsfinancialgroup.ca

