

EXEMPLAR INVESTMENT GRADE FUND
SEMI-ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

For the period ended June 30, 2020

This semi-annual Management Report of Fund Performance contains financial highlights but does not contain the complete semi-annual financial statements for Exemplar Investment Grade Fund (the "Fund"). You may obtain a copy of the semi-annual financial statements, at no cost, by calling 877.327.6048, by writing to us at Arrow Capital Management Inc. (the "Manager" or "Arrow"), 36 Toronto Street, Suite 750, Toronto, Ontario M5C 2C5 or by visiting our website at www.arrow-capital.com or SEDAR at www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the Fund's semi-annual financial reports, proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure relating to the Fund.

Forward-Looking Information

This Management Report of Fund Performance contains forward-looking information and statements relating, but not limited to, anticipated or prospective financial performance and results of operations of the Fund. Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. For this purpose, any statements that are contained herein that are not statements of historical fact may be deemed to be forward-looking information. Without limiting the foregoing, the words "believes", "anticipates", "plans", "intends", "will", "should", "expects", "projects", and similar expressions are intended to identify forward-looking information.

Although the Fund believes it has a reasonable basis for making the forecasts or projections included in this Management Report of Fund Performance, readers are cautioned not to place undue reliance on such forward-looking information. By its nature, the forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predictions, forecasts and other forward-looking statements will not occur. These factors include, but are not limited to, those associated with the performance of the equity securities market, expectations about interest rates and factors incorporated by reference herein as risk factors.

The above list of important factors affecting forward-looking information is not exhaustive, and reference should be made to the other risks discussed in the Fund's filings with Canadian securities regulatory authorities. The forward-looking information is given as of the date of this Management Report of Fund Performance, and the Fund undertakes no obligation to publicly update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

Management Discussion on Fund Performance

Investment Objective and Strategies

The investment objective of the Fund is to generate income and capital preservation by investing in a diversified portfolio of primarily North American investment grade corporate bonds.

To achieve the investment objectives, the Fund will invest primarily in investment grade debt securities of Canadian corporate and government issuers that are rated BBB- or higher by a recognized rating agency. The Fund may also include non-investment grade debt securities and may invest in other asset classes if warranted by financial conditions.

In managing the Fund, East Coast Fund Management Inc. ("East Coast"), the sub-advisor, will seek to generate income and preserve capital in each stage of the credit cycle; and seek to protect the Fund from interest rate risk associated with higher nominal interest rates and systemic risk. The sub-advisor will utilize the following investment process: (i) top-down analysis (macro-economic environment and sector); (ii) bottom-up analysis (company fundamentals); and (iii) quantitative analysis (asset class and security relative valuation). The outcome of this research will enable the sub-advisor to identify investment opportunities as well as ways of mitigating and avoiding undesirable market risk. The combination of all three investment processes will assist the sub-advisor in attempting to reduce the downside risk associated with an investment as much as possible prior to acquisition of the investment.

Investment Risk

The risks of investing in the Fund remain as stated in the Fund's simplified prospectus. There were no material changes to the Fund over the year that affected the overall level of risk.

This Fund is suitable for investors who are able to accept a low degree of risk and are prepared to invest for the medium term.

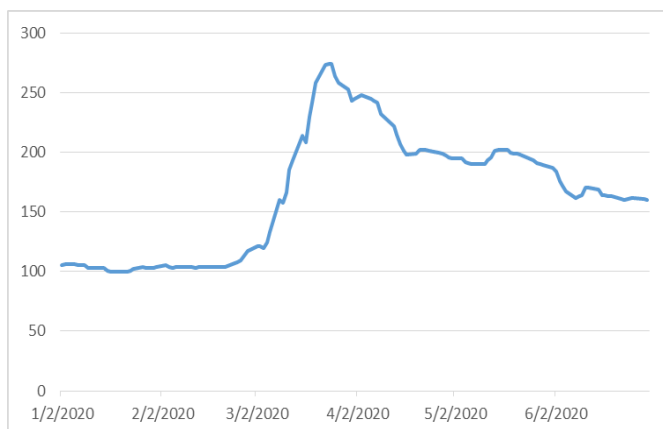
Results of Operations

The net asset value ("NAV") of the Fund decreased from \$180.5 million to \$162.4 million from December 31, 2019 to June 30, 2020. The Fund had net redemptions of \$11.5 million for the period. The Fund paid distributions of \$2.4 million while the portfolio's performance decreased assets by \$4.2 million. For the period ended June 30, 2020, Series F units of the Fund posted a loss of 2.2% (gain of 3.9% in the period ended June 30, 2019) while its benchmark, the FTSE TMX Canada Universe Bond Index, gained 7.5% for the same period (gain of 6.5% in the period ended June 30, 2019) for the same period. Please refer to the Past Performance section for the performance of the other Series. The performance of the other Series offered by the Fund differs from Series F largely because of varying levels of expenses charged to each series, as explained in the Management Fee section.

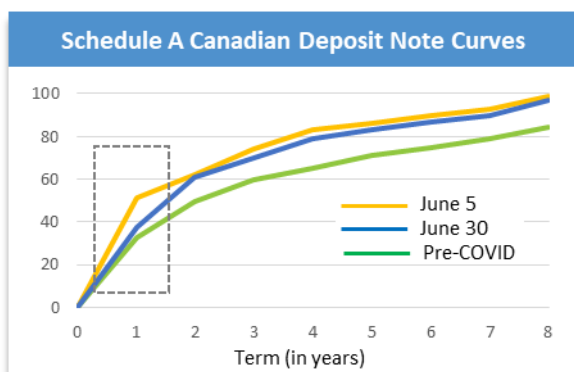
Over the last six months, COVID-19 has transformed our lives in ways we could never have imagined. Borders have shut, businesses have ceased operations and families remain mostly sheltered in place. This kind of global pandemic initially resulted in market stress unlike anything we have seen in our 30+ years in the markets. The speed at which liquidity dried up far exceeded what was witnessed in the global financial crisis. Then, almost just as quickly, equity markets started to rebound, while corporate credit markets struggled to recover quite so quickly. As coronavirus panic rose, interest rates rallied (went lower) 75bps in the front end (2yrs) and curves steepened as 10yrs rallied (went lower) 44bps on the month, by comparison. Overnight rates in most countries went straight to zero, as central banks and governments pre-emptively tried to inject liquidity into banks that would then lend to the nation's corporations. After cutting more than 100bps, the Bank of Canada rate is 0.25% and the Federal Reserve rate is 0-0.25% (0.06 official) taking them to the lowest level ever recorded in both Canada and the U.S interest rates have remained near these all-time low levels since the Global wide scale spread of COVID escalated back in March.

Canadian credit spreads almost tripled by late March (from 104 in late Feb to a wide of 274) as global panic saw all risk assets weaken significantly. The widening was partially due to increased credit risk, however, we believe March 2020 was much more about a liquidity crisis, as it is this liquidity premium portion of a corporate bond that has increased the most. Credit spreads have continued to tighten (rally) back since March; but current levels (160bps) are still much weaker (wider) than their 15yr average (128bps) or February 2020's pre-COVID level (104bps).

Barclays Bloomberg Canadian IG Credit Spreads



Since the COVID blowout in credit spreads, we have been steadfast in the commitment to the quality and value of our shorter dated holdings. Below is a chart of Canadian deposit note curves – the most senior and highly rated bank debt instrument – which highlights the *huge* dislocation that occurred between term of security and spread. The curves went completely flat in the COVID liquidity crisis (trading at a shocking 210bps wide regardless of term) and we consistently said we were happy to hold tight until short dated credit rallied and curves re-steepened.



Source: Bloomberg

Recent Developments

(BASED ON INFORMATION AS AT AUGUST 10, 2020)

The value of the Fund's short dated holdings was especially evident in June, as sub 2yr credit outperformed. Spreads barely rallied in 2-8 year maturities, but under 2yr spreads rallied far more (moved lower) as curves finally re-steepened in the very front end close to pre-COVID levels (green line). With 10yr and under interest rates mostly trading sub 0.5%, traditional fixed income funds, particularly money market funds, are being forced to reach for yield to cover their fees and expenses and still aim to deliver a positive return to investors. This demand, combined with the addition of corporate Quantitative Easing within the Bank of Canada's toolbox, has given a strong bid tone to the Canadian investment grade corporate bond market. We

believe there is further upside in the Canadian IG credit market as rates remain at 0.5%, the investment theme of TINA (“there is no alternative”) re-emerges and Central Banks appear ready to support their financial markets. That said, we actively look to take profit on lower rated credits when we think things have rallied too much/too fast and are happy to further upgrade positions as opportunities allow.

Related Party Transactions

Arrow Capital Management Inc. is the Manager, Portfolio Advisor and Trustee of the Fund. The Manager, in consideration for management fees, provides management services required in the day-to-day operations of the Fund. The Fund also reimburses the Manager for any operating or administrative expenses the Manager pays on behalf of the Fund. For the year ended June 30, 2020, the Manager has, in its discretion, agreed to absorb \$99,307 (\$74,205 in 2019) of operating expenses associated with the Fund.

The Fund may invest in other funds also managed by the Manager. These investments will either be made into a series that does not pay management fees or the Manager may pay a rebate to the Fund or other fund to offset fees paid by the other fund to the Manager.

Management Fees

The table below outlines the Fund’s annual Management Fee rate. It also states the percentage of the total management fees that were used to pay trailer commissions. The remainder of the management fees were used to pay for investment management services and sub-advisory fees to East Coast.

ANNUAL RATE (%)	Series A, AI, AN, U	Series F, FI, FN, G, ETF	Series I
Management Fees <i>(Annual Rate)</i>	1.3%	0.8%	Negotiable
Trailer Fees <i>(as a % of Management Fees)</i>	38.4%	-	-

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help the reader understand the Fund's financial performance. This information is derived from the Fund's financial statements and is represented net of expenses which have been charged to the Fund.

SERIES A - NET ASSETS PER UNIT					
For the period ended June 30, 2020 and for the years ended December 31,					
	2020	2019	2018	2017	2016
Net Assets, beginning of period¹	\$ 9.59	\$ 9.37	\$ 9.75	\$ 9.72	\$ 9.36
Increase (decrease) from operations:					
Total revenue	0.16	0.42	0.39	0.32	0.40
Total expenses	(0.08)	(0.16)	(0.16)	(0.17)	(0.16)
Realized gains (loss)	(0.17)	0.04	(0.18)	0.06	0.02
Unrealized gains (loss)	(0.18)	0.22	(0.15)	0.06	0.37
Total increase (decrease) from operations¹:	\$ (0.27)	\$ 0.52	\$ (0.10)	\$ 0.27	\$ 0.63
Distributions²:					
From income (excluding dividends)	(0.14)	(0.19)	(0.25)	(0.21)	(0.12)
From capital gains	-	-	-	-	(0.17)
From return of capital	-	(0.10)	(0.04)	(0.08)	-
Total distributions	\$ (0.14)	\$ (0.29)	\$ (0.29)	\$ (0.29)	\$ (0.29)
Net Assets, end of period¹	\$ 9.21	\$ 9.59	\$ 9.37	\$ 9.75	\$ 9.72

SERIES A - RATIOS AND SUPPLEMENTAL DATA³					
For the period ended June 30, 2020 and for the years ended December 31,					
	2020	2019	2018	2017	2016
Net Asset Value ("NAV") (000s) ¹	\$25,008	\$28,805	\$33,857	\$32,007	\$14,184
Number of units outstanding	2,714,194	3,002,110	3,612,725	3,281,116	1,459,186
Management expense ratio ^{4 9}	1.65%*	1.65%	1.65%	1.63%	1.61%
Management expense ratio before waivers or absorptions ^{5 9}	1.77%*	1.71%	1.71%	1.74%	1.92%
Portfolio turnover rate ⁶	221.50%	311.26%	542.98%	665.70%	663.00%
Trading expense ratio ^{7 9}	0.03%*	0.03%	0.04%	0.07%	0.11%
Net asset value per unit	\$9.21	\$9.59	\$9.37	\$9.75	\$9.72

SERIES AI - NET ASSETS PER UNIT

For the period ended June 30, 2020 and for the years ended December 31,

	2020	2019	2018	2017	2016
Net Assets, beginning of period¹	\$ 8.64	\$ 8.60	\$ 9.14	\$ 9.28	\$ 9.11
Increase (decrease) from operations:					
Total revenue	0.14	0.37	0.37	0.31	0.39
Total expenses	(0.07)	(0.14)	(0.15)	(0.15)	(0.15)
Realized gains (loss)	(0.14)	0.03	(0.17)	0.05	0.03
Unrealized gains (loss)	(0.15)	0.16	(0.14)	0.07	0.37
Total increase (decrease) from operations¹:	\$ (0.22)	\$ 0.42	\$ (0.09)	\$ 0.28	\$ 0.64
Distributions²:					
From income (excluding dividends)	(0.22)	(0.21)	(0.25)	(0.20)	(0.13)
From capital gains	-	-	-	-	(0.17)
From return of capital	-	(0.22)	(0.21)	(0.26)	(0.16)
Total distributions	\$ (0.22)	\$ (0.43)	\$ (0.46)	\$ (0.46)	\$ (0.46)
Net Assets, end of year¹	\$ 8.21	\$ 8.64	\$ 8.60	\$ 9.14	\$ 9.28

SERIES AI - RATIOS AND SUPPLEMENTAL DATA⁸

For the period ended June 30, 2020 and for the years ended December 31,

	2020	2019	2018	2017	2016
Net Asset Value ("NAV") (000s) ¹	\$7,076	\$7,814	\$4,623	\$4,575	\$2,549
Number of units outstanding	861,808	904,532	537,584	500,780	274,643
Management expense ratio ^{4,9}	1.59%*	1.58%	1.58%	1.58%	1.55%
Management expense ratio before waivers or absorptions ^{5,9}	1.71%*	1.64%	1.64%	1.69%	1.86%
Portfolio turnover rate ⁶	221.50%	311.26%	542.98%	665.70%	663.00%
Trading expense ratio ^{7,9}	0.03%*	0.03%	0.04%	0.07%	0.11%
Net asset value per unit	\$8.21	\$8.64	\$8.60	\$9.14	\$9.28

SERIES AN - NET ASSETS PER UNIT

For the period ended June 30, 2020 and for the years ended December 31,

	2020	2019	2018	2017	2016
Net Assets, beginning of year¹	\$ 10.25	\$ 9.93	\$ 10.26	\$ 10.10	\$ 9.71
Increase (decrease) from operations:					
Total revenue	0.17	0.44	0.42	0.34	0.43
Total expenses	(0.08)	(0.17)	(0.17)	(0.17)	(0.17)
Realized gains (loss)	(0.20)	0.04	(0.20)	0.07	0.06
Unrealized gains (loss)	(0.29)	0.20	(0.15)	0.07	0.39
Total increase (decrease) from operations¹:	\$ (0.40)	\$ 0.51	\$ (0.10)	\$ 0.31	\$ 0.71
Distributions²:					
From income (excluding dividends)	-	(0.24)	(0.23)	(0.18)	(0.10)
From capital gains	-	-	-	-	(0.19)
From return of capital	-	-	-	-	-
Total distributions	\$ -	\$ (0.24)	\$ (0.23)	\$ (0.18)	\$ (0.29)
Net Assets, end of year¹	\$ 10.00	\$ 10.25	\$ 9.93	\$ 10.26	\$ 10.10

SERIES AN - RATIOS AND SUPPLEMENTAL DATA⁸

For the period ended June 30, 2020 and for the years ended December 31,

	2020	2019	2018	2017	2016
Net Asset Value ("NAV") (000s) ¹	\$4,272	\$7,254	\$5,732	\$5,292	\$3,180
Number of units outstanding	427,323	707,852	577,037	515,597	314,815
Management expense ratio ^{4,9}	1.62%*	1.60%	1.61%	1.59%	1.59%
Management expense ratio before waivers or absorptions ^{5,9}	1.74%*	1.66%	1.67%	1.70%	1.89%
Portfolio turnover rate ⁶	221.50%	311.26%	542.98%	665.70%	663.00%
Trading expense ratio ^{7,9}	0.03%*	0.03%	0.04%	0.07%	0.11%
Net asset value per unit	\$10.00	\$10.25	\$9.93	\$10.26	\$10.10

SERIES F - NET ASSETS PER UNIT

For the period ended June 30, 2020 and for the years ended December 31,

	2020	2019	2018	2017	2016
Net Assets, beginning of year¹	\$ 9.87	\$ 9.59	\$ 9.93	\$ 9.84	\$ 9.44
Increase (decrease) from operations:					
Total revenue	0.16	0.43	0.40	0.33	0.42
Total expenses	(0.05)	(0.11)	(0.11)	(0.11)	(0.11)
Realized gains (loss)	(0.16)	0.04	(0.18)	0.06	(0.01)
Unrealized gains (loss)	(0.17)	0.22	(0.15)	0.05	0.37
Total increase (decrease) from operations¹:	\$ (0.22)	\$ 0.58	\$ (0.04)	\$ 0.33	\$ 0.67
Distributions²:					
From income (excluding dividends)	(0.15)	(0.24)	(0.28)	(0.27)	(0.14)
From capital gains	-	-	-	-	(0.17)
From return of capital	-	(0.06)	(0.02)	(0.02)	-
Total distributions	\$ (0.15)	\$ (0.30)	\$ (0.30)	\$ (0.29)	\$ (0.31)
Net Assets, end of year¹	\$ 9.50	\$ 9.87	\$ 9.59	\$ 9.93	\$ 9.84

SERIES F - RATIOS AND SUPPLEMENTAL DATA⁸

For the period ended June 30, 2020 and for the years ended December 31,

	2020	2019	2018	2017	2016
Net Asset Value ("NAV") (000s) ¹	\$77,123	\$79,517	\$83,253	\$84,467	\$34,961
Number of units outstanding	8,119,835	8,060,067	8,684,027	8,506,130	3,554,196
Management expense ratio ^{4,9}	1.09%*	1.09%	1.10%	1.08%	1.06%
Management expense ratio before waivers or absorptions ^{5,9}	1.21%*	1.16%	1.16%	1.19%	1.37%
Portfolio turnover rate ⁶	221.50%	311.26%	542.98%	665.70%	663.00%
Trading expense ratio ^{7,9}	0.03%*	0.03%	0.04%	0.07%	0.11%
Net asset value per unit	\$9.50	\$9.87	\$9.59	\$9.93	\$9.84

SERIES FI - NET ASSETS PER UNIT

For the period ended June 30, 2020 and for the years ended December 31,

	2020	2019	2018	2017	2016
Net Assets, beginning of year¹	\$ 8.92	\$ 8.83	\$ 9.32	\$ 9.41	\$ 9.19
Increase (decrease) from operations:					
Total revenue	0.14	0.37	0.38	0.32	0.40
Total expenses	(0.05)	(0.10)	(0.10)	(0.11)	(0.10)
Realized gains (loss)	(0.15)	0.02	(0.18)	0.07	0.05
Unrealized gains (loss)	(0.16)	0.13	(0.15)	0.07	0.30
Total increase (decrease) from operations¹:	\$ (0.22)	\$ 0.42	\$ (0.05)	\$ 0.35	\$ 0.65
Distributions²:					
From income (excluding dividends)	(0.22)	(0.29)	(0.29)	(0.26)	(0.17)
From capital gains	-	-	-	-	(0.17)
From return of capital	-	(0.15)	(0.17)	(0.20)	(0.12)
Total distributions	\$ (0.22)	\$ (0.44)	\$ (0.46)	\$ (0.46)	\$ (0.46)
Net Assets, end of year¹	\$ 8.50	\$ 8.92	\$ 8.83	\$ 9.32	\$ 9.41

SERIES FI - RATIOS AND SUPPLEMENTAL DATA⁸

For the period ended June 30, 2020 and for the years ended December 31,

	2020	2019	2018	2017	2016
Net Asset Value ("NAV") (000s) ¹	\$16,734	\$21,276	\$6,244	\$5,446	\$5,446
Number of units outstanding	1,968,512	2,385,247	707,025	584,286	584,286
Management expense ratio ^{4,9}	1.06%*	1.05%	1.05%	1.05%	1.03%
Management expense ratio before waivers or absorptions ^{5,9}	1.18%*	1.11%	1.11%	1.16%	1.33%
Portfolio turnover rate ⁶	221.50%	311.26%	542.98%	665.70%	663.00%
Trading expense ratio ^{7,9}	0.03%*	0.03%	0.04%	0.07%	0.07%
Net asset value per unit	\$8.50	\$8.92	\$8.83	\$9.32	\$9.41

SERIES FN - NET ASSETS PER UNIT

For the period ended June 30, 2020 and for the years ended December 31,

	2020	2019	2018	2017	2016
Net Assets, beginning of year¹	\$ 10.39	\$ 10.04	\$ 10.34	\$ 10.10	\$ 9.68
Increase (decrease) from operations:					
Total revenue	0.17	0.45	0.43	0.34	0.43
Total expenses	(0.06)	(0.12)	(0.12)	(0.12)	(0.11)
Realized gains (loss)	(0.26)	0.04	(0.21)	0.04	0.05
Unrealized gains (loss)	(0.28)	0.21	(0.18)	0.06	0.39
Total increase (decrease) from operations¹:	\$ (0.43)	\$ 0.58	\$ (0.08)	\$ 0.32	\$ 0.76
Distributions²:					
From income (excluding dividends)	-	(0.27)	(0.25)	(0.16)	(0.13)
From capital gains	-	-	-	-	(0.18)
From return of capital	-	-	-	-	-
Total distributions	\$ -	\$ (0.27)	\$ (0.25)	\$ (0.16)	\$ (0.31)
Net Assets, end of year¹	\$ 10.16	\$ 10.39	\$ 10.04	\$ 10.34	\$ 10.10

SERIES FN - RATIOS AND SUPPLEMENTAL DATA⁸

For the period ended June 30, 2020 and for the years ended December 31,

	2020	2019	2018	2017	2016
Net Asset Value ("NAV") (000s) ¹	\$17,989	\$27,271	\$19,404	\$15,981	\$3,150
Number of units outstanding	1,770,569	2,625,491	1,931,962	1,545,306	311,722
Management expense ratio ^{4,9}	1.10%*	1.09%	1.08%	1.08%	1.04%
Management expense ratio before waivers or absorptions ^{5,9}	1.22%*	1.16%	1.15%	1.19%	1.35%
Portfolio turnover rate ⁶	221.50%	311.26%	542.98%	665.70%	663.00%
Trading expense ratio ^{7,9}	0.03%*	0.03%	0.04%	0.07%	0.11%
Net asset value per unit	\$10.16	\$10.39	\$10.04	\$10.34	\$10.10

SERIES I - NET ASSETS PER UNIT

For the period ended June 30, 2020 and for the years ended December 31,

	2020	2019	2018	2017	2016 [†]
Net Assets, beginning of year¹	\$ 10.81	\$ 10.40	\$ 10.72	\$ 10.41	\$ 10.00
Increase (decrease) from operations:					
Total revenue	0.19	0.48	0.44	0.37	0.31
Total expenses	(0.01)	(0.02)	(0.03)	(0.03)	(0.02)
Realized gains (loss)	0.88	0.05	(0.20)	0.08	0.22
Unrealized gains (loss)	0.53	0.23	(0.17)	0.08	0.38
Total increase (decrease) from operations¹:	\$ 1.59	\$ 0.74	\$ 0.04	\$ 0.50	\$ 0.89
Distributions²:					
From income (excluding dividends)	-	(0.33)	(0.35)	(0.20)	(0.13)
From capital gains	-	-	-	-	(0.18)
From return of capital	-	-	-	-	-
Total distributions	\$ -	\$ (0.33)	\$ (0.35)	\$ (0.20)	\$ (0.31)
Net Assets, end of year¹	\$ 10.62	\$ 10.81	\$ 10.40	\$ 10.72	\$ 10.41

SERIES I - RATIOS AND SUPPLEMENTAL DATA⁸

For the period ended June 30, 2020 and for the years ended December 31,

	2020	2019	2018	2017	2016 [†]
Net Asset Value ("NAV") (000s) ¹	\$4,454	\$6	\$6	\$5	\$5
Number of units outstanding	419,292	549	533	515	506
Management expense ratio ^{4,9}	0.22%*	0.19%	0.22%	0.20%	0.21%*
Management expense ratio before waivers or absorptions ^{5,9}	0.34%*	0.25%	0.28%	0.31%	0.52%*
Portfolio turnover rate ⁶	221.50%	311.26%	542.98%	665.70%	663.00%
Trading expense ratio ^{7,9}	0.03%*	0.03%	0.04%	0.07%	0.11%*
Net asset value per unit	\$10.62	\$10.81	\$10.40	\$10.72	\$10.41

SERIES G - NET ASSETS PER UNIT

For the period ended June 30, 2020 and for the years ended December 31,

	2020	2019	2018	2017	2016
Net Assets, beginning of year¹ - CAD	\$ 13.34	\$ 13.52	\$ 12.79	\$ 13.46	\$ 13.29
Increase (decrease) from operations:					
Total revenue	0.42	0.77	1.25	(0.51)	0.45
Total expenses	(0.08)	(0.16)	(0.15)	(0.14)	(0.14)
Realized gains (loss)	(0.21)	0.06	(0.16)	0.06	0.01
Unrealized gains (loss)	0.19	(0.46)	0.26	(0.18)	0.17
Total increase (decrease) from operations¹:	\$ 0.32	\$ 0.21	\$ 1.20	\$ (0.77)	\$ 0.49
Distributions²:					
From income (excluding dividends)	(0.29)	(0.34)	(0.37)	(0.28)	(0.20)
From capital gains	-	-	-	-	(0.18)
From return of capital	-	(0.06)	(0.02)	(0.07)	-
Total distributions	\$ (0.29)	\$ (0.40)	\$ (0.39)	\$ (0.35)	\$ (0.38)
Net Assets, end of year¹ - CAD	\$ 13.44	\$ 13.34	\$ 13.52	\$ 12.79	\$ 13.46
Net Assets, beginning of year¹ - USD	\$ 10.27	\$ 10.28	\$ 10.18	\$ 10.02	\$ 9.60
Net Assets, end of year¹ - USD	\$ 9.90	\$ 10.27	\$ 10.28	\$ 10.18	\$ 10.02

SERIES G - RATIOS AND SUPPLEMENTAL DATA⁸

For the period ended June 30, 2020 and for the years ended December 31,

	2020	2019	2018	2017	2016
Net Asset Value ("NAV") (000s) ¹	\$963	\$893	\$783	\$1,760	\$56
Number of units outstanding	71,599	66,984	57,951	137,568	4,176
Management expense ratio ^{4,9}	1.12%*	1.12%	1.07%	1.05%	1.03%
Management expense ratio before waivers or absorptions ^{5,9}	1.24%*	1.18%	1.14%	1.16%	1.33%
Portfolio turnover rate ⁶	221.50%	311.26%	542.98%	665.70%	663.00%
Trading expense ratio ^{7,9}	0.03%*	0.03%	0.04%	0.07%	0.11%
Net asset value per unit - USD	\$9.90	\$10.27	\$10.28	\$10.18	\$10.02

SERIES U - NET ASSETS PER UNIT

For the period ended June 30, 2020 and for the years ended December 31,

	2020	2019 [†]
Net Assets, beginning of period¹ - CAD	\$ 13.13	\$ 13.16
Increase (decrease) from operations:		
Total revenue	0.46	0.40
Total expenses	(0.11)	(0.19)
Realized gains (loss)	(0.22)	0.03
Unrealized gains (loss)	0.17	(0.25)
Total increase (decrease) from operations¹:	\$ 0.30	\$ (0.01)
Distributions²:		
From income (excluding dividends)	(0.28)	(0.31)
From capital gains	-	-
From return of capital	-	(0.02)
Total distributions	\$ (0.28)	\$ (0.33)
Net Assets, end of year¹ - CAD	\$ 13.22	\$ 13.13
Net Assets, beginning of period¹ - USD	\$ 10.11	\$ 10.00
Net Assets, end of year¹ - USD	\$ 9.74	\$ 10.11

SERIES U - RATIOS AND SUPPLEMENTAL DATA⁸

For the period ended June 30, 2020 and for the years ended December 31,

	2020	2019 [†]
Net Asset Value ("NAV") (000s) ¹	\$107	\$106
Number of units outstanding	8,109	8,108
Management expense ratio ^{4,9}	1.57%*	1.68%
Management expense ratio before waivers or absorptions ^{5,9}	1.69%*	1.75%
Portfolio turnover rate ⁶	221.50%	311.26%
Trading expense ratio ^{7,9}	0.03%*	0.03%
Net asset value per unit - USD	\$9.74	\$10.11

SERIES ETF - NET ASSETS PER UNIT

For the period ended June 30, 2020 and for the years ended December 31,

	2020	2019	2018	2017 [†]
Net Assets, beginning of year¹	\$ 20.08	\$ 19.50	\$ 20.03	\$ 20.00
Increase (decrease) from operations:				
Total revenue	0.33	0.86	0.83	0.07
Total expenses	(0.11)	(0.23)	(0.22)	(0.02)
Realized gains (loss)	(0.26)	0.07	(0.38)	(0.08)
Unrealized gains (loss)	(0.27)	0.35	(0.31)	0.08
Total increase (decrease) from operations¹:	\$ (0.31)	\$ 1.05	\$ (0.08)	\$ 0.05
Distributions²:				
From income (excluding dividends)	(0.30)	(0.52)	(0.53)	-
From capital gains	-	-	-	-
From return of capital	-	(0.08)	-	-
Total distributions	\$ (0.30)	\$ (0.60)	\$ (0.53)	\$ -
Net Assets, end of year¹	\$ 19.33	\$ 20.08	\$ 19.50	\$ 20.03

SERIES ETF - RATIOS AND SUPPLEMENTAL DATA⁸

For the period ended June 30, 2020 and for the years ended December 31,

	2020	2019	2018	2017 [†]
Net Asset Value ("NAV") (000s) ¹	\$8,700	\$7,529	\$4,388	\$2,003
Number of units outstanding	450,000	375,000	225,000	100,000
Management expense ratio ^{4 9}	1.10%*	1.11%	1.07%	1.02%*
Management expense ratio before waivers or absorptions ^{5 9}	1.22%*	1.17%	1.13%	1.13%*
Portfolio turnover rate ⁶	221.50%	311.26%	542.98%	665.70%
Trading expense ratio ^{7 9}	0.03%*	0.03%	0.04%	0.07%
Net asset value per unit	\$19.33	\$20.08	\$19.50	\$20.03
Closing market price	\$19.44	\$20.06	\$19.40	\$20.01

The Fund was launched on June 27, 2014. Series A, AI and F units began operations on July 28, 2014. Series FI units began operations on August 21, 2014. Series FN units began operations on December 5, 2014. Series AN units began operations on January 29, 2015. Series G units began operations on July 15, 2015. Series I units began operations on April 01, 2016. Series ETF units began operations on December 1, 2017. Series U units began operations on March 1, 2019.

*Ratios have been annualized.

1. The net assets per share shown are referenced to net assets attributable to holders of redeemable shares determined in accordance with International Financial Reporting Standards ("IFRS") and are derived from the Fund's financial statements. The increase/decrease from operations is based on the weighted average number of shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per share.
2. Distributions, if applicable, were reinvested in additional shares of the Fund at the discretion of the underlying shareholders.
3. The Manager may absorb certain expenses or waive certain fees otherwise payable by the Fund. The amount of expenses absorbed or waived (if applicable) is determined annually at the discretion of the Manager and the Manager can terminate the absorption or waiver at any time.
4. Management expense ratio ("MER") is calculated as total expenses net of waived fees, if applicable, and excludes certain taxes, commissions and other fund transaction costs for the stated year expressed as an annualized

percentage of daily average NAV during the stated year. The management expense ratio is calculated in accordance with Part 15 of NI 81-106.

5. Management expense ratio before waivers or absorptions is the MER inclusive of performance fees before any waivers or absorptions are deducted.
6. The Fund's portfolio turnover rate can indicate how actively the investment advisor manages the portfolio of investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of its securities in its portfolio once in the course of the year. The higher the fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.
7. The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average NAV during the period.
8. Ratios and supplemental data, where applicable, are computed using the NAV of the Fund.
9. The management expense ratio before performance fees, management expense ratio, management expense ratio before waivers or absorptions and trading expense ratio for the year ended 2016 have been restated to reflect the reclassification of certain custodial transaction costs related to the purchase and sale of securities.

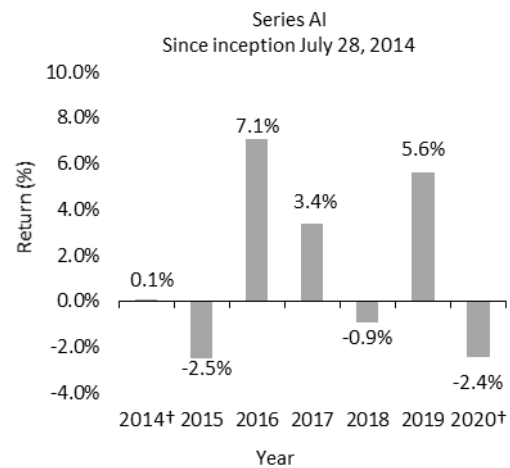
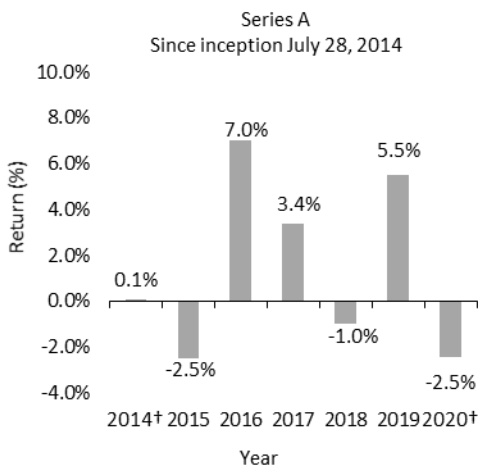
Past Performance

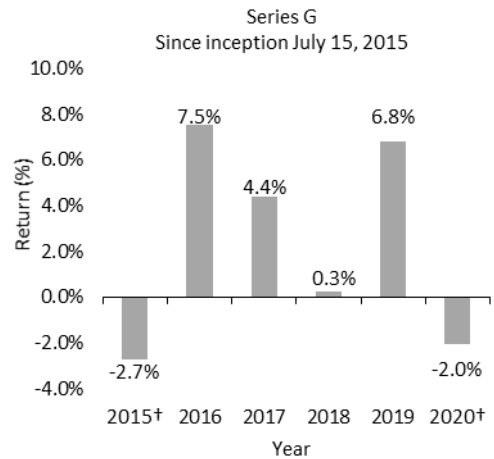
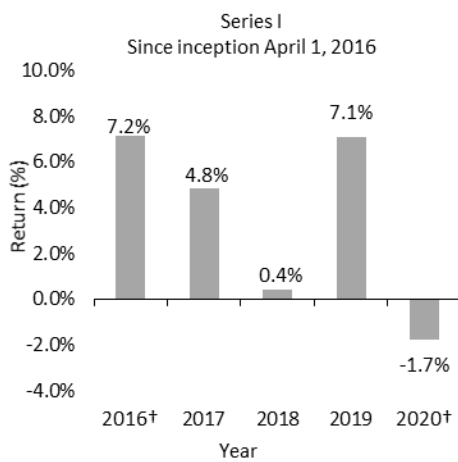
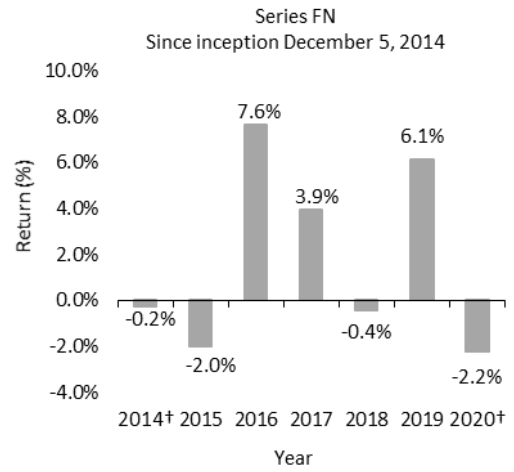
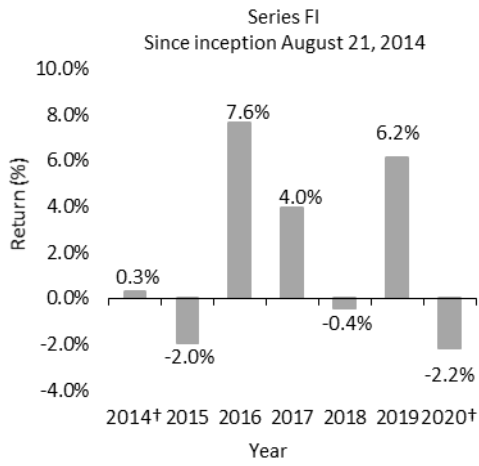
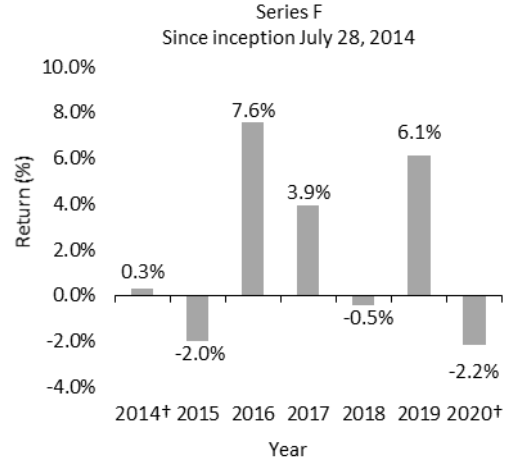
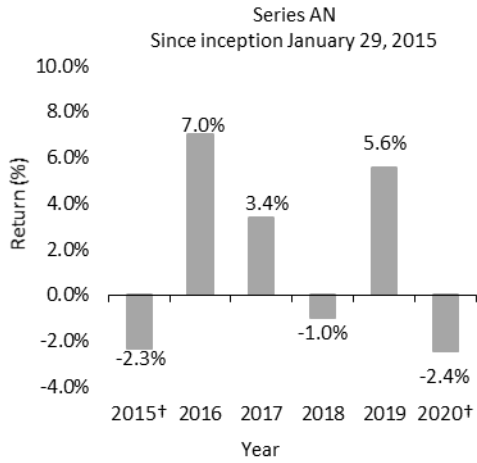
The performance information shown below assumes that all distributions, if any, made by the Fund in the periods shown were reinvested in additional units of the Fund. If you hold the Fund outside a registered plan, you will be taxed on distributions. Distributions of income the Fund earns and capital gains it realizes are taxable in the year received whether received in cash or reinvested in additional units. No adjustment for potential tax consequences to an investor has been made to the performance information.

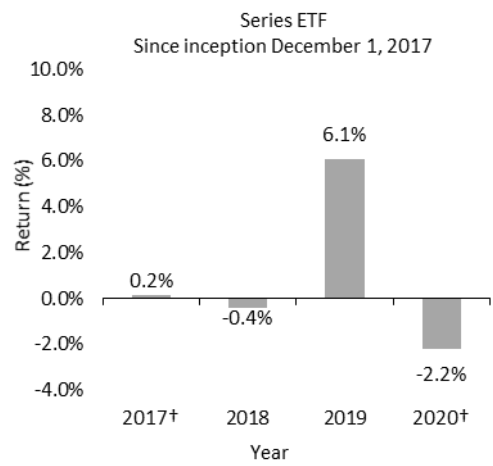
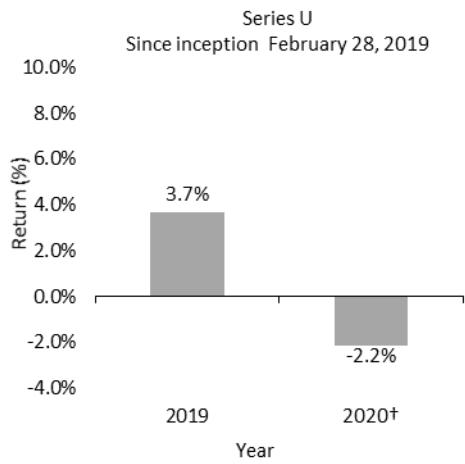
The indicated rates of return are historical annual compounded total returns including changes in unit value and do not take into account sale, redemption, distribution or other optional charges, that, if applicable, would have reduced returns or performance. An investment in the Fund is not guaranteed. Its value changes frequently and how the Fund has performed in the past does not necessarily indicates how it will perform in the future.

Year-By-Year Returns

The bar chart below illustrates the Fund's performance for the years shown. It shows, in percentage terms, how much an investment made on the first day of each financial year (or since inception) would have grown or decreased.

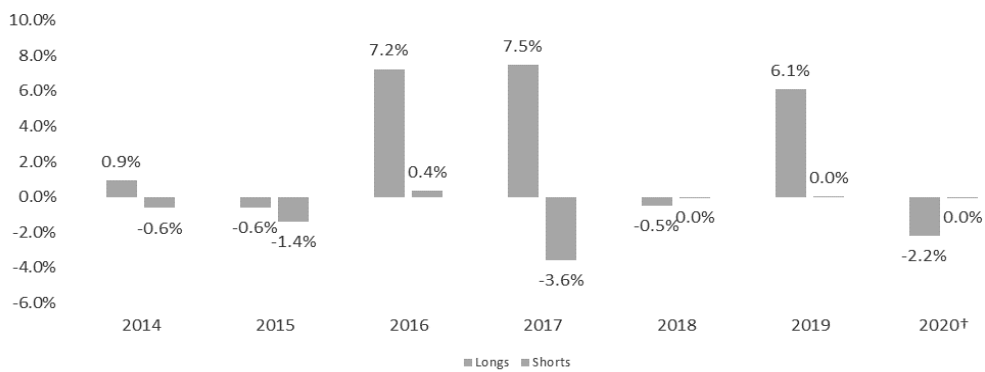






†Returns shown represent a partial year.

The chart below illustrates the Fund's returns for Series F for the period ended June 30, 2020 and for the years ended December 31 for the Fund units by long and short holdings:



†Returns shown represent a partial year.

Annual Compound Returns (Compound Performance)

The following table shows the total returns of the Fund and for its benchmark, the FTSE TMX Canada Universe Bond Index (a market cap weighted index designed to be a broad measure of the Canadian investment grade fixed income market) for the period shown ended June 30, 2020. The Relative Performance returns show the performance of the Fund as compared to the benchmark.

	1 Year	3 Years	5 Years	Annualized Since Inception
Series A	(0.7%)	1.0%	1.8%	1.6%
Series AI	(0.6%)	1.0%	1.9%	1.7%
Series AN	(0.7%)	1.0%	1.8%	1.8%
Series F	(0.1%)	1.5%	2.4%	2.2%
Series FI	(0.1%)	1.6%	2.4%	2.2%
Series FN	(0.1%)	1.5%	2.4%	2.3%
Series I	0.8%	2.5%	N/A	4.1%
Series G	0.3%	2.1%	N/A	2.9%
Series U	(0.2%)	N/A	N/A	1.0%
Series ETF	(0.1%)	N/A	N/A	1.3%
FTSE TMX Canada Universe Bond Index	7.9%	5.3%	4.2%	4.5%

Summary of Investment Portfolio as at June 30, 2020

The summary of investment portfolio below includes information regarding the Fund as a whole. This summary may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by contacting Arrow at 877.327.6048 or by visiting Arrow's website at www.arrow-capital.com.

Industry Sector	Exposure (%)		Top 25 Holdings	%
	Long (%)	Short (%)		
Corporate Bonds	76.8	-	Canada Housing Trust No. 1	15.5%
Derivatives	0.2	(0.8)	Merrill Lynch & Co. Inc., Variable Rate, Callable	8.9%
Equities	1.8	-	Morgan Stanley, Floating Rate, Callable	8.4%
Federal Bonds	17.1	-	Ford Credit Canada Co., Floating Rate	7.6%
Cash and Cash Equivalents	2.1	-	Gibson Energy Inc., Callable	6.3%
Other Net Assets	2.8	-	Sysco Canada Inc., Callable	5.6%
Total	100.8	(0.8)	Laurentian Bank of Canada, Floating Rate	5.0%
			Bank of Montreal, Variable Rate, Callable	4.5%
			Thomson Reuters Corp., Callable	3.1%
			Toronto-Dominion Bank (The)	3.1%
			Royal Bank of Canada	3.1%
			Enbridge Inc., Variable Rate, Callable	3.0%
			Coast Capital Savings Federal Credit Union, Floating Rate	3.0%
			Goldman Sachs Group Inc. (The), Variable Rate, Callable	2.9%
			TransCanada PipeLines Ltd., Callable	2.7%
			Inter Pipeline Ltd., Series '19-B', Variable Rate, Callable	2.7%
			Molson Coors International L.P., Callable	2.4%
			Cash and Cash Equivalents	2.1%
			Wells Fargo & Co., Callable	1.6%
			Brookfield Property Finance ULC	1.5%
			Bank of Nova Scotia, Preferred, Series '32', Variable, Conv., Perp.	1.4%
			Government of Canada	1.4%
			Ford Credit Canada Co., Floating Rate	0.7%
			Molson Coors International L.P., Series '2'	0.6%
			United States Treasury Bond*	0.3%
			Total (%)	97.4%
			Total Net Asset Value (in \$ millions)	162.4

*Credit ratings are obtained from Standard & Poor's, Moody's and/or Dominion Bond Rating Service.