



UNAUDITED FINANCIAL STATEMENTS

JUNE 30, 2020

**EXEMPLAR GROWTH AND INCOME FUND | EXEMPLAR INVESTMENT GRADE FUND |
EXEMPLAR PERFORMANCE FUND**

EXEMPLAR GROWTH AND INCOME FUND

Statements of Financial Position (Unaudited)

As at	June 30, 2020	December 31, 2019
ASSETS:		
Current Assets:		
Financial assets at fair value:		
Investments	229,158,589	205,025,615
Warrants	34,466	49,069
Options - long	468,372	-
Unrealized gain on forward currency contracts	29,127	1,859,627
Cash and cash equivalents	62,191,993	22,204,692
Margin deposits	24,709,212	19,165,870
Dividends receivable	272,755	211,762
Interest receivable	21,149	249,840
Receivable for investments sold	4,173,403	3,179,671
Receivable for redeemable units issued	833,005	877,171
	321,892,071	252,823,317
LIABILITIES:		
Current Liabilities:		
Financial liabilities at fair value:		
Investments sold short	21,336,314	16,289,823
Unrealized loss on forward currency contracts	470,744	-
Payable for investments purchased	1,436,347	3,132,019
Payable for redeemable units redeemed	428,270	124,718
Distributions payable	93,000	52,500
Other liabilities (note 10)	433,084	350,532
	24,197,759	19,949,592
Net Assets Attributable to Holders of Redeemable Units	\$297,694,312	\$232,873,725
Net Assets Attributable to Holders of Redeemable Units by Series:		
Series A	\$78,358,540	\$60,346,003
Series AN	\$47,518,175	\$42,018,693
Series F	\$96,178,904	\$72,451,938
Series FN	\$54,698,307	\$44,463,580
Series I	\$1,000	\$-
Series L	\$5,162,096	\$3,986,499
Series LN	\$3,439,568	\$2,376,436
Series ETF	\$12,337,722	\$7,230,576
Number of Redeemable Units Outstanding: (Note 7)		
Series A	7,456,491	5,683,759
Series AN	4,274,852	3,799,539
Series F	9,018,404	6,762,439
Series FN	4,792,397	3,937,059
Series I	95	-
Series L	504,441	384,970
Series LN	308,877	214,137
Series ETF	600,000	350,000

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EXEMPLAR GROWTH AND INCOME FUND

Statements of Financial Position (Unaudited)

As at	June 30, 2020	December 31, 2019
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Net Assets Attributable to Holders of Redeemable Units per Unit:		
Series A	\$10.51	\$10.62
Series AN	\$11.12	\$11.06
Series F	\$10.66	\$10.71
Series FN	\$11.41	\$11.29
Series I	\$10.53	\$-
Series L	\$10.23	\$10.36
Series LN	\$11.14	\$11.10
Series ETF	\$20.56	\$20.66

Approved on behalf of the Board of Directors of Arrow Capital Management Inc., the Manager of the Fund:

"James L. McGovern"

"Robert W. Maxwell"

James L. McGovern, Director

Robert W. Maxwell, Director

EXEMPLAR GROWTH AND INCOME FUND

Statements of Comprehensive Income (Loss) (Unaudited) For the Periods Ended June 30,

	2020 \$	2019 \$
INCOME:		
Net gains (losses) on investments and derivatives:		
Interest for distribution purposes	376,873	411,160
Dividend income	1,559,721	930,018
Dividend expense on short sales	(69,335)	(53,117)
Securities lending income (note 9)	76,994	54,850
Net realized gain (loss) on investments and derivatives	(190,596)	9,607
Net change in unrealized appreciation (depreciation) in value of investments and derivatives	(761,017)	4,016,338
Net gains (losses) on investments and derivatives	992,640	5,368,856
Other income items:		
Interest on cash	64,881	7,759
Foreign exchange gain (loss)	2,900,437	(205,430)
Net change in unrealized foreign exchange gain (loss)	343,687	(112,932)
Other Income (Loss)	3,309,005	(310,603)
Total Net Income (Loss)	4,301,645	5,058,253
EXPENSES:		
Unitholder reporting fees	333,867	213,137
Management fees (note 10)	1,620,992	733,258
Interest expense	-	5,584
Audit fees	14,861	14,304
Legal fees	8,926	8,113
Independent Review Committee fees	3,286	2,921
Custodial fees	10,670	6,620
Security borrowing expenses	126,276	21,692
Commissions and other portfolio transaction costs (note 11)	167,597	164,601
Withholding tax expense	-	44,842
Harmonized sales tax	205,593	88,664
Total Expenses Before Manager Absorption	2,495,612	1,303,736
Less: expenses absorbed by manager	-	(77,364)
Total Expenses After Manager Absorption	2,495,612	1,226,372
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	1,806,033	3,831,881

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EXEMPLAR GROWTH AND INCOME FUND

Statements of Comprehensive Income (Loss) (Unaudited) For the Periods Ended June 30,

	2020 \$	2019 \$
<i>Continued from previous page</i>		
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units:		
Series A	347,242	1,255,347
Series AN	193,352	458,023
Series F	699,422	1,062,875
Series FN	396,304	687,414
Series I	-	-
Series L	5,000	63,359
Series LN	37	34,800
Series ETF	164,676	270,063
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units Per Unit: (note 12)		
Series A	0.05	0.36
Series AN	0.05	0.25
Series F	0.09	0.42
Series FN	0.09	0.38
Series I	-	-
Series L	0.01	0.34
Series LN	-	0.33
Series ETF	0.63	0.72

EXEMPLAR GROWTH AND INCOME FUND

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (Unaudited) For the Periods Ended June 30,

	2020 \$	2019 \$
Net Assets Attributable to Holders of Redeemable Units - Beginning of Period		
Series A	60,346,003	24,634,422
Series AN	42,018,693	5,651,343
Series F	72,451,938	11,406,980
Series FN	44,463,580	11,357,357
Series I	-	-
Series L	3,986,499	1,166,565
Series LN	2,376,436	707,302
Series ETF	7,230,576	2,528,752
	232,873,725	57,452,721
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units		
Series A	347,242	1,255,347
Series AN	193,352	458,023
Series F	699,422	1,062,875
Series FN	396,304	687,414
Series I	-	-
Series L	5,000	63,359
Series LN	37	34,800
Series ETF	164,676	270,063
	1,806,033	3,831,881
Distributions to Holders of Redeemable Units		
From net investment income		
Series A	(1,070,144)	(605,288)
Series AN	-	-
Series F	(1,298,233)	(480,935)
Series FN	-	-
Series I	-	-
Series L	(71,557)	(33,366)
Series LN	-	-
Series ETF	(120,125)	(150,000)
	(2,560,059)	(1,269,589)
Redeemable Units Transactions		
Proceeds from redeemable units issued		
Series A	23,534,063	26,006,107
Series AN	9,632,633	30,557,795
Series F	30,605,356	34,208,019
Series FN	18,616,308	23,388,066
Series I	1,000	-
Series L	1,384,073	1,658,971
Series LN	1,063,095	1,111,806
Series ETF	9,738,375	11,308,386
	94,574,903	128,239,150

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EXEMPLAR GROWTH AND INCOME FUND

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (Unaudited) For the Periods Ended June 30,

	2020 \$	2019 \$
<i>Continued from previous page.</i>		
Redeemable Units Transactions		
Reinvestments of distributions to holders of redeemable units		
Series A	917,792	510,465
Series AN	-	-
Series F	926,305	352,265
Series FN	-	-
Series I	-	-
Series L	56,384	26,965
Series LN	-	-
Series ETF	-	-
	1,900,481	889,695
Redemption of redeemable units		
Series A	(5,716,416)	(3,077,515)
Series AN	(4,326,503)	(3,642,736)
Series F	(7,205,884)	(871,126)
Series FN	(8,777,885)	(4,539,182)
Series I	-	-
Series L	(198,303)	(146,975)
Series LN	-	(20,323)
Series ETF	(4,675,780)	(2,052,208)
	(30,900,771)	(14,350,065)
Net Increase (Decrease) from Redeemable Units Transactions	65,574,613	114,778,780
Net Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	64,820,587	117,341,072
Series A	78,358,540	48,723,538
Series AN	47,518,175	33,024,425
Series F	96,178,904	45,678,078
Series FN	54,698,307	30,893,655
Series I	1,000	-
Series L	5,162,096	2,735,519
Series LN	3,439,568	1,833,585
Series ETF	12,337,722	11,904,993
Net Assets Attributable to Holders of Redeemable Units - End of Period	297,694,312	174,793,793

EXEMPLAR GROWTH AND INCOME FUND

Statements of Cash Flows (Unaudited) For the Periods Ended June 30,

	2020 \$	2019 \$
Cash Flows From (Used in) Operating Activities:		
Increase (decrease) in net assets attributable to holders of redeemable units	1,806,033	3,831,881
Adjustments to Reconcile Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units to Net Cash from (Used in) Operating Activities:		
Purchase of investments	(464,129,609)	(271,362,877)
Proceeds on sale of investments	443,249,591	206,153,151
Change in margin deposits	(5,543,342)	(13,797,531)
Increase (decrease) in accrued interest receivable	228,691	(212,747)
Increase (decrease) in accrued dividends receivable	(60,993)	(133,952)
Increase (decrease) in other liabilities	82,552	144,622
Increase (decrease) in dividends payable	-	3,133
Increase (decrease) in distributions payable	40,500	86,250
Net realized (gain) loss on investments and derivatives	190,596	(9,607)
Net change in unrealized (appreciation) depreciation in value of investments and derivatives	761,017	(4,016,338)
Unrealized foreign exchange (gain) loss on cash and cash equivalents	(176,243)	7,619
Net Cash from (Used in) Operating Activities	(23,551,207)	(79,306,396)
Cash Flows from (Used in) Financing Activities:		
Proceeds from redeemable units issued	92,935,220	101,148,045
Redemption of redeemable units	(28,913,386)	(13,071,766)
Distributions paid to holders of redeemable units, net of reinvested distributions	(659,569)	(379,894)
Net Cash Flows from (Used in) Financing Activities	63,362,265	87,696,385
Net Increase (Decrease) in Cash and Cash Equivalents	39,811,058	8,389,989
Cash and Cash Equivalents - Beginning of Period	22,204,692	13,366,587
Unrealized foreign exchange gain (loss) on cash and cash equivalents	176,243	(7,619)
Cash and Cash Equivalents - End of Period	62,191,993	21,748,957
Supplemental Disclosure of Cash Flow Information:		
Interest received, net of foreign withholding taxes from operating activities	670,445	206,172
Dividends received, net of foreign withholding tax from operating activities	1,498,728	751,224
Interest expense paid from operating activities	3,544	5,584
Dividend paid from operating activities	69,335	49,984

EXEMPLAR GROWTH AND INCOME FUND

Schedule of Investment Portfolio – As at June 30, 2020

Equities - Long - 42.0%

Security Name	Currency	No. of Shares/Units	Average Cost (\$)	Fair Value (\$)
Communication Services - 1.7%				
BCE Inc.	CAD	33,000	1,903,824	1,868,460
Quebecor Inc., Class 'B', Subordinate Voting Shares	CAD	45,000	1,387,051	1,312,650
Take-Two Interactive Software Inc.	USD	8,000	1,522,897	1,515,842
Tencent Holdings Ltd., ADR*	USD	3,000	261,808	260,659
			5,075,580	4,957,611
Consumer Discretionary - 2.0%				
Amazon.com Inc.	USD	1,300	4,469,155	4,868,986
Dollarama Inc.	CAD	10,000	484,013	451,600
Murphy USA Inc.	USD	4,000	636,349	611,409
			5,589,517	5,931,995
Consumer Staples - 4.4%				
Campbell Soup Co.	USD	8,000	530,324	539,022
Corby Spirit and Wine Ltd.	CAD	28,000	515,655	455,000
General Mills Inc.	USD	10,000	875,976	836,960
Hormel Foods Corp.*	USD	22,000	1,454,542	1,441,690
Kraft Heinz Co. (The)	USD	25,000	1,113,031	1,082,347
Metro Inc.	CAD	27,500	1,520,776	1,540,000
Nomad Foods Ltd.	USD	50,000	1,362,414	1,456,026
Procter & Gamble Co. (The)	USD	7,000	1,113,854	1,136,298
Sprouts Farmers Markets Inc.	USD	40,000	1,313,712	1,389,639
Walgreens Boots Alliance Inc.	USD	30,000	2,162,058	1,726,460
Walmart Inc.	USD	10,000	1,688,303	1,626,133
			13,650,645	13,229,575
Energy - 2.2%				
Advantage Oil & Gas Ltd.	CAD	200,000	472,963	332,000
ARC Resources Ltd.*	CAD	205,000	1,396,524	934,800
Cabot Oil & Gas Corp.	USD	40,000	1,134,346	932,943
Enbridge Inc.	CAD	65,000	3,008,714	2,683,200
Gibson Energy Inc.	CAD	75,000	1,647,798	1,584,750
			7,660,345	6,467,693
Financials - 1.0%				
AGF Management Ltd., Class 'B'	CAD	20,000	113,534	100,400
Brookfield Asset Management Inc., Class 'A'	CAD	35,000	1,624,711	1,563,800
Manulife Financial Corp.	CAD	30,000	584,022	554,100
Morgan Stanley	USD	10,000	645,526	655,721
			2,967,793	2,874,021
Health Care - 7.4%				
Abbott Laboratories	USD	25,000	3,080,504	3,103,134
AbbVie Inc.	USD	20,000	2,377,808	2,665,783
Amgen Inc.	USD	10,000	3,133,335	3,202,035
AstraZeneca PLC, ADR	USD	10,000	750,951	718,035
Centene Corp.	USD	28,000	2,587,500	2,415,713
Curaleaf Holdings Inc.	CAD	70,000	572,738	580,300
CVS Health Corp.	USD	25,000	2,095,234	2,205,082
Eli Lilly and Co.	USD	6,000	1,239,284	1,337,345
Green Thumb Industries Inc.	CAD	100,000	1,329,602	1,355,000
Opsens Inc.*	CAD	215,000	169,850	156,950
Regeneron Pharmaceuticals Inc.	USD	1,500	1,130,422	1,270,001
Sanofi SA, ADR	USD	20,000	1,395,096	1,386,110
STAAR Surgical Co.	USD	3,000	240,349	250,640
Thermo Fisher Scientific Inc.	USD	2,000	790,670	983,826
Zymeworks Inc.	CAD	10,000	219,101	491,273
			21,112,444	22,121,227

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EXEMPLAR GROWTH AND INCOME FUND

Schedule of Investment Portfolio – As at June 30, 2020

Industrials - 2.5%

AECOM	USD	13,000	704,547	663,242
Aecon Group Inc.	CAD	40,000	790,209	590,400
AeroVironment Inc.	USD	10,000	1,001,049	1,081,057
ATS Automation Tooling Systems Inc.	CAD	20,000	413,882	382,400
Bird Construction Inc.*	CAD	115,000	787,652	684,250
Calian Technologies Ltd.	CAD	8,350	372,809	457,831
Canadian National Railway Co.	CAD	13,000	1,559,022	1,561,430
Finning International Inc.	CAD	20,000	492,251	370,200
Flyht Aerospace Solutions Ltd.*	CAD	20,300	29,435	11,165
GDI Integrated Facility Services Inc.	CAD	19,500	618,507	633,555
K-Bro Linen Inc.	CAD	3,600	145,189	95,220
People Corp.	CAD	10,000	99,390	90,300
WSP Global Inc.*	CAD	5,000	430,000	416,300
Xebec Adsorption Inc.*	CAD	90,000	232,886	369,000
			<u>7,676,828</u>	<u>7,406,350</u>

Information Technology - 3.8%

Accenture PLC, Class 'A'	USD	6,000	1,673,615	1,749,023
Cloudera Inc.*	USD	70,000	1,183,915	1,208,807
CloudFlare Inc., Class 'A'	USD	10,000	475,262	488,057
Keysight Technologies Inc.	USD	8,000	1,140,271	1,094,551
Legend Power Systems Inc.	CAD	180,000	138,673	79,200
Martello Technologies Group Inc.	CAD	250,000	52,500	52,500
Microsoft Corp.	USD	6,500	1,601,540	1,795,854
Quisitive Technology Solutions Inc.	CAD	320,000	237,320	217,600
Telefonaktiebolaget LM Ericsson, ADR*	USD	180,000	2,056,323	2,272,622
Visa Inc., Class 'A'	USD	4,500	1,169,813	1,180,114
VMware Inc., Class 'A'	USD	5,000	1,017,140	1,051,190
			<u>10,746,372</u>	<u>11,189,518</u>

Materials - 5.5%

Agnico Eagle Mines Ltd.	CAD	35,000	3,042,327	3,042,550
Barrick Gold Corp.	CAD	70,000	1,500,513	2,557,100
Interfor Corp.	CAD	50,000	696,926	572,000
Kirkland Lake Gold Ltd.	CAD	55,000	2,760,814	3,074,500
Labrador Iron Ore Royalty Corp.	CAD	50,000	1,077,915	1,213,500
Lithium Americas Corp.*	CAD	115,000	607,270	805,000
Lundin Mining Corp.	CAD	75,000	519,673	546,000
Newmont Corp.	USD	45,000	3,497,317	3,771,820
Nutrien Ltd.	CAD	15,000	740,170	654,300
Teck Resources Ltd., Class 'B'	CAD	20,000	290,079	284,400
			<u>14,733,004</u>	<u>16,521,170</u>

Real Estate - 4.5%

American Tower Corp.	USD	6,000	1,944,528	2,105,963
BSR REIT	USD	63,300	756,653	894,724
Choice Properties REIT	CAD	75,000	961,709	955,500
Coresite Realty Corp.	USD	10,000	1,699,149	1,643,511
Digital Realty Trust Inc.*	USD	3,000	569,666	578,786
European Residential REIT	CAD	200,000	866,459	824,000
Granite REIT	CAD	14,000	911,300	980,840
Inovalis REIT	CAD	30,000	307,111	228,300
Minto Apartment REIT	CAD	40,000	721,598	796,000
Public Storage Inc.	USD	7,000	1,803,484	1,823,569
Tricon Capital Group Inc.*	CAD	50,000	576,015	457,500
WPT Industrial REIT	USD	120,000	2,156,116	2,101,565
			<u>13,273,788</u>	<u>13,390,258</u>

Utilities - 7.0%

Algonquin Power & Utilities Corp.*	CAD	70,000	1,098,452	1,228,500
AltaGas Ltd.	CAD	95,000	1,551,148	1,486,750
American Electric Power Co. Inc.	USD	18,000	2,029,414	1,946,147
American Water Works Co. Inc.	USD	12,000	2,086,725	2,096,026
Borex Inc., Class 'A'	CAD	35,300	690,994	1,090,770

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EXEMPLAR GROWTH AND INCOME FUND

Schedule of Investment Portfolio – As at June 30, 2020

Brookfield Infrastructure Corp.*	USD	1,846	104,713	114,129
Brookfield Infrastructure Corp., Class 'A'	CAD	1,888	89,693	116,792
Brookfield Infrastructure Partners L.P.	USD	16,615	918,333	927,299
Brookfield Infrastructure Partners L.P.	CAD	22,000	1,133,016	1,229,140
Brookfield Renewable Partners L.P.	CAD	22,000	1,320,133	1,430,000
Innervex Renewable Energy Inc.	CAD	55,000	903,549	1,050,500
NextEra Energy Inc.	USD	8,000	2,718,185	2,608,438
Superior Plus Corp.	CAD	200,000	2,208,872	2,224,000
TransAlta Corp.*	CAD	150,000	1,321,851	1,207,500
TransAlta Renewables Inc.	CAD	150,000	2,052,987	2,188,500
			20,228,065	20,944,491
			122,714,381	125,033,909

Funds - Long - 30.6%

Security Name	Currency	No. of Shares	Average Cost (\$)	Fair Value (\$)
Exemplar Investment Grade Fund ETF**	CAD	202,400	4,003,078	3,913,070
Exemplar Investment Grade Fund, Series 'I'***	CAD	185,022	1,850,000	1,965,373
iShares 20+ Year Treasury Bond ETF*	USD	65,000	14,829,368	14,465,839
iShares 7-10 Year Treasury Bond ETF	USD	80,000	13,134,148	13,236,057
iShares Barclays 1-3 Year Treasury Bond Fund	USD	100,000	11,682,323	11,758,174
iShares Barclays 3-7 Year Treasury Bond Fund*	USD	120,000	21,040,060	21,776,447
iShares Silver Trust ETF*	USD	100,000	2,261,486	2,309,278
iShares TIPS Bond ETF	USD	10,000	1,650,307	1,669,848
Robo Global Robotics & Automation Index ETF	USD	6,000	353,721	354,252
ProShares Short QQQ ETF*	USD	35,000	931,595	902,804
SPDR Gold Shares ETF*	USD	80,000	15,940,552	18,177,721
WisdomTree Japan Hedged Equity Fund	USD	10,000	647,500	638,344
			88,324,138	91,167,207

Funds - Short - (7.2%)

Security Name	Currency	No. of Shares	Average Cost (\$)	Fair Value (\$)
iShares Russell 1000 Value ETF	USD	(20,000)	(3,010,412)	(3,057,858)
iShares Russell 2000 ETF	USD	(45,000)	(7,537,754)	(8,747,153)
iShares Russell 2000 Value Index Fund	USD	(17,000)	(2,187,069)	(2,249,299)
iShares S&P SmallCap 600 Index Fund	USD	(10,000)	(924,015)	(927,105)
SPDR KBW Regional Banking ETF*	USD	(30,000)	(1,532,019)	(1,563,548)
Ultra S&P500 ProShares ETF	USD	(16,000)	(2,723,539)	(2,716,938)
VanEck Vectors Semiconductor ETF	USD	(10,000)	(2,026,213)	(2,074,413)
			(19,941,021)	(21,336,314)

Fixed Income - Long - 4.4%

Security Name	Maturity Date	Coupon Rate (%)	Currency	Par Value (\$)	Average Cost (\$)	Fair Value (\$)
Corporate Bonds - 0.1%						
Bell Canada, Callable	09-10-29	2.90	CAD	290,000	289,626	308,858
					289,626	308,858
Federal Bonds - 4.3%						
Government of Canada*	11-01-21	1.25	CAD	4,000,000	3,965,900	4,054,052
United States Treasury Bond	11-30-24	1.50	USD	6,000,000	7,883,026	8,594,563
					11,848,926	12,648,615
					12,138,552	12,957,473

EXEMPLAR GROWTH AND INCOME FUND

Schedule of Investment Portfolio – As at June 30, 2020

Warrants - Long - 0.0%

Security Name	Currency	Strike Price (\$)	Maturity Date	Quantity	Average Cost (\$)	Fair Value (\$)
Edgewater Wireless Systems Inc.	CAD	0.24	08-20-23	400,000	-	-
Helius Med Technologies Inc.	CAD	12.25	04-10-21	6,400	5,944	-
Intelgenx Technologies Corp.	CAD	1.31	10-22-21	50,500	13,394	-
Martello Technologies Group	CAD	0.30	05-26-23	250,000	-	15,286
Pioneering Technology Corp.	CAD	1.80	03-21-21	33,000	-	-
Quisitive Technology Solutions, Inc.	CAD	1.10	06-26-22	135,000	-	10,800
Qyou Media Inc.	CAD	0.37	07-19-20	160,000	-	-
Theralase Technologies Inc.	CAD	0.38	11-10-21	258,000	46,570	4,480
Titan Medical Inc.	CAD	22.50	09-20-21	195,000	14,625	3,900
Titan Medical Inc.	CAD	0.50	03-16-21	32,500	-	-
					80,533	34,466
Commissions					(37,686)	
Total Investments - 69.8%					203,278,897	207,856,741
Derivatives (Refer to Schedule of Derivative Instruments) - 0.0%						26,755
Cash and Other Net Assets (Liabilities) - 30.2%						89,810,816
Net Assets Attributable to Holders of Redeemable Units - 100.0%						297,694,312

*Denotes all or part of securities on loan

** Fund is managed by Arrow Capital Management Inc.

EXEMPLAR GROWTH AND INCOME FUND

Schedule of Derivative Instruments – As at June 30, 2020

Options Bought - 0.2%

Security Name	Strike Price (\$)	Expiry Date	Currency	No. of Contracts	Average Cost (\$)	Fair Value (\$)
SPDR Gold Shares Call Option	165.00	08-22-20	USD	600	444,051	468,372
Total Options					444,051	468,372

Forward Currency Contracts - (0.2%)

Counterparty	Purchased		Sold		Credit Rating	Contract Rate	Maturity Date	Unrealized Gain/(Loss) (\$)
	Currency	Notional Value (\$)	Currency	Notional Value (\$)				
BNY Mellon	USD	3,750,000	CAD	(5,066,408)	A1	0.7402	07-07-20	24,533
BNY Mellon	USD	3,750,000	CAD	(5,086,346)	A1	0.7373	07-07-20	4,594

Unrealized Gains 29,127

BNY Mellon	CAD	12,145,446	USD	(9,000,000)	A1	1.3495	07-07-20	(72,810)
BNY Mellon	CAD	64,691,707	USD	(47,800,000)	A1	1.3534	07-07-20	(200,808)
BNY Mellon	CAD	7,391,313	USD	(5,500,000)	A1	1.3439	07-07-20	(75,400)
BNY Mellon	CAD	7,361,706	USD	(5,500,000)	A1	1.3385	07-07-20	(105,006)
BNY Mellon	USD	5,500,000	CAD	(7,483,432)	A1	0.7350	07-07-20	(16,720)

Unrealized Losses (470,744)

Total Forward Currency Contracts (441,617)

Total Derivative Instruments at Fair Value 26,755

EXEMPLAR GROWTH AND INCOME FUND

FUND SPECIFIC NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

For the periods ended June 30, 2020 and December 31, 2019

THE FUND (NOTE 1)

The investment objective of the Exemplar Growth and Income Fund (the "Fund") is to achieve long term growth and preservation of capital. The Fund will invest up to all of its assets in a diversified mix of other mutual funds (in order to gain indirect exposure to securities that the Fund would otherwise directly invest in), and may also invest in common shares, preferred shares, treasury bills, short-term notes, debentures, bonds and forwards. The Fund invests primarily in Canadian securities.

To achieve the investment objective, the portfolio advisor uses an asset allocation approach. The portfolio advisor will analyze the economy and markets with a view to determine which of the above asset classes are more likely to offer attractive risk/return characteristics within a medium to long-term time frame. Generally, the Fund's asset mix will be within the following ranges: 30-90% equity securities, 10-50% fixed income securities and 0-50% money market instruments. Fixed income securities will include investment grade, non-investment grade and distressed fixed income securities, issued by Canadian or non-Canadian corporations, trusts and international agencies and governments. The Fund may invest in foreign securities to an extent that will vary from time to time but is not typically expected to exceed 49% of its assets at the time that foreign securities are purchased. The Fund may also invest in other investment funds, including ETFs, that may or may not be managed by the Manager in order to gain indirect exposure to markets, sectors or asset classes.

FINANCIAL INSTRUMENTS -- RISK MANAGEMENT (NOTE 4)

A general discussion of financial risk management for the Fund appears as Note 4: Financial Instruments – Risk Management.

Credit Risk

The analysis below summarizes the credit quality of the Fund's debt portfolio as at June 30, 2020 and December 31, 2019.

Credit Rating*	Percentage of total debt securities	
	June 30, 2020	December 31, 2019
	%	%
AAA	97.6%	97.3%
AA	0.0%	2.1%
A	0.0%	0.0%
BBB	2.4%	0.6%
Below BBB	0.0%	0.0%
Not Rated	0.0%	0.0%
Total	100.0%	100.0%

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

Market Risk

The following include sensitivity analyses that show how the net assets attributable to holders of redeemable units would have been affected by a reasonably possible change in the relevant risk variable at each reporting date. In practice, the actual results may differ and the differences could be material.

(a) Currency Risk

The table below indicates the Fund's exposure to other currencies as at June 30, 2020 and December 31, 2019 in Canadian dollar terms. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 10% in relation to each of the other currencies, with all other variables held constant. Non-monetary items include equities, funds and warrants. Monetary items include fixed income, forward contracts, options on derivatives, cash and cash equivalents, margin deposits, margin loans and other current receivables and payables, if applicable.

EXEMPLAR GROWTH AND INCOME FUND

FUND SPECIFIC NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

For the periods ended June 30, 2020 and December 31, 2019

June 30, 2020	Exposure			Impact on Net Assets Attributable to Holders of Redeemable Units		
	Monetary	Non-Monetary	Total	Monetary	Non-Monetary	Total
Currency	\$	\$	\$	\$	\$	\$
United States Dollar - Long	56,088,639	158,606,296	214,694,935	5,608,864	15,860,630	21,469,494
United States Dollar - Short	(93,465,313)	(21,336,314)	(114,801,627)	(9,346,531)	(2,133,631)	(11,480,162)
Japanese Yen - Long	70	-	70	7	-	7
Total	(37,376,604)	137,269,982	99,893,378	(3,737,660)	13,726,999	9,989,339
% of net assets attributable to holders of redeemable units	(12.6%)	46.1%	33.6%	(1.3%)	4.6%	3.4%

December 31, 2019	Exposure			Impact on Net Assets Attributable to Holders of Redeemable Units		
	Monetary	Non-Monetary	Total	Monetary	Non-Monetary	Total
Currency	\$	\$	\$	\$	\$	\$
United States Dollar - Long	68,643,774	100,245,792	168,889,566	6,864,377	10,024,579	16,888,956
United States Dollar - Short	(86,574,117)	(16,289,823)	(102,863,940)	(8,657,412)	(1,628,982)	(10,286,394)
Japanese Yen - Long	3,683,064	-	3,683,064	368,306	-	368,306
Total	(14,247,279)	83,955,969	69,708,690	(1,424,729)	8,395,597	6,970,868
% of net assets attributable to holders of redeemable units	(6.1%)	36.1%	29.9%	(0.6%)	3.6%	3.0%

(b) Interest Rate Risk

The table below summarizes the Fund's exposure to interest rate risk as at June 30, 2020 and December 31, 2019. The table also illustrates the potential impact or sensitivity, on the net assets attributable to holders of redeemable units if the prevailing levels of market interest rates changed by 1.0%, assuming a parallel shift in the yield curve with all other variables hold constant.

Term to Maturity	Total Exposure	
	June 30, 2020	December 31, 2019
Less than 1 year	\$ 4,054,052	\$ 967,915
1-3 years	-	6,561,681
3-5 years	8,594,563	5,153,012
Greater than 5 years	308,858	33,962,815
Total	\$ 12,957,473	\$ 46,645,423
Sensitivity:		
Total \$ sensitivity to net assets attributable to holders of redeemable units	+/- \$ 446,893	+/- \$ 3,134,457
Total % sensitivity to net assets attributable to holders of redeemable units	0.2%	1.3%

(c) Price Risk

The Fund's policy is to manage price risk through diversification and selection of investments within specified limits established by the investment restrictions within the prospectus.

As at June 30, 2020, the impact on net assets of the Fund due to a 5% change in market prices of equity and fund securities is \$9,744,963 (December 31, 2019: \$7,106,772) with all other variables constant.

Concentration Risk

The following is a summary of the Fund's concentration risk as of June 30, 2020 and December 31, 2019:

EXEMPLAR GROWTH AND INCOME FUND

FUND SPECIFIC NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

For the periods ended June 30, 2020 and December 31, 2019

Market Segment	June 30, 2020		December 31, 2019	
	Long (%)	Short (%)	Long (%)	Short (%)
Communication Services	1.7	-	1.1	-
Consumer Discretionary	2.0	-	1.1	-
Consumer Staples	4.4	-	1.8	-
Corporate Bonds	0.1	-	0.1	-
Derivatives	0.2	(0.2)	0.8	-
Energy	2.2	-	7.3	-
Federal Bonds	4.3	-	19.5	-
Financials	1.0	-	3.3	-
Funds	30.6	(7.2)	30.7	(6.2)
Health Care	7.4	-	4.1	-
Industrials	2.5	-	2.8	(0.4)
Information Technology	3.8	-	1.4	(0.3)
Materials	5.5	-	3.3	-
Provincial Bonds	-	-	0.4	-
Real Estate	4.5	-	6.1	-
Utilities	7.0	-	5.0	-
Totals	77.2	(7.4)	88.8	(6.9)

FINANCIAL INSTRUMENTS -- FAIR VALUE MEASUREMENT (NOTE 5)

A general discussion of fair value measurement for the Exemplar Funds appears as Note 5: Financial Instruments – Fair Value Measurement.

The following table illustrates the classification of the Fund's assets and liabilities measured at fair value within the fair value hierarchy as at June 30, 2020 and December 31, 2019:

June 30, 2020	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial assets				
Equities	125,033,909	-	-	125,033,909
Fixed income	-	12,957,473	-	12,957,473
Funds	91,167,207	-	-	91,167,207
Derivatives	502,838	29,127	-	531,965
	216,703,954	12,986,600	-	229,690,554
Financial liabilities				
Equities sold short	-	-	-	-
Fixed income sold short	-	-	-	-
Funds sold short	(21,336,314)	-	-	(21,336,314)
Derivatives sold short	-	(470,744)	-	(470,744)
	(21,336,314)	(470,744)	-	(21,807,058)
Total	195,367,640	12,515,856	-	207,883,496

December 31, 2019	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial assets				
Equities	86,873,232	-	-	86,873,232
Fixed income	-	46,645,423	-	46,645,423
Funds	71,506,960	-	-	71,506,960
Derivatives	49,069	1,859,627	-	1,908,696
	158,429,261	48,505,050	-	206,934,311
Financial liabilities				
Equities sold short	(1,569,869)	-	-	(1,569,869)
Fixed income sold short	-	-	-	-
Funds sold short	(14,719,954)	-	-	(14,719,954)
Derivatives sold short	-	-	-	-
	(16,289,823)	-	-	(16,289,823)
Total	142,139,438	48,505,050	-	190,644,488

EXEMPLAR GROWTH AND INCOME FUND

FUND SPECIFIC NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

For the periods ended June 30, 2020 and December 31, 2019

As at June 30, 2020, the Fund did not hold any level 3 financial instruments. There were no transfers between levels 1, 2 and 3 during the periods ended June 30, 2020 and December 31, 2019.

EXEMPLAR INVESTMENT GRADE FUND

Statements of Financial Position (Unaudited)

As at	June 30, 2020	December 31, 2019
ASSETS:		
Current Assets:		
Financial assets at fair value:		
Investments	\$155,428,115	\$161,905,961
Unrealized gain on forward currency contracts	5,823	-
Unrealized gain on futures contracts - long	12,531	199,457
Unrealized gain on futures contracts - short	33,420	456,817
Unrealized gain on swaps contracts	394,363	618,435
Cash and cash equivalents	3,330,291	14,106,418
Margin deposits	6,600,315	3,555,387
Interest receivable	848,571	1,175,115
Receivable for redeemable units issued	117,295	165,669
	166,770,724	182,183,259
LIABILITIES:		
Current Liabilities:		
Financial liabilities at fair value:		
Unrealized loss on forward currency contracts	-	23,801
Unrealized loss on futures contracts - short	105,445	-
Unrealized loss on swap contracts	1,240,324	78,835
Margin loans	2,357,660	816,388
Dividends payable	22,500	18,750
Payable for redeemable units redeemed	448,616	578,841
Other liabilities (note 10)	170,330	194,595
	4,344,875	1,711,210
Net Assets Attributable to Holders of Redeemable Units	\$162,425,849	\$180,472,049
Net Assets Attributable to Holders of Redeemable Units by Series:		
Series A	\$25,007,709	\$28,805,038
Series AI	\$7,076,199	\$7,814,492
Series AN	\$4,272,120	\$7,253,855
Series F	\$77,122,892	\$79,517,362
Series FI	\$16,734,487	\$21,275,560
Series FN	\$17,988,709	\$27,271,369
Series I	\$4,453,875	\$5,937
Series G	\$962,645	\$893,330
Series U	\$107,205	\$106,443
Series ETF	\$8,700,008	\$7,528,663

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EXEMPLAR INVESTMENT GRADE FUND

Statements of Financial Position (Unaudited)

As at	June 30, 2020	December 31, 2019
<i>Continued from previous page.</i>		
Number of Redeemable Units Outstanding: (note 7)		
Series A	2,714,194	3,002,110
Series AI	861,808	904,532
Series AN	427,323	707,852
Series F	8,119,835	8,060,067
Series FI	1,968,512	2,385,247
Series FN	1,770,569	2,625,491
Series I	419,292	549
Series G	71,599	66,984
Series U	8,109	8,108
Series ETF	450,000	375,000
Net Assets Attributable to Holders of Redeemable Units per Unit:		
Series A	\$9.21	\$9.59
Series AI	\$8.21	\$8.64
Series AN	\$10.00	\$10.25
Series F	\$9.50	\$9.87
Series FI	\$8.50	\$8.92
Series FN	\$10.16	\$10.39
Series I	\$10.62	\$10.81
Series G - USD*	\$13.44	\$13.34
Series U - USD*	\$13.22	\$13.13
Series ETF	\$19.33	\$20.08
* USD/CAD Foreign Exchange Rate	\$0.7366	\$0.7701

Approved on behalf of the Board of Directors of Arrow Capital Management Inc., the Manager of the Fund:

“James L. McGovern”

James L. McGovern, Director

“Robert W. Maxwell”

Robert W. Maxwell, Director

EXEMPLAR INVESTMENT GRADE FUND

Statements of Comprehensive Income (Unaudited)

For the Periods ended June 30,

	2020	2019
	\$	\$
INCOME:		
Net Gains (Losses) on Investments and Derivatives:		
Interest for distribution purposes	2,732,775	4,021,896
Dividend income	43,623	89,195
Securities lending income (note 9)	1,055	1,263
Net realized gain (loss) on investments and derivatives	(2,821,829)	(333,732)
Net change in unrealized appreciation (depreciation) in value of investments and derivatives	(3,162,826)	3,774,483
Net Gains (Losses) on Investments and Derivatives	(3,207,202)	7,553,105
Other Income Items:		
Foreign exchange gain (loss)	87,810	71,158
Net change in unrealized foreign exchange gain (loss)	4,235	19,634
Other Income (Loss)	92,045	90,792
Total Net Income (Loss)	(3,115,157)	7,643,897
EXPENSES:		
Unitholder reporting fees	229,911	215,891
Management fees (note 10)	757,352	827,343
Interest expense	10,113	10,453
Audit fees	16,208	14,889
Legal fees	8,926	8,113
Independent Review Committee fees	3,286	2,921
Custodial fees	7,858	9,493
Commissions and other portfolio transaction costs (note 11)	4,712	7,070
Commissions on Futures	11,058	12,805
Harmonized sales tax	84,542	89,663
Total Expenses Before Manager Absorption	1,133,966	1,198,641
Less: expenses absorbed by manager (note 10)	(99,307)	(74,205)
Total Expenses After Manager Absorption	1,034,659	1,124,436
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	(4,149,816)	6,519,461
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units:		
Series A	(780,255)	1,190,872
Series AI	(198,658)	216,228
Series AN	(222,735)	235,673
Series F	(1,782,850)	3,214,130
Series FI	(467,925)	575,655
Series FN	(943,381)	870,108
Series I	349,938	244
Series G	21,975	122
Series U	2,396	(1,338)
Series ETF	(128,321)	217,767

Continued on next page

EXEMPLAR INVESTMENT GRADE FUND

Statements of Comprehensive Income (Unaudited) For the Periods ended June 30,

	2020 \$	2019 \$
<i>Continued from previous page</i>		
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units Per Unit: (note 12)		
Series A	(0.27)	0.34
Series AI	(0.22)	0.28
Series AN	(0.40)	0.33
Series F	(0.22)	0.37
Series FI	(0.22)	0.26
Series FN	(0.43)	0.37
Series I	1.59	0.46
Series G	0.32	0.00
Series U	0.30	(0.25)
Series ETF	(0.31)	0.67

EXEMPLAR INVESTMENT GRADE FUND

Statements of Changes in Net Assets Attributable to Holders of For the Periods ended June 30,

	2020 \$	2019 \$
Net Assets Attributable to Holders of Redeemable Units - Beginning of Period:		
Series A	28,805,038	33,856,860
Series AI	7,814,492	4,622,962
Series AN	7,253,855	5,732,043
Series F	79,517,362	83,253,439
Series FI	21,275,560	6,243,654
Series FN	27,271,369	19,403,769
Series I	5,937	5,544
Series G	893,330	783,431
Series U	106,443	-
Series ETF	7,528,663	4,387,720
	180,472,049	158,289,422
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units:		
Series A	(780,255)	1,190,872
Series AI	(198,658)	216,228
Series AN	(222,735)	235,673
Series F	(1,782,850)	3,214,130
Series FI	(467,925)	575,655
Series FN	(943,381)	870,108
Series I	349,938	244
Series G	21,975	122
Series U	2,396	(1,338)
Series ETF	(128,321)	217,767
	(4,149,816)	6,519,461
Distributions to Holders of Redeemable Units:		
From net investment income:		
Series A	(418,763)	(499,872)
Series AI	(192,548)	(164,717)
Series AN	-	-
Series F	(1,208,644)	(1,288,311)
Series FI	(479,585)	(470,606)
Series FN	-	-
Series I	-	-
Series G	(14,624)	(12,364)
Series U	(1,655)	(653)
Series ETF	(125,000)	(102,500)
Total Distributions to Holders of Redeemable Units	(2,440,819)	(2,539,023)

Continued on next page.

EXEMPLAR INVESTMENT GRADE FUND

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

For the Periods ended June 30,

2020

2019

\$

\$

Continued from previous page.

Redeemable Units Transactions:

Proceeds from redeemable units issued: (note 1)		
Series A	1,966,868	2,748,424
Series AI	156,329	4,728,335
Series AN	571,831	3,570,165
Series F	7,161,024	7,534,676
Series FI	728,156	30,765,450
Series FN	2,221,201	10,812,852
Series I	4,923,000	-
Series G	56,968	104,226
Series U	-	108,720
Series ETF	1,424,666	4,480,893
	19,210,043	64,853,741
Reinvestments of distributions to holders of redeemable units:		
Series A	344,490	419,822
Series AI	61,433	55,347
Series AN	-	-
Series F	535,175	588,039
Series FI	277,588	307,143
Series FN	-	-
Series I	-	-
Series G	12,014	10,591
Series U	21	13
Series ETF	-	-
	1,230,721	1,380,955
Redemption of redeemable units:		
Series A	(4,909,669)	(7,429,765)
Series AI	(564,849)	(833,978)
Series AN	(3,330,831)	(1,356,014)
Series F	(7,099,175)	(10,997,125)
Series FI	(4,599,307)	(7,755,372)
Series FN	(10,560,480)	(3,058,254)
Series I	(825,000)	-
Series G	(7,018)	(3,296)
Series U	-	-
Series ETF	-	-
	(31,896,329)	(31,433,804)
Net Increase (Decrease) from Redeemable Units Transactions	(11,455,565)	34,800,892

Continued on next page.

EXEMPLAR INVESTMENT GRADE FUND

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

For the Periods ended June 30,

	2020 \$	2019 \$
<i>Continued from previous page.</i>		
Net Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units:	(18,046,200)	38,781,330
Series A	25,007,709	30,286,341
Series AI	7,076,199	8,624,177
Series AN	4,272,120	8,181,867
Series F	77,122,892	82,304,848
Series FI	16,734,487	29,665,924
Series FN	17,988,709	28,028,475
Series I	4,453,875	5,788
Series G	962,645	882,710
Series U	107,205	106,742
Series ETF	8,700,008	8,983,880
Net Assets Attributable to Holders of Redeemable Units - End of Period	162,425,849	197,070,752

EXEMPLAR INVESTMENT GRADE FUND

Statements of Cash Flows (Unaudited)

For the Periods ended June 30,

	2020 \$	2019 \$
Cash Flows From (Used in) Operating Activities:		
Increase (decrease) in net assets attributable to holders of redeemable units	(4,149,816)	6,519,461
Adjustments to Reconcile Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units to Net Cash from (Used in) Operating Activities:		
Purchase of investments	(338,515,825)	(293,594,107)
Proceeds on sale of investments	341,984,852	298,291,708
Change in classification of short term notes	(904,134)	-
Change in margin deposits	(3,044,928)	849,527
Change in margin loans	1,541,272	(5,006)
Increase (decrease) in accrued interest receivable	326,544	(401,042)
Increase (decrease) in accrued dividends receivable	-	(4,010)
Increase (decrease) in other liabilities	(24,265)	17,180
Increase (decrease) in accrued dividends payable	3,750	11,250
Net realized (gain) loss on investments and derivatives	2,821,829	333,732
Net change in unrealized (appreciation) depreciation in value of investments and derivatives	3,162,826	(3,774,483)
Unrealized foreign exchange (gain) loss on cash and cash equivalents	-	2,007
Net Cash from (Used in) Operating Activities	3,202,105	8,246,217
Cash Flows from (Used in) Financing Activities:		
Proceeds from redeemable units issued	18,435,087	22,672,134
Redemption of redeemable units	(31,203,221)	(30,005,846)
Distributions paid to holders of redeemable units, net of reinvested distributions	(1,210,098)	(1,158,068)
Net Cash Flows from (Used in) Financing Activities	(13,978,232)	(8,491,780)
Net Increase (Decrease) in Cash and Cash Equivalents	(10,776,127)	(245,563)
Cash and Cash Equivalents - Beginning of Period	14,106,418	973,970
Unrealized foreign exchange gain (loss) on cash and cash equivalents	-	(2,007)
Cash and Cash Equivalents - End of Period	3,330,291	726,400
Supplemental Disclosure of Cash Flow Information:		
Interest received, net of foreign withholding taxes from operating activities	3,059,319	3,620,854
Dividends received, net of foreign withholding tax from operating activities	43,623	85,185
Interest expense paid from operating activities	10,113	10,453

EXEMPLAR INVESTMENT GRADE FUND

Schedule of Investment Portfolio – As at June 30, 2020

Equities - Long - 1.8%

Security Name	Currency	No. of Shares/Units	Average Cost (\$)	Fair Value (\$)
Equities - 1.8%				
Bank of Montreal, Preferred, Class 'B', Series '25', Variable Rate, Perpetual	CAD	9,800	211,363	240,100
Bank of Nova Scotia, Preferred, Series '32', Variable Rate, Convertible, Perpetual	CAD	92,500	2,102,551	2,278,275
Enbridge Inc., Preferred, Series 'B', Variable Rate, Perpetual	CAD	15,200	278,883	164,616
Enbridge Inc., Preferred, Series 'L', Variable Rate, Perpetual	USD	13,086	371,326	277,143
			2,964,123	2,960,134

Fixed Income - Long - 93.9%

Security Name	Maturity Date	Coupon Rate (%)	Currency	Par Value (\$)	Average Cost (\$)	Fair Value (\$)
Corporate Bonds - 76.8%						
Bank of Montreal, Variable Rate, Callable	10-05-28	4.00	USD	5,000,000	6,571,707	7,253,234
Brookfield Property Finance ULC	10-19-21	4.00	CAD	2,477,000	2,521,621	2,495,653
Coast Capital Savings Federal Credit Union, Floating Rate	07-21-21	1.22	CAD	4,893,000	4,893,000	4,829,146
Enbridge Inc., Variable Rate, Callable	09-27-77	5.38	CAD	4,857,000	4,805,505	4,900,808
Ford Credit Canada Co., Floating Rate	09-21-20	1.40	CAD	12,465,000	12,422,860	12,339,851
Ford Credit Canada Co., Floating Rate	01-10-22	3.74	CAD	1,143,000	1,179,587	1,099,143
Gibson Energy Inc., Callable	07-15-24	5.25	CAD	9,873,000	10,477,820	10,280,134
Goldman Sachs Group Inc. (The), Variable Rate, Callable	04-26-23	2.43	CAD	4,647,000	4,587,700	4,721,719
Inter Pipeline Ltd., Series '19-B', Variable Rate, Callable	11-19-79	6.63	CAD	4,684,000	4,723,312	4,307,226
Laurentian Bank of Canada, Floating Rate	12-13-21	1.11	USD	5,977,000	7,877,985	8,115,268
Merrill Lynch & Co. Inc., Variable Rate, Callable	05-30-22	1.49	CAD	14,518,000	14,505,154	14,484,754
Molson Coors International L.P., Callable	07-15-23	2.84	CAD	3,825,000	3,736,288	3,876,251
Molson Coors International L.P., Series '2'	09-18-20	2.75	CAD	950,000	955,450	951,470
Morgan Stanley, Floating Rate, Callable	02-03-23	0.96	CAD	14,000,000	14,012,060	13,619,060
Royal Bank of Canada	03-15-21	2.03	CAD	5,000,000	5,037,650	5,051,201
Sysco Canada Inc., Callable	04-25-25	3.65	CAD	8,907,000	9,334,470	9,151,664
Thomson Reuters Corp., Callable	05-14-25	2.24	CAD	5,000,000	5,000,000	5,112,240
Toronto-Dominion Bank (The)	03-08-21	2.05	CAD	5,000,000	5,037,550	5,051,533
TransCanada PipeLines Ltd., Callable	04-05-27	3.80	CAD	4,000,000	4,284,040	4,424,454
Wells Fargo & Co., Callable	02-08-24	3.18	CAD	2,500,000	2,578,400	2,625,474
					124,542,159	124,690,283
Federal Bonds - 17.1%						
Canada Housing Trust No. 1*	12-15-20	1.25	CAD	25,000,000	25,136,250	25,115,740
Government of Canada*	06-01-27	1.00	CAD	1,000	1,037	1,040
Government of Canada*	09-01-24	1.50	CAD	2,100,000	2,196,012	2,201,581
Government of Canada*	12-01-48	2.75	CAD	1,000	1,267	1,436
Government of Canada*	06-01-29	2.25	CAD	2,000	2,226	2,310
United States Treasury Bond*	03-31-25	0.50	USD	332,000	470,206	455,591
					27,806,998	27,777,698
					152,349,157	152,467,981

Commissions

(751)

Total Investments - 95.7%

155,312,529

155,428,115

Derivatives (Refer to Schedule of Derivative Instruments) - (0.6%)

(899,632)

Cash and Other Net Assets (Liabilities) - 4.9%

7,897,366

Net Assets Attributable to Holders of Redeemable Units - 100.0%

162,425,849

* Denotes all or part of securities on loan

EXEMPLAR INVESTMENT GRADE FUND

Schedule of Derivative Instruments – As at June 30, 2020

Futures Contracts - Long - 0.0%

Security Name	Contract Size	Expiry Date	Currency	No. of Contracts	Notional Value (\$)	Unrealized Gain/(Loss) (\$)
Currency Futures - 0.0%						
Canadian Dollar Currency Futures	1,000	09-15-20	USD	142	14,192,405	12,531
						12,531

Futures Contracts - Short - (0.1%)

Security Name	Contract Size	Expiry Date	Currency	No. of Contracts	Notional Value (\$)	Unrealized Gain/(Loss) (\$)
Bond Futures - (0.1%)						
Canada 5-Year Bond Futures	1,000	09-21-20	CAD	(213)	(27,157,500)	(76,310)
Canada 10-Year Bond Futures	1,000	09-21-20	CAD	(133)	(20,455,400)	33,420
US 5-Year Treasury Notes Futures	1,000	09-30-20	USD	(41)	(6,999,011)	(29,135)
						(72,025)

Swaps - (0.5%)

Security Name		Currency	Notional Value (\$)	Average Cost (\$)	Unrealized Gain/(Loss) (\$)
3-Month CDOR, 9/1/2021, 1.3225%	Interest Rate Swaps	CAD	6,200,000	34,840	(56,603)
3-Month CDOR, 9/1/2023, 1.715%	Interest Rate Swaps	CAD	16,000,000	-	(541,194)
3-Month CDOR, 9/1/2021, P1.3225%	Interest Rate Swaps	CAD	21,850,000	-	(198,984)
3-Month CDOR, 8/23/2022, 1.855%	Interest Rate Swaps	CAD	4,000,000	-	(109,049)
TRS R Bond Basket P CDOR, 3/11/2021, 1M+25bps	Total Return Swap	CAD	74,974,029	-	394,363
TRS R Preferred Basket P CDOR, 3/11/2021, 1M	Total Return Swap	CAD	43,440,800	-	(334,494)
				34,840	(845,961)

Forward Currency Contracts - 0.0%

Counterparty	Purchased		Sold		Credit Rating	Contract Rate (\$)	Maturity Date	Unrealized Gain/(Loss) (\$)
	Currency	Notional Value (\$)	Currency	Notional Value (\$)				
BNY Mellon	USD	696,000	CAD	(939,645)	A1	0.740705	07-07-20	5,233
BNY Mellon	USD	78,000	CAD	(105,302)	A1	0.740728	07-07-20	590
Unrealized Gains								5,823
Total forward currency contracts								5,823

Total Derivative Instruments at Fair Value **\$(899,632)**

EXEMPLAR INVESTMENT GRADE FUND

FUND SPECIFIC NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

For the periods ended June 30, 2020 and December 31, 2019

THE FUND (NOTE 1)

The investment objective of the Exemplar Investment Grade Fund (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.

The Fund's overall risk management program seeks to maximize the returns derived for the level of risk to which the Fund is exposed and seeks to minimize potential adverse effects on the Fund's financial performance.

FINANCIAL INSTRUMENTS -- RISK MANAGEMENT (NOTE 4)

A general discussion of financial risk management for the Fund appears as Note 4: Financial Instruments – Risk Management.

Credit Risk

The analysis below summarizes the credit quality of the Fund's debt portfolio as at June 30, 2020 and December 31, 2019.

Credit Rating*	Percentage of total debt securities	
	June 30, 2020	December 31, 2019
	%	%
AAA	18.2	-
AA	6.6	-
A	19.1	31.8
BBB	41.2	56.5
Below BBB	14.9	11.7
Not Rated	-	-
Total	100.0	100.0

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

Liquidity Risk

From time to time, the Fund may use margin borrowings in one or more of its brokerage accounts. For the period ended June 30, 2020, the minimum margin borrowings used was \$513,249 and the maximum margin borrowings used was \$1,907,864 (December 31, 2019: min: \$nil, max: \$974,275).

Market Risk

The following include sensitivity analyses that show how the net assets attributable to holders of redeemable units would have been affected by a reasonably possible change in the relevant risk variable at each reporting date. In practice, the actual results may differ and the differences could be material.

(a) Currency Risk

The table below indicates the Fund's exposure to USD as at June 30, 2020 and December 31, 2019 in Canadian dollar terms. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 10% in relation to USD, with all other variables held constant. Non-monetary items include non-financial options. Monetary items include future contracts, forward currency contracts, options on derivatives, bonds, cash, margin deposit, swaps and other current receivables and payables.

EXEMPLAR INVESTMENT GRADE FUND

FUND SPECIFIC NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

For the periods ended June 30, 2020 and December 31, 2019

Currency	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary	Non-Monetary	Total	Monetary	Non-Monetary	Total
	\$	\$	\$	\$	\$	\$
June 30, 2020						
United States Dollar - Long	20,235,701	277,143	20,512,844	2,023,570	27,714	2,051,284
United States Dollar - Short	(2,018,075)	-	(2,018,075)	(201,808)	-	(201,808)
Euro Currency - Short	(24,750)	-	(24,750)	(2,475)	-	(2,475)
Total	18,192,876	277,143	18,470,019	1,819,287	27,714	1,847,001
Redeemable units issued in USD			(1,069,850)			(106,985)
Net exposure to foreign currencies			17,400,169			1,740,016
% of net assets attributable to holders of redeemable units	11.2%	0.2%	11.4%	1.1%	0.0%	1.1%
% of net assets attributable to units issued in USD			(0.7%)			(0.1%)
% of net assets exposed to foreign currencies			10.7%			1.0%

Currency	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary	Non-Monetary	Total	Monetary	Non-Monetary	Total
	\$	\$	\$	\$	\$	\$
December 31, 2019						
United States Dollar - Long	18,374,023	322,864	18,696,887	1,837,402	32,286	1,869,688
United States Dollar - Short	(772,733)	-	(772,733)	(77,273)	-	(77,273)
Euro Currency - Long	11	-	11	1	-	1
Euro Currency - Short	(23,567)	-	(23,567)	(2,357)	-	(2,357)
Total	17,577,734	322,864	17,900,598	1,757,773	32,286	1,790,059
Redeemable units issued in USD			(999,773)			(99,977)
Net exposure to foreign currencies			16,900,825			1,690,082
% of net assets attributable to holders of redeemable units	9.7%	0.2%	9.9%	1.0%	0.0%	1.0%
% of net assets attributable to units issued in USD			(0.6%)			(0.1%)
% of net assets exposed to foreign currencies			9.3%			0.9%

(b) Interest Rate Risk

The table below summarizes the Fund's exposure to interest rate risk as at June 30, 2020 and December 31, 2019. The table also illustrates the potential impact, or sensitivity, on the net assets attributable to holders of redeemable units if the prevailing levels of market interest rates changed by 1.0%, assuming a parallel shift in the yield curve with all other variables held constant.

Term to Maturity	Long Positions		Short Positions	
	June 30, 2020	December 31, 2019	June 30, 2020	December 31, 2019
Less than 1 year	\$ 48,509,795	\$ 45,873,338	\$ -	\$ -
1-3 years	81,414,743	107,075,991	-	-
3-5 years	49,702,935	65,288,642	-	-
Greater than 5 years	20,890,508	22,881,971	(54,611,911)	(37,585,577)
Total	\$ 200,517,981	\$ 241,119,942	\$ (54,611,911)	\$ (37,585,577)
Sensitivity:				
Total \$ sensitivity	+/- \$ 5,602,851	+/- \$ 6,718,461	+/- \$ 3,216,846	+/- \$ 2,214,310
Total % sensitivity	3.4%	3.7%	2.0%	1.2%

(c) Price Risk

The Fund's policy is to manage price risk through pursuit of a diversified investment program that focuses on investment-grade fixed income securities while utilizing other assets such as options and credit default swaps, to extract relative value and to manage credit exposure.

The Fund engages in short selling activities, wherein it borrows securities and sells them to third parties. Until the Fund covers its short sales, it is exposed to market risk to the extent that subsequent market fluctuations may require purchasing securities sold, not yet purchased, at prices which may be significantly higher than the fair value reflected on the financial statements.

EXEMPLAR INVESTMENT GRADE FUND

FUND SPECIFIC NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

For the periods ended June 30, 2020 and December 31, 2019

As at June 30, 2020, if the Fund's relevant benchmark index, FTSE TMX Canada Universe Bond Index, had increased or decreased by 5%, with all other variables held constant, the net assets attributable to holders of redeemable units of the Fund would have increased or decreased by \$3,141,763 (December 31, 2019 \$721,888).

Concentration Risk

The following is a summary of the Fund's concentration risk as of June 30, 2020 and December 31, 2019:

Market Segment	June 30, 2020		December 31, 2019	
	Long (%)	Short (%)	Long (%)	Short (%)
Corporate Bonds	76.8	-	88.0	-
Derivatives	0.2	(0.8)	0.8	(0.1)
Equities	1.8	-	1.7	-
Federal Bonds	17.1	-	0.0	-
Totals	95.9	(0.8)	90.5	(0.1)

FINANCIAL INSTRUMENTS -- FAIR VALUE MEASUREMENT (NOTE 5)

A general discussion of fair value measurement for the Fund appears as Note 5: Financial Instruments – Fair Value Measurement.

The following table illustrates the classification of the Fund's assets and liabilities measured at fair value within the fair value hierarchy as at June 30, 2020 and December 31, 2019:

June 30, 2020	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial assets				
Equities	2,960,134	-	-	2,960,134
Fixed income	84,117,394	68,350,587	-	152,467,981
Derivatives	45,951	400,186	-	446,137
	87,123,479	68,750,773	-	155,874,252
Financial liabilities				
Derivatives	(646,639)	(699,130)	-	(1,345,769)
	(646,639)	(699,130)	-	(1,345,769)
Total	86,476,840	68,051,643	-	154,528,483

December 31, 2019	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial assets				
Equities	3,067,019	-	-	3,067,019
Fixed income	-	158,838,942	-	158,838,942
Derivatives	962,646	312,063	-	1,274,709
	4,029,665	159,151,005	-	163,180,670
Financial liabilities				
Derivatives	(78,835)	(23,801)	-	(102,636)
	(78,835)	(23,801)	-	(102,636)
Total	3,950,830	159,127,204	-	163,078,034

As at June 30, 2020 and December 31, 2019 the Fund did not hold any level 3 financial instruments. There were no transfers between levels 1, 2 and 3 during the periods ended June 30, 2020 and December 31, 2019.

EXEMPLAR PERFORMANCE FUND

Statements of Financial Position (Unaudited)

As at	June 30, 2020	December 31, 2019
ASSETS:		
Current Assets:		
Financial assets at fair value:		
Investments	\$33,391,488	\$33,943,904
Cash and cash equivalents	4,349,279	4,570,810
Margin deposits	2,254,624	2,156,467
Dividends receivable	28,562	35,617
Interest receivable	2,528	3,160
Receivable for investments sold	326,448	4,187
Receivable for redeemable units issued	22,787	18,275
	40,375,716	40,732,420
LIABILITIES:		
Current Liabilities:		
Financial liabilities at fair value:		
Investments sold short	1,463,544	1,195,487
Payable for investments purchased	3,618	12,049
Dividends payable	2,102	2,694
Payable for redeemable units redeemed	38,408	8,235
Other liabilities (note 10)	530,233	85,860
	2,037,905	1,304,325
Net Assets Attributable to Holders of Redeemable Units	\$38,337,811	\$39,428,095
Net Assets Attributable to Holders of Redeemable Units by Series:		
Series A	\$9,979,224	\$10,541,324
Series AD	\$227,982	\$228,499
Series F	\$26,406,664	\$26,709,421
Series FD	\$224,815	\$242,987
Series I	\$6,459	\$6,317
Series L	\$1,401,630	\$1,606,877
Series LD	\$91,037	\$92,670
Number of Redeemable Units Outstanding: (note 7)		
Series A	678,513	738,046
Series AD	20,108	20,599
Series F	1,711,984	1,771,440
Series FD	18,387	20,418
Series I	461	461
Series L	104,527	123,627
Series LD	8,012	8,284

Continued on next page

EXEMPLAR PERFORMANCE FUND

Statements of Financial Position (Unaudited)

As at	June 30, 2020	December 31, 2019
<i>Continued from previous page</i>		
Net Assets Attributable to Holders of Redeemable Units per Unit:		
Series A	\$14.71	\$14.28
Series AD	\$11.34	\$11.09
Series F	\$15.42	\$15.08
Series FD	\$12.23	\$11.90
Series I	\$14.01	\$13.72
Series L	\$13.41	\$13.00
Series LD	\$11.36	\$11.19

Approved on behalf of the Board of Directors of Arrow Capital Management Inc., the Manager of the Fund:

“James L. McGovern”

James L. McGovern, Director

“Robert W. Maxwell”

Robert W. Maxwell, Director

EXEMPLAR PERFORMANCE FUND

Statements of Comprehensive Income (Loss) (Unaudited) For the Periods ended June 30,

	2020 \$	2019 \$
INCOME:		
Net gains (losses) on investments and derivatives:		
Interest for distribution purposes	6,837	13,290
Dividend income	156,425	179,726
Dividend expense on short sales	(14,530)	(14,016)
Securities lending income (net) (note 9)	9,878	28,387
Net realized gain (loss) on investments and derivatives	(799,741)	(51,941)
Net change in unrealized appreciation (depreciation) in value of investments and derivatives	2,138,055	6,020,917
Net gains (losses) on investments and derivatives	1,496,924	6,176,363
Other income items:		
Interest on cash	7,591	11,903
Foreign exchange gain (loss)	157,596	105,923
Net change in unrealized foreign exchange gain (loss)	(30,457)	(416,597)
Other Income (Loss)	134,730	(298,771)
Total Net Income (Loss)	1,631,654	5,877,592
EXPENSES:		
Unitholder reporting fees	89,361	92,029
Management fees (note 10)	249,470	278,997
Performance fees (note 10)	412,449	10,020
Audit fees	10,778	9,978
Legal fees	9,355	8,113
Independent Review Committee fees	3,286	2,921
Custodial fees	988	1,676
Security borrowing expenses	7,738	8,897
Commissions and other portfolio transaction costs (note 11)	14,263	11,830
Withholding tax expense	1,897	6,764
Harmonized sales tax	91,129	46,142
Total Expenses	890,714	477,367
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	740,940	5,400,225
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units:		
Series A	278,014	1,516,740
Series AD	1,349	26,789
Series F	403,641	3,456,823
Series FD	8,717	52,910
Series I	142	777
Series L	46,710	319,005
Series LD	2,367	27,181
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units Per Unit: (Note 12)		
Series A	0.40	1.68
Series AD	0.07	1.30
Series F	0.23	1.82
Series FD	0.47	1.53
Series I	0.31	1.69
Series L	0.42	1.56
Series LD	0.29	1.32

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

SEMI-ANNUAL REPORT JUNE 30, 2020

EXEMPLAR PERFORMANCE FUND

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (Unaudited) For the Periods ended June 30,

	2020 \$	2019 \$
Net Assets Attributable to Holders of Redeemable Units - Beginning of Period		
Series A	10,541,324	11,636,659
Series AD	228,499	198,439
Series F	26,709,421	25,474,346
Series FD	242,987	442,948
Series I	6,317	5,240
Series L	1,606,877	2,728,131
Series LD	92,670	206,102
	39,428,095	40,691,865
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units		
Series A	278,014	1,516,740
Series AD	1,349	26,789
Series F	403,641	3,456,823
Series FD	8,717	52,910
Series I	142	777
Series L	46,710	319,005
Series LD	2,367	27,181
	740,940	5,400,225
Distributions to Holders of Redeemable Units		
From net investment income		
Series A	-	-
Series AD	(2,281)	(2,144)
Series F	-	-
Series FD	(2,167)	(3,074)
Series I	-	-
Series L	-	-
Series LD	(914)	(2,108)
	(5,362)	(7,326)
Total Distributions to Holders of Redeemable Units	(5,362)	(7,326)
Redeemable Units Transactions		
Proceeds from redeemable units issued		
Series A	276,863	497,195
Series AD	52,451	3,405
Series F	2,764,633	3,273,488
Series FD	8,500	-
Series I	-	-
Series L	8,953	61,719
Series LD	-	-
	3,111,400	3,835,807

Continued on next page.

EXEMPLAR PERFORMANCE FUND

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (Unaudited) For the Periods ended June 30,

	2020 \$	2019 \$
<i>Continued from previous page.</i>		
Reinvestments of distributions to holders of redeemable units		
Series A	-	-
Series AD	1,777	1,667
Series F	-	-
Series FD	393	705
Series I	-	-
Series L	-	-
Series LD	914	1,409
	3,084	3,781
Redemption of redeemable units		
Series A	(1,116,977)	(2,497,214)
Series AD	(53,813)	(3,172)
Series F	(3,471,031)	(5,696,181)
Series FD	(33,615)	(248,836)
Series I	-	-
Series L	(260,910)	(1,209,701)
Series LD	(4,000)	(87,091)
	(4,940,346)	(9,742,195)
Net Increase (Decrease) from Redeemable Units Transactions	(1,825,862)	(5,902,607)
Net Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	(1,090,284)	(509,708)
Series A	9,979,224	11,153,380
Series AD	227,982	224,984
Series F	26,406,664	26,508,476
Series FD	224,815	244,653
Series I	6,459	6,017
Series L	1,401,630	1,899,154
Series LD	91,037	145,493
Net Assets Attributable to Holders of Redeemable Units - End of Period	38,337,811	40,182,157

EXEMPLAR PERFORMANCE FUND

Statements of Cash Flows (Unaudited) For the Periods ended June 30,

	2020 \$	2019 \$
Cash Flows From (Used in) Operating Activities:		
Increase (decrease) in net assets attributable to holders of redeemable units	740,940	5,400,225
Adjustments to Reconcile Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units to Net Cash from (Used in) Operating Activities:		
Purchase of investments	(7,472,499)	(7,353,712)
Proceeds on sale of investments	9,300,596	4,051,606
Change in margin deposits	(98,157)	(514,398)
Increase (decrease) in accrued interest receivable	632	(3,438)
Increase (decrease) in accrued dividends receivable	7,055	1,070
Increase (decrease) in other liabilities	444,373	4,673
Increase (decrease) in accrued dividends payable	(592)	1,324
Net realized (gain) loss on investments and derivatives	799,741	51,941
Net change in unrealized (appreciation) depreciation in value of investments and derivatives	(2,138,055)	(6,020,917)
Unrealized foreign exchange (gain) loss on cash and cash equivalents	24,639	378,966
Net Cash from (Used in) Operating Activities	1,608,673	(4,002,660)
Cash Flows from (Used in) Financing Activities		
Proceeds from redeemable units issued	2,972,283	3,085,642
Redemption of redeemable units	(4,775,569)	(9,268,469)
Distributions paid to holders of redeemable units, net of reinvested distributions	(2,279)	(3,545)
Net Cash Flows from (Used in) Financing Activities	(1,805,565)	(6,186,372)
Net Increase (Decrease) in Cash and Cash Equivalents	(196,892)	(10,189,032)
Cash and Cash Equivalents - Beginning of Period	4,570,810	14,299,461
Unrealized foreign exchange gain (loss) on cash and cash equivalents	(24,639)	(378,966)
Cash and Cash Equivalents - End of Period	4,349,279	3,731,463
Supplemental Disclosure of Cash Flow Information:		
Interest received, net of foreign withholding taxes from operating activities	15,060	21,755
Dividends received, net of foreign withholding tax from operating activities	161,583	174,032
Dividend paid from operating activities	15,122	12,692

EXEMPLAR PERFORMANCE FUND

Schedule of Investment Portfolio – As at June 30, 2020

Equities - Long - 72.4%

Security Name	Currency	No. of Shares/Units	Average Cost (\$)	Fair Value (\$)
Communication Services - 1.4%				
Activision Blizzard Inc.	USD	200	18,099	20,608
Alphabet Inc., Class 'A'	USD	220	416,571	423,532
Nintendo Co. Ltd., ADR	USD	30	2,396	2,277
Shaw Communications Inc., Class 'B'	CAD	140	2,843	3,100
Take-Two Interactive Software Inc.	USD	20	3,818	3,790
TELUS Corp.*	CAD	3,070	77,441	69,904
Tencent Holdings Ltd., ADR*	USD	190	14,252	16,508
			535,420	539,719
Consumer Discretionary - 6.5%				
Amazon.com Inc.	USD	360	1,025,861	1,348,335
Chegg Inc.	USD	160	14,265	14,610
Chewy Inc.	USD	10	643	607
Dollar General Corp.	USD	560	139,543	144,836
DraftKings Inc., Class 'A'	USD	400	17,700	18,062
Fiverr International Ltd.	USD	110	9,662	11,024
Lowe's Cos. Inc.	USD	180	29,226	33,019
LVMH Moët Hennessy Louis Vuitton SA ADR	USD	140	16,255	16,807
Moncler SPA	EUR	3,000	177,665	155,760
Nike Inc., Class 'B'	USD	80	10,258	10,649
Park Lawn Corp.	CAD	29,200	567,559	654,664
Peloton Interactive Inc., Class 'A'	USD	80	4,979	6,274
Tesla Motors Inc.	USD	20	21,200	29,319
Wyndham Hotels & Resorts Inc.	USD	880	56,804	50,918
			2,091,620	2,494,884
Consumer Staples - 1.2%				
Alimentation Couche-Tard Inc., Class 'B'	CAD	6,940	233,210	295,436
Beyond Meat Inc.*	USD	310	62,390	56,386
Jamieson Wellness Inc.	CAD	1,050	28,861	37,359
Metro Inc.	CAD	300	14,651	16,800
Tyson Foods Inc., Class 'A'	USD	820	70,629	66,471
			409,741	472,452
Energy - 4.1%				
Computer Modelling Group Ltd.	CAD	20,700	186,750	98,325
Gibson Energy Inc.	CAD	600	12,416	12,678
Parex Resources Inc.	CAD	30,000	501,739	490,800
Parkland Corp.	CAD	1,800	80,338	60,678
Suncor Energy Inc.	CAD	10,500	475,036	240,345
TC Energy Corp.	CAD	11,300	602,360	655,400
			1,858,639	1,558,226
Financials - 2.4%				
Brookfield Asset Management Inc., Class 'A'	CAD	6,795	257,798	303,601
E*TRADE Financial Corp.	USD	2,750	185,844	185,662
eHealth Inc.	USD	10	1,458	1,334
Goldman Sachs Group Inc. (The)	USD	400	112,600	107,316
JPMorgan Chase & Co.	USD	990	137,650	126,419
National Bank of Canada	CAD	840	52,949	51,677
S&P Global Inc.	USD	280	77,363	125,245
TMX Group Ltd.	CAD	130	12,746	17,450
			838,408	918,704

EXEMPLAR PERFORMANCE FUND

Schedule of Investment Portfolio – As at June 30, 2020

Health Care - 4.4%

AstraZeneca PLC, ADR	USD	5,270	386,994	378,404
Gilead Sciences Inc.	USD	100	10,408	10,445
GW Pharmaceuticals PLC, ADR	USD	110	18,306	18,327
Moderna Inc.*	USD	70	6,293	6,102
Novo Nordisk AS, ADR	USD	60	5,312	5,334
Regeneron Pharmaceuticals Inc.	USD	50	38,259	42,333
Royalty Pharma PLC, Class 'A'	USD	30	1,981	1,977
Veeva Systems Inc., Class 'A'	USD	320	87,526	101,840
Zoetis Inc.	USD	6,000	491,113	1,116,273
			1,046,192	1,681,035

Industrials - 16.1%

AECOM	USD	520	28,778	26,530
AG Growth International Inc.	CAD	8,180	431,854	223,478
Boyd Group Services Inc.	CAD	15,960	3,174,444	3,225,037
CAE Inc.	CAD	10,600	183,031	233,412
Canadian Pacific Railway Ltd.	CAD	3,270	762,527	1,129,196
Cargojet Inc.	CAD	20	1,627	3,200
Morneau Shepell Inc.	CAD	12,100	213,160	383,449
Toromont Industries Ltd.	CAD	5,010	185,079	337,524
Waste Connections Inc.	CAD	1,190	100,574	151,356
WSP Global Inc.*	CAD	5,340	453,488	444,608
Xebec Adsorption Inc.*	CAD	800	1,993	3,280
			5,536,555	6,161,070

Information Technology - 24.2%

Adobe Inc.	USD	1,410	389,314	833,277
Apple Inc.	USD	40	19,518	19,810
Cloudera Inc.*	USD	70	1,071	1,209
Constellation Software Inc.	CAD	450	407,215	689,801
Coupa Software Inc.*	USD	300	93,251	112,833
Descartes Systems Group Inc. (The)	CAD	15,890	571,328	1,138,836
DocuSign Inc.	USD	10	2,255	2,338
Fidelity National Information Services Inc.	USD	130	21,389	23,665
Fortinet Inc.	USD	220	31,772	40,999
Global Payments Inc.	USD	630	158,064	145,074
Keysight Technologies Inc.	USD	370	39,784	50,623
Kinaxis Inc.	CAD	4,000	169,612	776,240
Lumentum Holdings Inc.*	USD	1,150	120,843	127,132
MasterCard Inc., Class 'A'	USD	800	204,728	321,154
Microsoft Corp.	USD	1,960	292,895	541,519
NVIDIA Corp.	USD	340	149,536	175,360
PayPal Holdings Inc.	USD	1,850	191,747	437,589
ServiceNow Inc.	USD	340	177,106	186,969
Shopify Inc., Class 'A'	USD	2,090	509,998	2,693,245
Slack Technologies Inc, Class 'A**	USD	240	10,122	10,130
Twilio Inc.*	USD	130	33,999	38,725
Visa Inc., Class 'A**	USD	3,460	485,713	907,377
Zebra Technologies Corp., Class 'A'	USD	20	5,302	6,950
Zoom Video Communications Inc.*	USD	20	5,970	6,884
			4,092,532	9,287,739

Materials - 3.0%

Agnico Eagle Mines Ltd.	CAD	2,240	127,787	194,723
B2Gold Corp.	CAD	4,590	26,679	35,435
Barrick Gold Corp.	CAD	1,200	27,194	43,836
Equinox Gold Corp.*	CAD	17,080	94,567	259,274
First Quantum Minerals Ltd.	CAD	1,210	14,176	13,092
Franco-Nevada Corp.	CAD	780	100,731	147,927
Kirkland Lake Gold Ltd.	CAD	5,700	62,237	318,630
Lithium Americas Corp.*	CAD	3,340	22,641	23,380
Lundin Mining Corp.	CAD	800	5,346	5,824
Rio Tinto PLC, ADR	USD	340	23,260	25,932
SilverCrest Metals Inc.	CAD	5,100	37,189	63,495

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EXEMPLAR PERFORMANCE FUND

Schedule of Investment Portfolio – As at June 30, 2020

Solaris Resources Inc.	CAD	2,030	-	-
West Fraser Timber Co. Ltd.	CAD	340	13,017	16,225
			554,824	1,147,773
Real Estate - 3.4%				
American Tower Corp.	USD	150	48,115	52,649
StorageVault Canada Inc.	CAD	395,800	336,430	1,262,602
			384,545	1,315,251
Utilities - 5.7%				
Algonquin Power & Utilities Corp.*	CAD	420	7,711	7,371
American Water Works Co. Inc.	USD	40	6,613	6,987
Boralex Inc., Class 'A'	CAD	830	22,142	25,647
Brookfield Infrastructure Corp.*	USD	1,155	41,231	71,408
Brookfield Infrastructure Corp., Class 'A'	CAD	1,400	53,812	86,604
Brookfield Infrastructure Partners L.P.	USD	9,350	325,223	521,832
Brookfield Infrastructure Partners L.P.	CAD	12,600	516,656	703,962
NextEra Energy Inc.	USD	390	129,979	127,161
Northland Power Inc.	CAD	17,900	421,899	608,242
TransAlta Corp.	CAD	690	6,309	5,555
			1,531,575	2,164,769
			18,880,051	27,741,622

Equities - Short - (1.1%)

Security Name	Currency	No. of Shares/Units	Average Cost (\$)	Fair Value (\$)
Communication Services - (0.3%)				
Facebook Inc., Class 'A'	USD	(230)	(61,610)	(70,902)
Walt Disney Co. (The)	USD	(220)	(32,723)	(33,305)
			(94,333)	(104,207)
Consumer Discretionary - (0.4%)				
Booking Holdings Inc.	USD	(60)	(123,586)	(129,706)
Hilton Worldwide Holdings Inc.	USD	(200)	(21,319)	(19,943)
			(144,905)	(149,649)
Consumer Staples - (0.1%)				
Premium Brands Holdings Corp.	CAD	(480)	(40,152)	(41,568)
			(40,152)	(41,568)
Financials - (0.1%)				
Bank of Montreal	CAD	(100)	(7,299)	(7,226)
Laurentian Bank of Canada	CAD	(1,270)	(50,833)	(36,322)
			(58,132)	(43,548)
Industrials - (0.1%)				
Boeing Co. (The)	USD	(80)	(20,760)	(19,908)
Brookfield Business Partners L.P.	USD	(20)	(812)	(833)
Canadian National Railway Co.	CAD	(140)	(15,642)	(16,815)
			(37,214)	(37,556)
Information Technology - (0.0%)				
Sabre Corp.	USD	(1,130)	(11,107)	(12,365)
Materials - (0.0%)				
Methanex Corp.	CAD	(730)	(14,236)	(17,885)
			(14,236)	(17,885)
			(400,079)	(406,778)

EXEMPLAR PERFORMANCE FUND

Schedule of Investment Portfolio – As at June 30, 2020

Funds - Long - 14.3%

Security Name	Currency	No. of Shares	Average Cost (\$)	Fair Value (\$)
Arrow Global Advantage Alternative Class, Series 'ETF**	CAD	175,664	3,513,148	3,687,913
Consumer Staples Select Sector SPDR Fund*	USD	2,910	208,208	231,664
ETFMG Prime Cyber Security ETF	USD	1,070	60,212	64,613
Financial Select Sector SPDR Fund*	USD	890	30,933	27,959
Health Care Select Sector SPDR Fund*	USD	530	66,373	72,003
Industrial Select Sector SPDR Fund*	USD	70	6,530	6,529
Invesco QQQ Trust, Series '1**	USD	390	112,305	131,095
iShares S&P/TSX Global Gold Index ETF	CAD	520	10,163	11,216
iShares Silver Trust ETF*	USD	280	6,297	6,466
iShares U.S. Broker-Dealers & Securities Exchanges ETF	USD	1,420	126,050	115,382
iShares U.S. Home Construction ETF	USD	60	3,480	3,596
SPDR Gold Shares ETF*	USD	4,330	746,284	983,869
VanEck Vectors Semiconductor ETF	USD	660	116,999	136,911
			5,006,982	5,479,216

Funds - Short - (2.8%)

Security Name	Currency	No. of Shares	Average Cost (\$)	Fair Value (\$)
Innovator ETFs Trust	USD	(1,440)	(61,716)	(67,289)
iShares MSCI Hong Kong ETF	USD	(530)	(15,160)	(15,376)
iShares Russell 2000 Growth ETF	USD	(680)	(180,603)	(190,976)
iShares S&P SmallCap 600 Index Fund	USD	(2,860)	(242,371)	(265,152)
iShares S&P/TSX 60 Index ETF	CAD	(3,400)	(79,024)	(80,070)
SPDR KBW Regional Banking ETF	USD	(930)	(47,069)	(48,470)
SPDR S&P 500 ETF Trust	USD	(710)	(275,675)	(297,227)
Technology Select Sector SPDR Fund	USD	(650)	(76,512)	(92,206)
			(978,130)	(1,056,766)

Fixed Income - Long - 0.4%

Security Name	Maturity Date	Coupon Rate (%)	Currency	Par Value	Average Cost (\$)	Fair Value (\$)
Corporate Bonds - 0.4%						
North American Construction Group Ltd., Convertible	03-31-26	5.00	CAD	200,000	198,400	170,650
					198,400	170,650
Commissions					(7,325)	
					22,699,899	31,927,944
Cash and Other Net Assets (Liabilities) - 16.7%						6,409,867
Net Assets Attributable to Holders of Redeemable Units - 100.0%						38,337,811

*Denotes all or part of securities on loan

** Fund is managed by Arrow Capital Management Inc.

EXEMPLAR PERFORMANCE FUND

FUND SPECIFIC NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

For the periods ended June 30, 2020 and December 31, 2019

THE FUND (NOTE 1)

The investment objective of the Exemplar Performance Fund (the "Fund") is to achieve capital appreciation over both short and long term horizons primarily through the selection and management of shares of Canadian equity securities.

To achieve the investment objectives, the Fund will invest predominantly in large and mid-capitalization Canadian companies. The Fund may invest outside of this investment focus to an extent that will vary from time to time but is not typically expected to exceed 49% of its assets at the time of purchase. The Fund may also invest in bonds and other debt instruments if warranted by financial conditions. The Fund will not specialize in any one industry other than to concentrate investments in those industries that offer the best opportunities for exceptional returns at each stage of the economic and market cycle.

FINANCIAL INSTRUMENTS -- RISK MANAGEMENT (NOTE 4)

A general discussion of financial risk management for the Exemplar Funds appears as Note 4: Financial Instruments – Risk Management.

Credit Risk

The analysis below summarizes the credit quality of the Fund's debt portfolio as at June 30, 2020 and December 31, 2019.

Credit Rating*	Percentage of total debt securities	
	June 30, 2020	December 31, 2019
	%	%
Not Rated	100.0%	100.0%
Total	-	-

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

Market Risk

The following include sensitivity analyses that show how the net assets attributable to holders of redeemable units would have been affected by a reasonably possible change in the relevant risk variable at each reporting date. In practice, the actual results may differ and the differences could be material.

(a) Currency Risk

The table below indicates the Fund's exposure to foreign currencies as at June 30, 2020 and December 31, 2019 in Canadian dollar terms. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 10% in relation to the other currencies, with all other variables held constant. Non-monetary items include equities and funds. Monetary items include fixed income, cash, margin deposit, forward contracts, options on derivatives and other current receivables and payables.

June 30, 2020	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary	Non-Monetary	Total	Monetary	Non-Monetary	Total
Currency	\$	\$	\$	\$	\$	\$
United States Dollar - Long	5,415,444	13,796,917	19,212,361	541,544	1,379,692	1,921,236
United States Dollar - Short	(3,625)	(1,264,975)	(1,268,600)	(363)	(126,498)	(126,861)
Euro Currency - Long	-	155,760	155,760	-	15,576	15,576
Euro Currency - Short	(117)	-	(117)	(12)	-	(12)
Total	5,411,702	12,687,702	18,099,404	541,169	1,268,770	1,809,939
% of net assets attributable to holders of redeemable units	14.1%	33.1%	47.2%	1.4%	3.3%	4.7%

EXEMPLAR PERFORMANCE FUND

FUND SPECIFIC NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

For the periods ended June 30, 2020 and December 31, 2019

December 31, 2019	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary \$	Non-Monetary \$	Total \$	Monetary \$	Non-Monetary \$	Total \$
Currency						
United States Dollar - Long	4,702,921	10,778,625	15,481,546	470,292	1,077,863	1,548,155
United States Dollar - Short	(7,128)	(841,750)	(848,878)	(713)	(84,175)	(84,888)
British Pound - Long	384,889	106,547	491,436	38,489	10,655	49,144
Total	5,080,682	10,043,422	15,124,104	508,068	1,004,343	1,512,411
% of net assets attributable to holders of redeemable units	12.9%	25.5%	38.4%	1.3%	2.5%	3.8%

(b) Interest Rate Risk

The table below summarizes the Fund's exposure to interest rate risk as at June 30, 2020 and December 31, 2019. The table also illustrates the potential impact, or sensitivity, on the net assets attributable to holders of redeemable units if the prevailing levels of market interest rates changed by 1.0%, assuming a parallel shift in the yield curve with all other variables held constant.

Term to Maturity	Total Exposure	
	June 30, 2020	December 31, 2019
Less than 1 year	\$ -	\$ -
1-3 years	-	-
3-5 years	-	-
Greater than 5 years	170,650	256,875
Total	\$ 170,650	\$ 256,875
Sensitivity:		
Total \$ sensitivity to net assets attributable to holders of redeemable units	+/- \$ 8,072	+/- \$ 13,557
Total % sensitivity to net assets attributable to holders of redeemable units	0.00	0

(c) Price Risk

As at June 30, 2020, the impact on net assets of the Fund due to a 5% change in market prices of equity and fund securities is \$1,587,865 (all other variables held constant) (December 31, 2019 \$1,624,577).

Concentration Risk

The following is a summary of the Fund's concentration risk as of June 30, 2020 and December 31, 2019:

Market Segment	June 30, 2020		December 31, 2019	
	Long (%)	Short (%)	Long (%)	Short (%)
Communication Services	1.4	(0.3)	0.7	-
Consumer Discretionary	6.5	(0.4)	3.0	(0.2)
Consumer Staples	1.2	(0.1)	2.4	(0.1)
Corporate Bonds	0.4	-	0.7	-
Energy	4.1	-	8.0	-
Financials	2.4	(0.1)	2.8	(0.3)
Funds	14.3	(2.8)	16.3	(2.2)
Health Care	4.4	-	2.9	-
Industrials	16.1	(0.1)	19.5	(0.1)
Information Technology	24.2	(0.0)	17.3	-
Materials	3.0	(0.0)	3.5	-
Real Estate	3.4	-	3.7	(0.1)
Utilities	5.7	-	5.3	-
Totals	87.1	(3.8)	86.1	(3.0)

EXEMPLAR PERFORMANCE FUND

FUND SPECIFIC NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

For the periods ended June 30, 2020 and December 31, 2019

FINANCIAL INSTRUMENTS -- FAIR VALUE MEASUREMENT (NOTE 5)

A general discussion of fair value measurement for the Exemplar Funds appears as Note 5: Financial Instruments – Fair Value Measurement.

The following table illustrates the classification of the Fund's assets and liabilities measured at fair value within the fair value hierarchy as at June 30, 2020 and December 31, 2019:

June 30, 2020	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets				
Equities	27,741,622	-	-	27,741,622
Fixed income	-	170,650	-	170,650
Funds	5,479,216	-	-	5,479,216
	33,220,838	170,650	-	33,391,488
Financial liabilities				
Equities sold short	(406,778)	-	-	(406,778)
Fixed income sold short	-	-	-	-
Funds	(1,056,766)	-	-	(1,056,766)
	(1,463,544)	-	-	(1,463,544)
Total	31,757,294	170,650	-	31,927,944

December 31, 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets				
Equities	27,244,132	-	-	27,244,132
Fixed income	-	256,875	-	256,875
Funds	6,442,897	-	-	6,442,897
	33,687,029	256,875	-	33,943,904
Financial liabilities				
Equities sold short	(311,969)	-	-	(311,969)
Fixed income sold short	-	-	-	-
Funds	(883,518)	-	-	(883,518)
	(1,195,487)	-	-	(1,195,487)
Total	32,491,542	256,875	-	32,748,417

As at June 30, 2020 and December 31, 2019, the Fund did not hold any level 3 financial instruments. There were no transfers between levels 1, 2 and 3 during the periods ended June 30, 2020 and December 31, 2019.

EXEMPLAR FUNDS

GENERAL NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

For the periods ended June 30, 2020 and December 31, 2019

1. THE FUNDS

Exemplar Growth and Income Fund, Exemplar Investment Grade Fund, and Exemplar Performance Fund (collectively the “Funds” and each a “Fund”) are open-ended mutual fund trusts created under the laws of the Province of Ontario pursuant to a declaration of trust dated August 27, 2007 (the “Declaration of Trust”) as amended and restated from time to time.

The date of inception and current available series structure of the Funds are as follows:

Name of the Fund	Date of Inception	Series Information
Exemplar Growth and Income Fund	March 16, 2015	Series A, AN, F, FN, L, LN and I units.
	July 5, 2018	ETF units
Exemplar Investment Grade Fund	June 27, 2014	Series A, AI, F, FI and I units
	November 12, 2014	Series AN and FN units
	June 29, 2015	Series U and G units
	November 17, 2017	ETF units.
Exemplar Performance Fund	March 6, 2014	Series A, F, I and L units.
	March 16, 2015	Series AD, FD and LD units

Each Fund may offer an unlimited number of series or units and may issue an unlimited number of units of each series. Each series of the Fund is intended for different investors. In the future, the offering of any series of units of the Fund may be terminated or additional series of units may be offered. The number of issued and outstanding securities of each series is disclosed in the Statements of Financial Changes and Statements of Financial Position. A description of each series of units offered by the Funds as of these financial statements is provided below:

Series A	Series A units are available to all investors on a front-end sales charge basis and intent to pay a fixed distribution amount per unit. This is applicable to all Funds except for Exemplar Performance Fund which will not pay a fixed distribution amount per unit.
Series AN	Series AN units have the same characteristics as Series A, except that Series AN units do not pay a fixed distribution amount per unit. This is applicable to all Funds except for Exemplar Performance Fund.
Series AD	Series AD units have the same characteristics as Series A and intent to pay a fixed distribution amount per unit. This series is applicable to the Exemplar Performance Fund.
Series AI	Series AI units have the same characteristics as Series A, except that Series AI units will pay a higher fixed distribution amount per unit. This series is applicable to the Exemplar Investment Grade Fund.
Series U	Series U units have the same characteristics as Series A, except that Series U units are offered for purchase in U.S. dollars only. The Funds hedge against changes in the U.S. currency relative to the Canadian currency in respect of Series U units and in doing so attempts to eliminate the fluctuations between the Canadian and U.S. currencies. This series is applicable to the Exemplar Investment Grade Fund.
Series F	Series F units are generally only available to investors who participate in a dealer sponsored fee-for-service or wrap program with their registered dealer and who are subject to an annual advisory or asset-based fee rather than commissions on each transaction. The Manager is able to reduce the management fee rate on Series F units because of lower costs and because investors who purchase Series F units will usually have entered into a separate agreement to pay account fees to their registered dealer for their

EXEMPLAR FUNDS

GENERAL NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

For the periods ended June 30, 2020 and December 31, 2019

individual investment programs. Series F units intend to pay a fixed distribution per unit. This is applicable to all Funds except for Exemplar Performance Fund which will not pay a fixed distribution amount per unit.

Series FN Series FN units have the same characteristics as Series F, except that Series FN units do not pay a fixed distribution amount per unit. This is applicable to all Funds except for Exemplar Performance Fund.

Series FD Series FD units have the same characteristics as Series F and intent to pay a fixed distribution amount per unit. This series is applicable to the Exemplar Performance Fund.

Series G Series G units have the same characteristics as Series F, except that Series G units are offered for purchase in U.S. dollars only. The Fund hedges against changes in the U.S. currency relative to the Canadian currency in respect of Series G units and in doing so attempts to eliminate the fluctuations between the Canadian and U.S. currencies. This series is applicable to the Exemplar Investment Grade Fund.

Series L Series L units are available to all investors on a low-load option and intent to pay a fixed distribution amount per unit. This is applicable to the Exemplar Investment Grade Fund and Exemplar Performance Fund, except the Exemplar Performance Fund will not pay a fixed distribution amount per unit.

Series LN Series LN units have the same characteristics as Series L, except that Series LN units do not pay a fixed distribution amount per unit. This is applicable to the Exemplar Investment Grade Fund and Exemplar Performance Fund, except the Exemplar Performance Fund intends to pay a fixed distribution amount per unit.

Series LD Series LD units have the same characteristics as Series L and intent to pay a fixed distribution amount per unit. This series is applicable to the Exemplar Performance Fund.

Series I Series I are generally only available for certain institutional investors who make large investments in the Fund. The management fees for Series I units are paid directly by Series I unitholders and not the Fund.

Series ETF Series ETF units will be issued and sold on a continuous basis and there is no maximum number of Series ETF units that may be issued. Series ETF units of the Funds can be bought in Canadian dollars only. The Series ETF units are listed on the TSX under the ticker symbol of EGIF and CORP for Exemplar Growth and Income Fund and Exemplar Investment Grade Fund, respectively.

Arrow Capital Management Inc. (“Arrow”) is the Manager (“Manager”) and Trustee of the Funds. Arrow has engaged East Coast Fund Management Inc. as a sub-advisor “Portfolio Sub-advisor” for the Exemplar Investment Grade Fund. The principal of the Portfolio Sub-advisor will be moving to the Cayman Islands. They have established a Cayman resident investment manager, East Coast Asset Management SEZC (“ECAM”). Effective September 1, 2020, ECAM will become the sub-advisor for the Exemplar Investment Grade Fund. There will be no change to people or strategy currently used to manage the Fund.

The address of the Funds’ registered office is 36 Toronto Street, Suite 750, Toronto, Ontario, M5C 2C5.

The information provided in these financial statements and notes thereto is for the six-month periods ended or as at June 30, 2020 and 2019, except for the comparative information presented in the Statements of Financial Position and notes thereto, which is as at December 31, 2019, as applicable. In the year a Fund or series is established or reinstated, ‘period’ represents the period from inception or reinstatement. Refer to the table above for the inception date of each series. The Schedule of Investment Portfolio is as at June 30, 2020.

These financial statements were approved and authorized for issue by management on August 24, 2020.

Fund Mergers

Effective March 27, 2019, Exemplar Leaders Fund and Exemplar Tactical Corporate Bond Fund (the “Terminating Funds”) merged into Exemplar Growth and Income Fund and Exemplar Investment Grade Fund, respectively (the “Continuing Funds”). Unitholders of the Terminating Funds received units of the Continuing Funds in exchange for their units of the Terminating Funds on a tax-deferred basis. The merger was effected by transferring the net assets of the Terminating Fund in exchange for securities of the Fund at fair market value. The merger has been accounted for as an acquisition of the Terminating Fund. Following the merger, the Terminating Fund was terminated. Arrow paid the expenses incurred to effect the merger.

Details relating to the mergers are as follows:

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Conversion Ratios of Exemplar Leaders Fund (Terminating Fund)				
	Net Assets acquired by Exemplar Growth and Income Fund (Continuing Fund) \$	Units issued by Exemplar Growth and Income Fund	Series A	Series F
Series AN	20,928,240	1,915,631	3.6515	
Series FN	8,305,556	742,277		3.6627
Total	29,233,796	2,657,908		

Conversion Ratios of Exemplar Tactical Corporate Bond Fund (Terminating Fund)											
	Net Assets acquired by Exemplar Investment Grade Fund (Continuing Fund) \$	Units issued by Exemplar Investment Grade Fund	Series A	Series AI	Series F	Series FI	Series AN	Series FN	Series L	Series U	Series G
Series AI	4,186,994	480,920	0.9759	0.8944					0.9779		
Series FI	29,547,427	3,300,848			0.9878	0.9058					
Series AN	3,335,046	327,534					0.9752				
Series FN	6,867,488	666,281						0.9723			
Series U	74,368	5,550								0.9383	
Series G	84,076	6,204									0.9535
Total	44,095,399	4,787,337									

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

2.1 Basis of Accounting

These unaudited interim financial statements ("financial statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS"), including International Accounting Standard ("IAS") 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB"). These financial statements were prepared using the same accounting policies, critical accounting judgements and estimates as applied in the Fund's most recent audited annual financial statements for the year ended December 31, 2019 and should be read in conjunction with those annual financial statements. These financial statements are presented in Canadian dollars, which is the Funds' functional and presentation currency. These financial statements have been prepared on a going concern basis using the historical cost convention, except for financial assets and financial liabilities that have been measured at fair value.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Manager to exercise its judgement in its process of applying the Funds' accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3: Significant Accounting Estimates and Judgments.

2.2 Financial Instruments

Financial instruments include financial assets and liabilities such as fixed income securities, equity securities, investment funds, exchange-traded funds and derivatives.

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Classification

The Funds classify and measure their financial instruments in accordance with IFRS 9 *Financial Instruments* ("IFRS 9"). Investment classification is based on both the Funds' business model for managing those investments and the contractual cash flow characteristics of the financial assets. The Funds' portfolio of investments is managed and performance is evaluated on a fair value basis. The Funds are primarily focused on fair value information and use that information to assess their assets' performance and to make decisions. The contractual cash flows of the Funds' debt securities are generally principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Funds' business model objective. Consequently, all investments are measured at Fair Value Through Profit or Loss ("FVTPL").

The Funds may sell securities short, in which a borrowed security is sold in anticipation of a decline in the market value of that security. Short sales are held for trading and are consequently classified as financial liabilities at FVTPL. Derivatives include warrants, swaps, options, futures and forward currency contracts. Derivative contracts that have a negative fair value are classified as FVTPL.

The Funds redeemable unit entitlements include a contractual obligation to distribute any net income and net realized capital gains at least annually in cash (at the request of the unitholder) and therefore meet the contractual obligation requirement under IAS 32, *Financial Instruments: Presentation* to be classified as financial liabilities in these financial statements. The Funds' obligation for net assets attributable to holders of redeemable units are presented at the redemption amount, which approximates their fair value.

All other financial assets and liabilities are measured at amortized cost, which approximates fair value. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the effective rate of interest.

Financial assets and liabilities are offset and the net amounts are presented in the Statements of Financial Position when, and only when, the Funds have a legal right to offset the amounts and intend either to settle on a net basis or to realize the asset and settle the liability simultaneously. In the normal course of business, the Funds enter into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the Statements of Financial Position, but still allow for the related amounts to be offset in certain circumstances, such as bankruptcy or termination of contracts. See Note 8 for more details on offsetting done by the Funds.

Recognition and Measurement

Regular purchases and sales of investments are recognized in the Statements of Financial Position on the trade date – the date on which the Funds commit to purchase or sell the investment. Transaction costs are expensed as incurred in the Statements of Comprehensive Income (Loss) in 'Commissions and other portfolio transaction costs'. Financial assets and liabilities are measured at fair market value as presented below. Financial assets are derecognized when the right to receive cash flows from the instrument has expired or the Funds have transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when the obligation is discharged, cancelled and expires. Financial instruments are subsequently measured at FVTPL with changes in fair value recognized in the Statements of Comprehensive Income (Loss) in 'Net change in unrealized appreciation (depreciation) in value of investments and derivatives'.

IAS 7, *Statement of Cash Flows*, requires disclosures related to changes in liabilities and assets, such as the securities of the Funds, arising from financing activities. Changes in securities of the Funds, including both changes from cash flows and non-cash changes, are included in the Statements of Changes in Financial Position. Any changes in the securities not settled in cash as at the end of the period are presented as either 'Accounts receivable for investments issued' or 'Accounts payable for investments redeemed' in the Statements of Financial Position. These accounts receivable and accounts payable amounts typically settle shortly after period-end.

2.3 Fair Value Measurements of Financial Instruments

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. Fair value of financial assets and liabilities traded in active markets (such as publically traded derivatives and marketable securities) are based on quoted market prices at the close of trading on the reporting date. The Funds use the last traded market price for both financial assets and liabilities where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. Unlisted securities are valued based on price quotations from recognized investment dealers, or failing that, their fair value is determined by the Manager on the basis of the latest reported information available. Unlisted warrants, if any, are valued at their intrinsic value using recognized methods such as the Black-Scholes option valuation model. The model factors in the time value of money and the volatility inputs significant to such valuation. Fixed income

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securities, debentures, and other debt instruments are valued at the quotation received from independent security pricing services or recognized investment dealers. Short-term debt instruments are carried at amortized cost, which approximates fair value. Underlying funds are valued on each business day at their net asset value as reported by the underlying funds manager. Commodities, if any, held by the Funds are valued based on the quoted price provided by an independent pricing source.

The fair value of financial assets and liabilities that are not traded in an active market, including over-the-counter derivatives, is determined using valuation techniques. These valuation models may be based, in part, on assumptions that are not supported by observable inputs such as market conditions existing at each reporting date. Valuation techniques include, but are not limited to, the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same and other techniques commonly used by market participants which make the maximum use of observable inputs. These values are independently assessed by the Manager to ensure that they are reasonable. However, because of the inherent uncertainty of valuation, the estimated fair values for these securities may be materially different from the values that would have been used had a ready market for the investment existed. The fair values of securities where no market price exists are affected by the perceived credit risks of the issuer, predictability of cash flows and the length of time to maturity.

IFRS 13, *Fair value measurement*, requires the use and disclosure of a fair value hierarchy that categories into three levels the inputs to valuation techniques used to measure fair value of financial instruments.

Changes in valuation methodology may result in transfers in and out of a level. The Funds policy is to recognize these transfers as of the date of the event or circumstance giving rise to the transfer. The three level fair value hierarchy, transfers between levels and a reconciliation of level 3 financial instruments, as applicable are disclosed in the Fund Specific Notes to the Unaudited Financial Statements.

The Manager is responsible for performing the fair value measurements included in the financial statements of the Funds, including level 3 measurements. The Manager obtains pricing from a third party pricing vendor, which is monitored and reviewed daily. At each financial reporting date, the Manager reviews and approves all level 3 fair value measurements. The manager also has a Valuation Committee which includes members of the finance, investment and compliance teams. The committee meets quarterly to perform detailed reviews of the valuations of investments held by the Funds.

2.4 Income Recognition

Gains and losses arising from changes in fair value of non-derivative financial assets are shown in the Statements of Comprehensive Income as 'Net change in unrealized gain (loss) on investments and derivatives' and as 'Net realized gain (loss) on investments and derivatives' when the positions are sold. Gains and losses are calculated using average cost, excluding commission and other transaction costs. Average cost does not include amortization of premiums or discounts on fixed income securities.

Gains and losses arising from changes in fair value of securities sold short, are shown in the Statements of Comprehensive Income as 'Net change in unrealized gain (loss) on investments and derivatives' and as 'Net realized gain (loss) on investments and derivatives' when positions are closed out and are calculated with reference to the average proceeds of the related securities, where applicable.

Gains and losses arising from changes in fair value of derivatives are shown in the Statements of Comprehensive Income (Loss) as 'Net change in unrealized gain (loss) on investments and derivatives' and as 'Net realized gain (loss) on investments and derivatives' when positions are closed out or have expired, where applicable.

Interest for distribution purposes is shown on the Statements of Comprehensive Income (Loss) and represents the coupon interest received by the Funds 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.

Dividend income and dividend expense on short sales are shown on the Statements of Comprehensive Income (Loss) on the ex-dividend date.

Distributions received from investment trusts and underlying funds are recorded as dividends, interest for distribution purposes, net realized gains (losses) on sale of investments or a return of capital, based on the best information available to the Manager. Due to the nature of those investments, actual allocations could vary from this information. Distributions from income trusts and underlying funds that are treated as a return of capital for income tax purposes reduce the average cost of the income trusts and underlying funds.

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Options

An option is a contractual arrangement under which the seller (writer) grants the purchaser (holder) the right, but not the obligation, either to buy (a call option) or sell (a put option) at or by a set date or during a set period, a specific amount of securities or a financial instrument at a predetermined price. When the Funds purchase an option, an amount equal to fair value which is based on the premium paid is recorded as an asset. When the Funds write an option, an amount equal to fair value which is based on the premium received by the Funds is recorded as a liability. Options held by the Funds are exchange-traded. Option contracts are valued at the last traded price taken from the exchange. Option contracts are valued each valuation day according to the gain or loss that would be realized if the contracts were closed out. All unrealized gains (losses) arising from option contracts are recorded as part of 'Net change in unrealized appreciation (depreciation) in value of investments and derivatives' in the Statements of Comprehensive Income (Loss) until the contracts are closed out or expire, at which time the gains (losses) are realized and reflected in the Statements of Comprehensive Income (Loss) within 'Net realized gain (loss) on investments and derivatives'.

Forward Currency Contracts

The Funds may enter into forward currency contracts for purposes of minimizing currency exposure or to establish an exposure to a particular currency. Foreign currency forward contracts are valued on each valuation day based on the difference between the contract rate and the current forward rate at the close of the measurement date, applied to the contract's notional amount and adjusted for counterparty risk. All unrealized gains (losses) arising from foreign currency forward contracts are recorded as part of 'Net change in unrealized appreciation (depreciation) in value of investments and derivatives' in the Statements of Comprehensive Income (Loss) and 'Unrealized gain (loss) on forwards' in the Statements of Financial Position until the contracts are closed out or expire, at which time the gains (losses) are realized and reported in 'Net realized gain (loss) on investments and derivatives' in the Statements of Comprehensive Income (Loss).

Futures Contracts

The Funds may purchase or sell exchange traded futures contracts. Futures contracts are contractual obligations to buy or sell financial instruments or commodities on a future date at a specified price established in an organized market. Futures contracts are valued on each valuation day using the closing price posted on the relevant public exchange. Cash and cash equivalents are held as margin against futures contracts which are reflected in the Statements of Financial Position in 'Margin deposits'. All unrealized gains (losses) arising from futures contracts are recorded as part of 'Net change in unrealized appreciation (depreciation) in value of investments and derivatives' in the Statements of Comprehensive Income (Loss) and 'Unrealized gain (loss) on futures' in the Statements of Financial Position. When futures contracts are closed out or expire the gain or loss is realized and reported as 'Net realized gain (loss) on investments and derivatives' in the Statements of Comprehensive Income (Loss).

Credit Default Swaps

A credit default swap contract is an agreement to transfer credit risk from one party, a buyer of protection, to another party, a seller of protection. The Funds as a seller of protection would be required to pay a notional or other agreed upon value to the buyer of protection in the event of a default by a third party. In return, the Funds would receive from the counterparty a periodic stream of payments over the term of the contract provided that no event of default occurs. If no default occurs, the Funds would keep the stream of payments and would have no payment obligations. The Funds as a buyer of protection would receive a notional or other agreed upon value from the seller of protection in the event of a default by a third party. In return, the Funds would be required to pay to the counterparty a periodic stream of payments over the term of the contract provided that no event of default occurs.

Premiums received or paid for entering into a credit default swap are included in the Statements of Financial Position as either an asset or liability. Credit default swaps are fair valued on each valuation day based upon quotations from independent security pricing sources. The change in the difference between the premium and the fair value is included in 'Net change in unrealized appreciation (depreciation) in value of investments and derivatives' in the Statements of Comprehensive Income (Loss). Premiums paid or received from credit default swap agreements are included in 'Interest expense on derivatives', if applicable. When credit default swap agreements expire or are closed out, gains or losses are included in 'Net realized gain (loss) on investments and derivatives' in the Statements of Comprehensive Income (Loss).

Interest Rate Swap Contracts

An interest swap contract is a contractual agreement entered into between the Funds and a counterparty under which each party agrees to exchange periodic fixed or variable payments, based upon a stated notional amount, over the stated life of the agreement. The fair value of interest rate swaps is determined using indicative closing market values obtained from third-party broker-dealers. The broker-dealers determine the fair value using valuation methods that are based on assumptions that are supported by observable market inputs, including the interest rates for that day. Any income received or

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expense incurred is recorded as 'Interest expense on derivatives', if applicable, in the Statements of Comprehensive Income (Loss). The unrealized gain or loss on interest rate swaps is reflected in the Statements of Comprehensive Income (Loss) as 'Net change in unrealized appreciation (depreciation) in value of investments and derivatives'. When the interest rate swaps are closed out, any gains (losses) are recorded as Net realized gain (loss) on investments and derivatives' in the Statements of Comprehensive Income (Loss).

Total Return Swaps

A total return swap is an agreement between the Funds and a counterparty where single or multiple cash flows are exchanged based on the price of an underlying reference asset and based on a fixed or variable rate. Over the term of the contract, the Funds will pay to the counterparty a periodic stream of payment based on fixed or variable rate. Such periodic payments paid are accrued daily and are included in the Statements of Comprehensive Income in 'Interest expense'. At the maturity date, a net cash flow is exchanged where the total return is equivalent to the return of the underlying reference asset less a rate, if any. As a receiver, the Funds would receive payments based on any net positive total return and would owe payments in the event of a net negative total return.

The unrealized gain or loss on total return swaps is reflected in the Statements of Comprehensive Income as part of 'Net change in unrealized appreciation (depreciation) in value of investments and derivatives'. When the total return swaps are closed out, any gains or (losses) are recorded in 'Net realized gain (loss) on investments and derivatives' in the Statements of Comprehensive Income (Loss).

Short Selling

When the Funds sell a security short, it will borrow that security from a broker to complete the sale. As the Funds borrow a security from the broker, the Funds is required to maintain a margin account with the broker containing cash or liquid securities. The cash held on margin in respect of short sale activity, if any, is included in 'Margin deposits' in the Statements of Financial Position. The maximum loss on securities sold short can be unlimited. The Funds will incur a loss as a result of a short sale if the price of the borrowed security increases between the date of the short sale and the date on which the Funds closed out its short position by buying that security. The Funds will realize a gain if the security declines in price between these dates. The gain or loss that would be realized if the position was to be closed out on the valuation date is reflected in the Statements of Comprehensive Income (Loss) as part of 'Net change in unrealized appreciation (depreciation) in value of investments and derivatives' and in the Statements of Financial Position in 'Investment sold short'. When the short position is closed out, gains and losses are realized and included in 'Net realized gain (loss) on investments and derivatives' in the Statements of Comprehensive Income (Loss).

Offsetting of Financial Instruments

The disclosures set out in the Offsetting of Financial Instruments tables in Note 8, where applicable, include foreign currency forward contracts and assets and liabilities that are subject to an enforceable master netting agreement. Transactions with individual Counterparties are governed by separate master netting agreements. Each agreement allows for net settlement of certain open contracts where the Funds and their respective counterparty both elect to settle on a net basis. In the absence of such an election, contracts will be settled on a gross basis. However, each party to the master netting agreement will have the option to settle all open contracts on a net basis in the event of default of the other party.

International Swaps and Derivatives Association Inc. Master Agreements ("ISDA Master Agreements") govern OTC financial derivative transactions entered into by the Funds and select counterparties. The ISDA Master Agreements maintain provisions for general obligations, representations, agreements, collateral and events of default and termination. Events of termination include conditions that may entitle counterparties to elect to terminate early and cause settlement of all outstanding transactions under the applicable ISDA Master Agreement. Any election to terminate early could be material to the financial statements.

The Funds may be subject to various master agreements or netting arrangements with select counterparties. These master agreements reduce the counterparty risk associated with relevant transactions by specifying credit protection mechanisms and providing standardization that improves legal certainty. Since different types of transactions have different mechanics and are sometimes traded out of different legal entities of a particular counterparty organization, each type of transaction may be covered by a different master agreement resulting in the need for multiple agreements with a single counterparty. As the master agreements are specific to unique operations of different asset types, they allow the Funds to close out and net their total exposure to a counterparty in the event of a default with respect to the transactions governed under a single agreement with a counterparty.

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Investments in Unconsolidated Structured Entities

The Funds may invest in mutual funds, exchange-traded funds or closed end funds managed by the Manager or third party investment managers. The Funds consider all investments in such instruments (“Underlying Funds”) to be investments in unconsolidated structured entities based on the fact that the decisions made by these Underlying Funds are not governed by voting rights or any other similar rights held by the Funds. The Funds Account for these unconsolidated structured investments at fair value.

The Underlying Funds each have their own objectives and investment strategies which assist the Funds in achieving their investment objectives. The Underlying Funds primarily finance their operations by issuing redeemable units or shares which are puttable at the holder’s option in the case of mutual funds and exchange traded funds or through issuing non-redeemable units or partnership interests in the case of closed-ended funds. The Underlying Funds entitle the holder to a proportional stake in the respective underlying fund’s net assets. The Funds hold units, shares or partnership interests in each of their Underlying Funds, if applicable. These investments are included in ‘Investments’ and ‘Investments sold short’ in the Statements of Financial Position. Investments in underlying mutual funds are valued based on the net asset value per unit provided by the underlying mutual funds’ manager at the end of each valuation date. Investments in ETF’s are valued at the closing market price recorded by the security exchange on which the security is principally traded. The change in fair value of each Underlying Fund is included in the Statements of Comprehensive Income as ‘Net change in unrealized appreciation (depreciation) in value of investments and derivatives’ until these Underlying Funds are sold, at which time the gains (losses) are realized and reflected in the Statements of Comprehensive as ‘Net realized gain (loss) on investments and derivatives. The Funds’ maximum exposure to loss from their interests in Underlying Funds is equal to the total carrying value of their investment in Underlying Funds. The exposure to investments in Underlying Funds at fair value is disclosed in Note 6.

2.5 Cash and Cash Equivalents

Cash and cash equivalents are reported at fair value which closely approximates their amortized cost due to their nature of being highly liquid and having short terms to maturity. Bank overdraft positions are presented under current liabilities as ‘bank indebtedness’ in the Statements of Financial Position, as applicable.

2.6 Margin Loans

Margin loans represent cash amounts borrowed under a margin agreement with the Funds’ prime broker. The Funds has granted a first priority security interest over investments and other assets held at the prime broker in support of its obligations under its margin lending agreement. Amounts owing are payable upon demand (if applicable), and are shown in the Statements of Financial Position as ‘Margin Loans’.

2.7 Foreign Exchange Translation

Foreign currency amounts denominated in foreign currencies are converted into the functional currency as follows: fair values of investments, foreign currency contracts and other assets and liabilities at the closing rate of exchange prevailing on each business day; income and expenses, purchases and sales and settlements of investments at the rates of exchange applicable on the respective dates of such transactions. Foreign exchange gains (losses) relating to cash are presented as ‘Foreign exchange gain (loss)’ and ‘Net change in unrealized foreign exchange gain (loss)’ and those relating to other financial assets and liabilities are presented within ‘Net realized gain (loss) on investments and derivatives’ and ‘Net change in unrealized appreciation (depreciation) in value of investments and derivatives’ in the Statements of Comprehensive Income (Loss).

2.8 Net Asset Value

Net asset value (“NAV”) per unit of each series of each Fund is calculated at the end of each day on which the Toronto Stock Exchange is open for business by dividing the total NAV for each series of a Fund by the number of units of that series outstanding.

The NAV of each series is computed by calculating the value of that series’ proportionate share of the Funds’ assets less that series’ proportionate share of the Funds’ common liabilities and less series specific liabilities. Expenses directly attributable to a series are charged to that series. Other income, expenses, gains and losses, are allocated to each series of a Fund proportionately based upon the relative total NAV of each series.

As at June 30, 2020 and 2019 and December 31, 2019, there were no differences between the NAV used for transactions with unitholders as calculated under Part 14 of National Instrument 81-106 Investment Funds for Continuous Disclosure and the net assets attributable to holder redeemable units used for reporting purposes under IFRS.

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2.9 Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit

Increase (decrease) in net assets attributable to holders of redeemable units per unit disclosed in the Statements of Comprehensive Income (Loss) is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations of each series of a Fund by the weighted average number of units outstanding in that series during the period.

2.10 Commissions and Other Portfolio Costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities, are included in 'Commissions and other portfolio transaction costs' in the Statements of Comprehensive Income (Loss).

2.11 Securities Lending, Repurchase and Reverse Repurchase Agreements

The Funds are permitted to enter into securities lending, repurchase and reverse repurchase transactions. These transactions involve the temporary exchange of securities for collateral with a commitment to redeliver the same securities at a future date. The loaned assets of each Fund are not permitted to exceed 50% of the aggregate net asset value of the Fund.

Securities lending transactions are administered by the Bank of New York Mellon, where applicable. The value of cash or securities collateral held as collateral must be at least 102% of the fair value of the securities loaned, sold or repurchased. Income is earned from these transactions in the form of fees paid by the counterparty and, in certain circumstances, interest paid on cash or securities held as collateral. Income earned from these transactions is included in the Statements of Comprehensive Income (Loss) in 'Securities lending income' when earned.

2.12 Withholding Tax

The Funds may, from time to time, 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 separately in the Statements of Comprehensive Income (Loss).

2.13 Harmonized Sales Tax

Certain provinces including Ontario, Prince Edward Island, Nova Scotia, New Brunswick and Newfoundland and Labrador (each a Participating Tax Jurisdiction) have harmonized their provincial sales tax ("PST") with the federal goods and services tax ("GST"). The Harmonized Sales Tax ("HST") combines the federal GST rate of 5% with the PST rate of the participating province. The province of Quebec also applies the Quebec sales tax ("QST") of 9.975%. The Provincial HST liability or refund is calculated using the residency of unitholders and the value of their interest in the Funds as at specific times, rather than the physical location of the Funds. The effective sales tax rate charged to each series of the Funds is based on the unitholders' proportionate investments by province, using each province's HST rate, GST rate in the case of non-participating provinces and/or QST rate. All amounts are presented as 'Harmonized sales tax/goods and services tax' in the Statements of Comprehensive Income.

2.14 Non-cash transactions

Non-cash transactions on the Statements of Cash Flows include reinvested distributions from the underlying mutual funds, series switches in the same Funds and stock dividends from equity investments. These amounts represent non-cash income recognized in the Statements of Comprehensive Income.

The 'Proceeds from redeemable units issued' and 'Redemption of redeemable units' on the Statements of Cash Flows exclude non cash transactions.

2.15 Due from and to Brokers

Amounts due from and to brokers represent receivables for investments sold and payables for investments purchased that have been contracted for but not yet settled or delivered on the Statements of Financial Position date, respectively. The due from brokers balance is held for collection. These amounts are recognized initially at fair value and subsequently measured at amortized cost. Amounts due from brokers are presented in "Receivables for investments sold" and amounts due to brokers are presented in "Payable for investments purchased" in the Statements of Financial Position.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. The following discusses the most significant accounting estimates and judgments that the Funds has made in preparing the financial statements:

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Use of Estimates

Fair Value measurement of derivatives and securities not quoted in an active market

The Funds hold financial instruments that are not quoted in active markets, including derivatives. Fair value of such instruments are determined using valuation techniques and may be determined using reputable pricing sources (such as pricing agencies) or indicative prices from market makers. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding. Where no market data is available, the Funds may value positions using its own models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. The models used to determine fair values are validated and periodically reviewed by experienced personnel of the Manager, independent of the party that created them.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require the Manager to make estimates. Changes in assumptions about these factors could affect the reported fair values of financial instruments. The Funds consider observable data to be market data that is readily available, regularly distributed and updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. Refer to Note 5: Financial Instruments – Fair Value Measurement for further information about the fair value measurement of the Funds' financial instruments.

Use of Judgments

Classification and Measurement of Investments and Application of the Fair Value Option

In classifying and measuring financial instruments held by the Funds, the Manager is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9. The Manager has assessed the Funds' business model, the manner in which all financial instruments 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 measurement and presentation of the Fund's' financial statements.

Assessment as Investment Entity

Entities that meet the definition of an investment entity within IFRS 10 are required to measure their subsidiaries at fair value through profit or loss rather than consolidate them. The Funds meet the definition of investment entity as it obtains funds from one or more investors for the purpose of providing those investors with professional investment management services and commit to their investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both. The Funds measure and evaluate the performance of substantially all of its investments on a fair value basis.

Determination if Underlying Funds Meet the Structured Entity Definition

The Funds have concluded that its investments in the Underlying Funds are investments in unconsolidated structured entities. This represents a significant judgment by the Funds that is based generally on the fact that the decision making about the Underlying Funds investing activities is not governed by voting rights held by the Funds and other investors.

4. FINANCIAL INSTRUMENTS – RISK MANAGEMENT

In the normal course of business, each Fund is exposed to a variety of financial risks: credit risk, liquidity risk and market risk (including currency risk, interest rate risk and other price risk), concentration risk and capital risk. Please refer to Fund Specific Notes to the Unaudited Financial Statements for each Funds specific risk disclosure.

Credit Risk

Credit risk is the risk that a counterparty to a financial instrument, such as fixed income securities, preferred shares and derivatives, will fail to discharge an obligation or commitment that it has entered into with the Funds. The fair value as presented in the Statement of Investments and Statement of Financial Position includes consideration of the creditworthiness of the issuer, and accordingly represents the maximum credit risk exposure to the Funds.

The Funds may also be exposed to credit risk to the extent that the Funds' custodian may not be able to settle trades for cash. All transactions in listed securities and derivatives are settled or paid upon delivery using approved brokers with an approved credit rating. The risk of default with the counterparty is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is only made on a purchase once the securities have been received by the broker.

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In addition, Canadian securities regulations require that the Funds employ a custodian that meets certain capital requirements. These regulations state that, among other things, a fund's custodian be either a bank listed in Schedule I, II, or III of the Bank Act (Canada), or a company incorporated in Canada affiliated with a bank with shareholders' equity of not less than \$10,000,000. CIBC Mellon Trust Company, the custodian for the Funds, meet all of the Canadian Securities Administrators' requirements to act as the custodian.

The Manager has appointed prime brokers, including CIBC World Markets Inc. and Bank of Montreal, which may hold assets for the Funds as the Funds may engage in short selling and other derivative transactions. The prime broker accounts may provide less segregation of the Funds' assets than would be the case with a more conventional custody arrangement. As a result, the Funds' assets could be frozen and inaccessible for withdrawal or subsequent trading for an extended period of time if the prime broker experiences financial difficulty. In such case, the Funds may experience losses due to insufficient assets at the prime broker to satisfy the claims of its creditors and adverse market movements while its positions cannot be traded. In addition, the Funds brokerage agreements requires collateral of 150% of the net asset value of securities sold short.

The Funds may enter into securities lending transactions with counterparties and it may also be exposed to credit risk from the counterparties to the derivative instruments it may use. Credit risk associated with these transactions is considered minimal as all counterparties have approved credit rating and the market value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned as at the end of each trading day.

The credit ratings reported in the Statement of Investments and Fund Specific Notes to the Unaudited Financial Statements for issuers of debt instruments, counterparties of derivative transactions, prime brokers, and custodians, where applicable, are obtained from Standard & Poor's Rating Services, Moody's Investors Services, Inc. and / or Dominion Bond Rating Service.

Liquidity Risk

Liquidity risk arises when the Fund encounters difficulty in meeting its financial obligations as they come due. Each Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable securities. Generally, the Funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity. However, liquidity risk also involves the ability to sell an asset for cash easily and at a fair price. Some securities may be illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a Fund to sell such securities quickly or at a fair price. Difficulty in selling securities could result in a loss or a lower return for a Fund.

The Funds primarily invests in securities that are traded in active markets and can be readily disposed of. In addition, the Funds aims to retain sufficient cash and short-term investment positions to maintain adequate liquidity. The Funds are also permitted to borrow cash to a maximum of 5% of its net assets value to cover redemptions.

Market Risk

The Fund's investments are subject to market risk which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market conditions. Several factors can influence market trends, such as economic developments, changes in interest rates, political changes and catastrophic events. All investments are exposed to this risk. Market risk can be further sub-divided into 3 categories: currency risk, interest rate risk and price risk.

a) Currency Risk

The Funds may invest in monetary and non-monetary assets denominated in currencies other than their functional currency. Currency risk is the risk that the value of foreign instruments will fluctuate due to changes in the foreign exchange rates of those currencies in relation to the Funds' functional currency. The Funds may enter into currency forward contracts, currency futures contracts and/or foreign currency option contracts for hedging purposes to reduce their foreign currency risk exposure. Non-monetary is comprised of long and short equities. Monetary includes cash, derivatives, fixed income securities, and other current receivables and payables.

The Currency Risk Tables included in the Fund Specific Notes to the Unaudited Financial Statements indicate currencies to which the Funds had significant exposure as at period end in Canadian dollar terms, including the underlying principal amount of any derivative instruments. Other financial assets and liabilities (including accrued interest and dividends receivable, and receivables/payables for investments sold/purchased) that are denominated in foreign currencies do not expose the Fund to significant currency risk

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b) Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect the future cash flows or the fair values of interest-bearing financial instruments. The Funds' exposure to interest rate risk is concentrated in its investments in debt instruments (such as bonds and debentures) and interest rate sensitive derivative instruments. Prices of fixed income securities generally increase when interest rates decline and decrease when interest rates rise. Prices of longer-term fixed income securities will generally fluctuate more in response to interest rate changes than would shorter-term securities. Due to the nature of short-term fixed income securities with a remaining term-to-maturity of less than one year, these investments are not generally exposed to a significant risk that their value will fluctuate in response to changes in the prevailing levels of market interest rates. Cash and cash equivalents do not expose the Fund to significant amounts of interest rate risk.

A summary of the Funds' exposure to interest rate risk by the remaining term to maturity of the Funds' portfolio, excluding underlying funds, preferred shares, cash and overdrafts, as applicable is presented in the Fund Specific Notes to the Unaudited Financial Statements.

c) Other Price Risk

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in a market or a market segment.

The Funds most significant exposure to price risk arises from its investment in debt securities, equity securities, underlying funds, options on equities, exchange-traded funds/notes and mutual funds and derivatives, as applicable. All investments present a risk of loss of capital. This risk is managed through a careful selection of investments and other financial instruments within the parameters of the investment strategies. The maximum risk resulting from these financial instruments is equivalent to their fair value, except for certain derivative contracts such as forwards, swaps, and futures contracts which is equal to their notional values. For written call (put) options, short sales and short futures contracts, as applicable, the possible losses can be unlimited. However, these instruments are generally used within the overall investment management process to manage the risk from the underlying investments and do not typically increase the overall risk of loss to the Funds. This risk is mitigated by ensuring that the Funds hold a combination of the underlying interest, cash cover and/or margin that is equal to or greater than the value of the derivative.

The impact as of June 30, 2020, of an increase or decrease of 10% in the Funds' relevant benchmark index is presented in the Fund Specific Notes to the Unaudited Financial Statements.

Concentration Risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, geographical location, asset type or industry sector, as applicable.

The Funds may hold significant investments in a few companies or issuers, rather than investing the Funds' assets across a large number of companies or issuers. In some cases, more than 10% of the net assets of the mutual fund may be invested in securities of a single issuer as a result of appreciation in value of such investment and/or the liquidation or decline in value of other investments. The investment portfolios of these mutual funds are less diversified, and therefore are potentially subject to larger changes in value than mutual funds which hold more broadly diversified investment portfolios.

A summary of the Funds' concentration risk by carrying value as a percentage of net assets is presented in the Fund Specific Notes to the Unaudited Financial Statements.

Capital Risk Management

Units issued and outstanding are considered to be the capital of the Funds. The Funds do not have any specific capital requirements on the subscription and redemption of units, other than certain minimum subscription requirements. Unitholders are entitled to require payment of the net asset value per unit of a Fund for all or any of the units of such unitholder by giving written notice to the Manager. The written notice is irrevocable and must be received no later than 4:00 p.m., EST, on the valuation day upon which the units are to be redeemed (a "Redemption Date"). The redeeming unitholder will receive payment in respect of any units surrendered for redemption on or before the 3rd business day immediately following a Redemption Date, subject to the Manager's right to suspend redemptions in certain circumstances.

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5. FINANCIAL INSTRUMENTS – FAIR VALUE MEASUREMENT

IFRS 13, *Fair Value Measurement*, requires the use and disclosure of a fair value hierarchy that categories into three levels the inputs to valuation techniques used to measure fair value of financial instruments. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets and the lowest priority to unobservable inputs. The three level hierarchy based on inputs levels are defined as follows:

Level 1: Fair value is based on unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2: Fair value is based on inputs other than unadjusted quoted prices included in level 1 that are observable for the assets or liabilities, either directly or indirectly; and

Level 3: Fair value is based on at least one significant non-observable input that is not supported by market data for the financial assets or liabilities.

Changes in valuation methodology may result in transfers in and out of a level. The Funds' policy is to recognize these transfers as of the date of the event or circumstance giving rise to the transfer. The Funds may participate in securities lending and; therefore, receive collateral categorized as Level 1 or 2 as defined above. Such collateral is not considered significant to the financial instrument hierarchy of the securities owned by the Funds.

The three level fair value hierarchy, transfers between levels and a reconciliation of level 3 financial instruments, as applicable are disclosed in the Fund Specific Notes to the Unaudited Financial Statements.

6. INVESTMENT IN STRUCTURED ENTITIES

Information related to investments in Structured Entities is as follows:

Exemplar Growth and Income Fund – June 30, 2020

	Fair Value of Fund's Investment in Underlying Fund \$	Net Assets Attributable to Holders of Redeemable Units %	Ownership of Underlying Fund %
Exemplar Investment Grade Fund ETF	3,913,070	1.31	2.41
Exemplar Investment Grade Fund, Series 'I'	1,965,373	0.66	1.21
iShares 20+ Year Treasury Bond ETF	14,465,839	4.86	0.07
iShares 7-10 Year Treasury Bond ETF	13,236,057	4.45	0.06
iShares Barclays 1-3 Year Treasury Bond Fund	11,758,174	3.95	0.05
iShares Barclays 3-7 Year Treasury Bond Fund	21,776,447	7.32	0.19
iShares Silver Trust	2,309,278	0.78	0.03
iShares TIPS Bond ETF	1,669,848	0.56	0.01
Robo Global Robotics & Automation Index ETF	354,252	0.12	0.03
ProShares Short QQQ ETF	902,804	0.30	0.18
SPDR Gold Shares ETF	18,177,721	6.11	0.03
WisdomTree Japan Hedged Equity Fund	638,344	0.21	0.04
iShares Russell 1000 Value ETF	(3,057,858)	(1.03)	(0.01)
iShares Russell 2000 ETF	(8,747,153)	(2.94)	(0.02)
iShares Russell 2000 Value Index Fund	(2,249,299)	(0.76)	(0.03)
iShares S&P SmallCap 600 Index Fund	(927,105)	(0.31)	(0.00)
SPDR KBW Regional Banking ETF	(1,563,548)	(0.53)	(0.15)
Ultra S&P500 ProShares ETF	(2,716,938)	(0.91)	(0.11)
VanEck Vectors Semiconductor ETF	(2,074,413)	(0.70)	(0.09)

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Exemplar Growth and Income Fund – December 31, 2019

	Fair Value of Fund's Investment in Underlying Fund	Net Assets Attributable to Holders of Redeemable Units	Ownership of Underlying Fund
	\$	%	%
Exemplar Investment Grade Fund Series ETF	3,563,079	1.53	1.97
Global X Silver Miners ETF	215,429	0.09	0.04
iPath Bloomberg Cocoa Subindex Total Return ETN	76,069	0.03	0.19
iPath Series B Bloomberg Livestock Subindex Total Return ETN	535,613	0.23	1.17
iShares 7-10 Year Treasury Bond ETF	9,303,202	3.99	0.05
iShares Barclays 1-3 Year Treasury Bond Fund	9,121,392	3.92	0.05
iShares Barclays 3-7 Year Treasury Bond Fund	13,879,876	5.96	0.14
iShares Floating Rate Bond ETF	1,919,857	0.82	0.02
iShares iBoxx \$ Investment Grade Corporate Bond ETF	3,015,849	1.3	0.01
iShares MBS ETF	2,764,330	1.19	0.01
iShares MSCI United Kingdom ETF	442,806	0.19	0.02
iShares Silver Trust	1,732,785	0.74	0.03
iShares TIPS Bond ETF	5,298,019	2.28	0.03
ProShares UltraPro Short Russell 2000	234,258	0.1	0.38
ProShares UltraShort QQQ	4,119,650	1.77	1.02
ProShares UltraShort S&P 500	3,712,425	1.59	0.36
SPDR Gold Shares	9,463,703	4.06	0.02
Vanguard REIT ETF	2,108,618	0.91	0.0
iShares Barclays 3-7 Year Treasury Bond Fund	(302,614)	(0.13)	-
iShares Floating Rate Bond ETF	(11,079,235)	(4.76)	(0.11)
iShares iBoxx \$ Investment Grade Corporate Bond ETF	(3,338,105)	(1.43)	(0.01)

Exemplar Investment Grade Fund – June 30, 2020

	Fair Value of Fund's Investment in Underlying Fund	Net Assets Attributable to Holders of Redeemable Units	Ownership of Underlying Fund
	\$	%	%
N/A	N/A	N/A	N/A

Exemplar Investment Grade Fund – December 31, 2019

	Fair Value of Fund's Investment in Underlying Fund	Net Assets Attributable to Holders of Redeemable Units	Ownership of Underlying Fund
	\$	%	%
N/A	N/A	N/A	N/A

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Exemplar Performance Fund – June 30, 2020

	Fair Value of Fund's Investment in Underlying Fund	Net Assets Attributable to Holders of Redeemable Units	Ownership of Underlying Fund
	\$	%	%
Arrow Global Advantage Alternative Class, Series 'ETF'	3,687,913	9.62	3.76
Consumer Staples Select Sector SPDR Fund	231,664	0.60	0.00
ETFMG Prime Cyber Security ETF	64,613	0.17	0.00
Financial Select Sector SPDR Fund	27,959	0.07	0.00
Health Care Select Sector SPDR Fund	72,003	0.19	0.00
Industrial Select Sector SPDR Fund	6,529	0.02	0.00
Invesco QQQ Trust, Series '1'	131,095	0.34	0.00
iShares S&P/TSX Global Gold Index ETF	11,216	0.03	0.00
iShares Silver Trust	6,466	0.02	0.00
iShares U.S. Broker-Dealers & Securities Exchanges ETF	115,382	0.30	0.11
iShares U.S. Home Construction ETF	3,596	0.01	0.00
SPDR Gold Shares	983,869	2.57	0.00
VanEck Vectors Semiconductor ETF	136,911	0.36	0.01
Innovator ETFs Trust	(67,289)	(0.18)	(0.03)
iShares MSCI Hong Kong ETF	(15,376)	(0.04)	(0.00)
iShares Russell 2000 Growth ETF	(190,976)	(0.50)	(0.00)
iShares S&P SmallCap 600 Index Fund	(265,152)	(0.69)	(0.00)
iShares S&P/TSX 60 Index ETF	(80,070)	(0.21)	(0.00)
SPDR KBW Regional Banking ETF	(48,470)	(0.13)	(0.00)
SPDR S&P 500 ETF Trust	(297,227)	(0.78)	(0.00)
Technology Select Sector SPDR Fund	(92,206)	(0.24)	(0.00)

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For the periods ended June 30, 2020 and December 31, 2019

Exemplar Performance Fund – December 31, 2019

	Fair Value of Fund's Investment in Underlying Fund	Net Assets Attributable to Holders of Redeemable Units	Ownership of Underlying Fund
	\$	%	%
Arrow Global Advantage Alternative Class, Series ETF	3,815,515	9.68	4.85
BMO Equal Weight Banks Index ETF	19,338	0.05	0.00
Consumer Staples Select Sector SPDR Fund	237,170	0.60	0.00
Health Care Select Sector SPDR Fund	46,295	0.12	0.00
Invesco QQQ Trust, Series '1'	46,934	0.12	0.00
iShares 20+ Year Treasury Bond ETF	492,597	1.25	0.00
iShares S&P/TSX Capped Energy Index ETF	356,597	0.90	0.05
iShares S&P/TSX Global Gold Index ETF	21,014	0.05	0.00
iShares Silver Trust	11,047	0.03	0.00
iShares TIPS Bond ETF	127,152	0.32	0.00
iShares U.S. Aerospace & Defense ETF	54,793	0.14	0.00
SPDR FTSE International Government Inflation-Protected Bond ETF	8,588	0.02	0.00
SPDR Gold Shares	643,903	1.63	0.00
Technology Select Sector SPDR Fund	48,806	0.12	0.00
Utilities Select Sector SPDR Fund	41,956	0.11	0.00
VanEck Vectors Semiconductor ETF	80,796	0.20	0.00
Vanguard REIT ETF	390,396	0.99	0.00
iShares iBoxx High Yield Corporate Bond ETF	(84,504)	(0.21)	0.00
iShares Russell 2000 ETF	(88,204)	(0.22)	0.00
iShares Russell 2000 Growth ETF	(267,048)	(0.68)	0.00
iShares S&P/TSX 60 Index ETF	(147,737)	(0.37)	0.00
SPDR Bloomberg Barclays High Yield Bond ETF	(32,716)	(0.08)	0.00
SPDR S&P 500 ETF Trust	(263,309)	(0.67)	0.00

7. REDEEMABLE UNITS

During the periods ended June 30, 2020 and 2019, the number of units issued, redeemed and outstanding was as follows:

Exemplar Growth and Income Fund - for the period ended June 30, 2020

	Redeemable units outstanding at beginning of period	Redeemable units issued	Redeemable units issued on reinvestment of distributions	Redeemable units redeemed	Redeemable units issued and outstanding at end of period
Series A	5,683,759	2,221,367	88,273	(536,908)	7,456,491
Series AN	3,799,539	863,940	-	(388,627)	4,274,852
Series F	6,762,439	2,836,903	87,951	(668,889)	9,018,404
Series FN	3,937,059	1,625,770	-	(770,432)	4,792,397
Series I	-	95	-	-	95
Series L	384,970	132,926	5,566	(19,021)	504,441
Series LN	214,137	94,741	-	-	308,877
Series ETF	350,000	475,000	-	(225,000)	600,000

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Exemplar Growth and Income Fund - for the period ended June 30, 2019

	Redeemable units outstanding at beginning of period	Redeemable units issued	Redeemable units issued on reinvestment of distributions	Redeemable units redeemed	Redeemable units issued and outstanding at end of period
Series A	2,341,565	2,452,323	47,885	(289,863)	4,551,910
Series AN	530,335	2,805,796	-	(335,399)	3,000,732
Series F	1,086,602	3,215,153	32,945	(81,815)	4,252,885
Series FN	1,043,110	2,098,171	-	(408,152)	2,733,129
Series I	-	-	-	-	-
Series L	113,348	159,735	2,589	(14,059)	261,613
Series LN	66,088	101,865	-	(1,853)	166,100
Series ETF	125,000	550,000	-	(100,000)	575,000

Exemplar Investment Grade Fund - for the period ended June 30, 2020

	Redeemable units outstanding at beginning of period	Redeemable units issued	Redeemable units issued on reinvestment of distributions	Redeemable units redeemed	Redeemable units issued and outstanding at end of period
Series A	3,002,110	209,169	37,602	(534,687)	2,714,194
Series AI	904,532	19,200	7,499	(69,423)	861,808
Series AN	707,852	60,002	-	(340,531)	427,323
Series F	8,060,067	761,223	56,787	(758,242)	8,119,835
Series FI	2,385,247	84,926	32,707	(534,368)	1,968,512
Series FN	2,625,491	220,038	-	(1,074,960)	1,770,569
Series I	549	498,139	-	(79,396)	419,292
Series G	66,984	4,234	899	(518)	71,599
Series U	8,108	-	1	-	8,109
Series ETF	375,000	75,000	-	-	450,000

Exemplar Investment Grade Fund - for the period ended June 30, 2019

	Redeemable units outstanding at beginning of period	Redeemable units issued	Redeemable units issued on reinvestment of distributions	Redeemable units redeemed	Redeemable units issued and outstanding at end of period
Series A	3,612,725	288,391	44,178	(779,754)	3,165,540
Series AI	537,584	543,323	6,379	(95,717)	991,569
Series AN	577,037	350,670	-	(133,263)	794,444
Series F	8,684,027	772,484	60,413	(1,128,468)	8,388,456
Series FI	707,025	3,436,741	34,394	(865,330)	3,312,830
Series FN	1,931,962	1,049,966	-	(296,816)	2,685,112
Series I	533	-	-	-	533
Series G	57,951	7,695	787	(246)	66,187
Series U	N/A	8,105	1	-	8,106
Series ETF	225,000	225,000	-	-	450,000

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Exemplar Performance Fund - for the period ended June 30, 2020

	Redeemable units outstanding at beginning of period	Redeemable units issued	Redeemable units issued on reinvestment of distributions	Redeemable units redeemed	Redeemable units issued and outstanding at end of period
Series A	738,046	19,140	-	(78,673)	678,513
Series AD	20,599	4,657	170	(5,318)	20,108
Series F	1,771,440	182,452	-	(241,908)	1,711,984
Series FD	20,418	706	35	(2,772)	18,387
Series I	461	-	-	-	461
Series L	123,627	674	-	(19,774)	104,527
Series LD	8,284	-	86	(358)	8,012

Exemplar Performance Fund - for the period ended June 30, 2019

	Redeemable units outstanding at beginning of period	Redeemable units issued	Redeemable units issued on reinvestment of distributions	Redeemable units redeemed	Redeemable units issued and outstanding at end of period
Series A	959,407	38,237	-	(187,425)	810,219
Series AD	20,674	326	158	(310)	20,848
Series F	2,011,556	239,663	-	(416,623)	1,834,596
Series FD	43,517	-	63	(22,324)	21,256
Series I	461	-	-	-	461
Series L	246,284	5,116	-	(100,075)	151,325
Series LD	21,210	-	132	(8,000)	13,342

8. OFFSETTING OF FINANCIAL INSTRUMENTS

Below is a summary of the offsetting of financial assets and liabilities and collateral amounts that would occur if future events, such as bankruptcy or termination of contracts, were to arise as at June 30, 2020 and December 31, 2019. The "Net Amount" column displays what the net impact would be on the Fund's Statements of Financial Position if all amounts were set off.

Exemplar Growth and Income Fund - June 30, 2020

	Gross amounts	Financial instruments eligible for offset	Net amounts presented in the Statement of Financial Position	Related amounts not offset in the Statement of Financial Position		Net amount
				Financial instruments	Collateral	
	\$	\$	\$	\$	\$	\$
Financial assets:						
Counterparty 1	468,372	-	468,372	-	-	468,372
Counterparty 2	29,127	-	29,127	(29,127)	-	-
	497,499	-	497,499	(29,127)	-	468,372
Financial liabilities:						
Counterparty 1	-	-	-	-	-	-
Counterparty 2	(470,744)	-	(470,744)	29,127	441,617	-
	(470,744)	-	(470,744)	29,127	441,617	-

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For the periods ended June 30, 2020 and December 31, 2019

Exemplar Growth and Income Fund - December 31, 2019

	Gross amounts	Financial instruments eligible for offset	Net amounts presented in the Statement of Financial Position	Related amounts not offset in the Statement of Financial Position		
				Financial instruments	Collateral	Net amount
	\$	\$	\$	\$	\$	\$
Financial assets:						
Counterparty 1	-	-	-	-	-	-
Counterparty 2	1,859,627	-	1,859,627	-	-	1,859,627
	1,859,627	-	1,859,627	-	-	1,859,627
Financial liabilities:						
Counterparty 1	-	-	-	-	-	-
Counterparty 2	-	-	-	-	-	-
	-	-	-	-	-	-

Exemplar Investment Grade Fund - June 30, 2020

	Gross amounts	Financial instruments eligible for offset	Net amounts presented in the Statement of Financial Position	Related amounts not offset in the Statement of Financial Position		
				Financial instruments	Collateral	Net amount
	\$	\$	\$	\$	\$	\$
Financial assets:						
Counterparty 1	45,951	-	45,951	(45,951)	-	-
Counterparty 2	5,823	-	5,823	-	-	5,823
Counterparty 3	394,363	-	394,363	(334,494)	-	59,869
	446,137	-	446,137	(380,445)	-	65,692
Financial liabilities:						
Counterparty 1	(1,011,275)	-	(1,011,275)	45,951	965,324	-
Counterparty 2	-	-	-	-	-	-
Counterparty 3	(334,494)	-	(334,494)	334,494	-	-
	(1,345,769)	-	(1,345,769)	380,445	965,324	-

Exemplar Investment Grade Fund - December 31, 2019

	Gross amounts	Financial instruments eligible for offset	Net amounts presented in the Statement of Financial Position	Related amounts not offset in the Statement of Financial Position		
				Financial instruments	Collateral	Net amount
	\$	\$	\$	\$	\$	\$
Financial assets:						
Counterparty 1	1,110,168	-	1,110,168	(78,835)	-	1,031,333
Counterparty 2	-	-	-	-	-	-
Counterparty 3	164,543	-	164,543	-	-	164,543
	1,274,711	-	1,274,711	(78,835)	-	1,195,876
Financial liabilities:						
Counterparty 1	(78,835)	-	(78,835)	78,835	-	-
Counterparty 2	(23,801)	-	(23,801)	-	23,801	-
Counterparty 3	-	-	-	-	-	-
	(102,636)	-	(102,636)	78,835	23,801	-

EXEMPLAR FUNDS

GENERAL NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

For the periods ended June 30, 2020 and December 31, 2019

Exemplar Performance Fund - June 30, 2020

	Gross amounts \$	Financial instruments eligible for offset \$	Net amounts presented in the Statement of Financial Position \$	Related amounts not offset in the Statement of Financial Position		
				Financial instruments \$	Cash collateral \$	Net amount \$
Financial assets:						
Counterparty 1	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A
Financial liabilities:						
Counterparty 1	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A

Exemplar Performance Fund - December 31, 2019

	Gross amounts \$	Financial instruments eligible for offset \$	Net amounts presented in the Statement of Financial Position \$	Related amounts not offset in the Statement of Financial Position		
				Financial instruments \$	Collateral \$	Net amount \$
Financial assets:						
Counterparty 1	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A
Financial liabilities:						
Counterparty 1	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A

9. SECURITIES LENDING

The Funds' have entered into a security lending program administered by BNY Mellon, in its capacity as Lending Agent. The tables below summarize the securities loaned and collateral held as at June 30, 2020 and 2019 and the security lending income for the periods ended June 30, 2020 and 2019:

As at June 30, 2020

	Exemplar Growth and Income Fund \$	Exemplar Investment Grade Fund \$	Exemplar Performance Fund \$
Non-Cash Collateral Coverage			
Collateral received for securities on loan	31,009,160	30,194,014	3,720,953
Market value of securities loaned	(29,525,253)	(28,751,532)	(3,538,531)
Collateral in excess of securities loaned	1,483,907	1,442,481	182,422
Collateral as a percentage of securities loaned	105.0%	105.0%	105.2%
Non-Cash Collateral Exposure			
CAD	8,024,041	29,708,472	861,728
USD	22,985,120	485,541	2,859,225
	31,009,161	30,194,014	3,720,953

EXEMPLAR FUNDS

GENERAL NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

For the periods ended June 30, 2020 and December 31, 2019

As at December 31, 2019

	Exemplar Growth and Income Fund \$	Exemplar Investment Grade Fund \$	Exemplar Performance Fund \$
Non-Cash Collateral Coverage			
Collateral received for securities on loan	59,648,754	819,692	4,761,623
Market value of securities loaned	(56,663,841)	(780,449)	(4,522,334)
Collateral in excess of securities loaned	2,984,913	39,243	239,289
Collateral as a percentage of securities loaned	105.3%	105.0%	105.3%
Non-Cash Collateral Exposure			
CAD	10,872,462	819,692	838,875
USD	48,776,291	-	3,922,748
	59,648,754	819,692	4,761,623

For the period ended June 30, 2020

	Exemplar Growth and Income Fund \$	% of gross security lending income	Exemplar Investment Grade Fund \$	% of gross security lending income	Exemplar Performance Fund \$	% of gross security lending income
Income						
Securities lending income	131,119	100.0%	1,757	100.0%	16,753	100.0%
Withholding taxes	(2,805)	2.1%	-	0.0%	(293)	1.7%
BNY Mellon lending agent fees	(51,320)	39.1%	(702)	40.0%	(6,582)	39.3%
Securities lending income (net)	76,994	58.7%	1,055	60.0%	9,878	59.0%

For the period ended June 30, 2019

	Exemplar Growth and Income Fund \$	% of gross security lending income	Exemplar Investment Grade Fund \$	% of gross security lending income	Exemplar Performance Fund \$	% of gross security lending income
Income						
Securities lending income	98,812	100.0%	2,103	100.0%	48,768	100.0%
Withholding taxes	(7,408)	7.5%	-	0.0%	(1,463)	3.0%
BNY Mellon lending agent fees	(36,554)	37.0%	(840)	39.9%	(18,918)	38.8%
Securities lending income (net)	54,850	55.5%	1,263	60.1%	28,387	58.2%

10. RELATED PARTY TRANSACTIONS

Management Fees

The Manager is paid a management fee for managing the investment portfolio, providing investment analysis and recommendations, making investment decisions, making brokerage arrangements relating to the purchase and sale of the investment portfolio and making arrangements with registered dealers for the purchase and sale of securities of the Funds by investors. The management fee is calculated on each series of the Funds as a fixed annual percentage of the daily net asset value of the series and accrued each day the Net Asset Value of the Funds is calculated. The management fees are subject to HST (and any other applicable taxes). The Management fee is payable monthly.

The management fee rates are calculated as a % of the net asset value of the Funds as follows:

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GENERAL NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

For the periods ended June 30, 2020 and December 31, 2019

Series	Fund		
	Exemplar Growth and Income Fund	Exemplar Investment Grade Fund	Exemplar Performance Fund
A	1.80	1.30	2.00
AD	N/A	N/A	2.00
AI	N/A	1.30	N/A
AN	1.80	1.30	N/A
U	N/A	1.30	N/A
F	0.80	0.80	1.00
FD	N/A	N/A	1.00
FI	N/A	0.80	N/A
FN	0.80	0.80	N/A
G	N/A	0.80	N/A
L	2.10	N/A	2.30
LD	N/A	N/A	2.30
LN	2.10	N/A	N/A
ETF	0.80	0.80	N/A

A holder of Series I Units pays a negotiated fee directly to the Manager.

Performance Fees

Exemplar Performance Fund pays the Manager an annual performance fee (the "Performance Fee"), equal to 20% of the amount by which the Fund outperforms its benchmark the S&P/TSX Composite Total Return Index (the "Index"). The Performance Fee is calculated and accrued daily and paid semi-annually on a calendar year basis and is subject to HST (and any other applicable taxes).

A Performance Fee will be payable in all circumstances where the performance of the Fund exceeds that of the S&P/TSX Composite Total Return Index, even in circumstances where the overall performance of the Fund has declined in a particular year, but as long as the performance of the Fund is positive since the last date that a performance fee was paid by the Fund. The S&P/TSX Composite Total Return Index is comprised of most of the largest companies on the Toronto Stock Exchange as measured by market capitalization with any distributions reinvested.

If the performance of a series of the Fund in any year is less than the performance of the Index (the "Return Deficiency"), then no Performance Fee will be payable in any subsequent year until the performance of the applicable series, on a cumulative basis calculated from the first of such subsequent years, has exceeded the amount of the Return Deficiency.

If any units of Exemplar Performance Fund are redeemed prior to the end of a calendar year, a performance fee will be payable on the redemption date in respect of each such unit in the same manner as described above, however, the bench mark will be pro-rated. This performance fee is paid to the fund semi-annually.

Exemplar Growth and Income Fund does not charge a performance fee directly, although funds it invests in may be charged a performance fee.

The Fund will not pay duplicate management, performance and administration fees on the portion of assets that are invested in units/shares of any Arrow underlying funds invested in by the Fund. During the period, the Fund may have received a management and/or administration fee rebate from the underlying fund Manager.

The Fund Sub-Advisor will be remunerated by the Manager out of the Management Fee and the Performance Fee.

Operation and Administration Fees

Each series of the Funds is charged a fixed rate annual administration fee ("Administration Fee") and in return the Manager bears all of the operating expenses of the Funds, other than certain specified fund costs. The Administration Fee is calculated on each series of the Funds as a fixed annual percentage of the daily net asset value of the series. The fixed rate may be adjusted from time to time.

All expenses relating to the operation of the Funds will be charged to that particular series. Operating expenses include, but are not limited to, legal, audit, transfer agent, custodian, administration and trustee services, cost of financial reporting and Simplified Prospectus printing, regulatory filing fees, valuation services and other miscellaneous expenses specifically attributable to the Fund and any applicable taxes. The Manager may provide any of these services and is reimbursed all of its costs in providing these services to the Funds which may include but are not limited to personnel costs, office

EXEMPLAR FUNDS

GENERAL NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

For the periods ended June 30, 2020 and December 31, 2019

space, insurance and depreciation. The common expense will be allocated among the Funds and other investment funds managed by Arrow, as applicable.

The Funds will bear separately any expense item that can be attributed specifically to the Funds. Other fund costs include taxes (including, but not limited to GST/HST and income tax), interest and borrowing costs, commission costs, all fees and expenses of the Funds' Independent Review Committee (IRC), costs of complying with the regulatory requirement to produce Fund Facts, fees paid to external service providers associated with tax reclaims, refunds or the preparation of foreign tax reports on behalf of the Funds, new fees related to external services that were not commonly charged in the Canadian mutual fund industry and introduced after the date of the most recently filed simplified prospectus, and the costs of complying with any new regulatory requirements, including, without limitation, any new fees introduced after the date of the most recently filed simplified prospectus.

Each Fund is responsible for all operating expenses incurred by or on behalf of that Fund. At the discretion of the Manager, certain fees may be absorbed by the Manager. During the periods ended June 30, 2020 and December 31, 2019 the Manager waived operating expenses as noted in the Statements of Comprehensive Income (Loss).

Accrued management fees and performance fees (excluding HST) included in other liabilities on the Statements of Financial Position are as follows:

	June 30, 2020		December 31, 2019	
	Management Fees	Performance Fees	Management Fees	Performance Fees
	\$	\$	\$	\$
Exemplar Growth and Income Fund	319,037	N/A	257,321	N/A
Exemplar Investment Grade Fund	127,425	N/A	146,598	N/A
Exemplar Performance Fund	43,672	409,791	46,248	9,212

Related Party Unit Holdings

The Funds may invest in units of other funds managed by Arrow. As at June 30, 2020 and December 31, 2019 the Funds made investments in the following other funds managed by Arrow.

As at June 30, 2020

Fund Held By	Fund Invested In	Number of units	Fair Value (\$)	% of net assets attributable to holders of redeemable units
Exemplar Growth and Income Fund	Exemplar Investment Grade Fund - ETF		3,913,070	1.3
Exemplar Growth and Income Fund	Exemplar Investment Grade Fund - Series I		1,965,373	0.7
Exemplar Performance Fund	Arrow Global Advantage Alternative Class - ETF		3,687,913	9.6

As at December 31, 2019

Fund Held By	Fund Invested In	Number of units	Fair Value (\$)	% of net assets attributable to holders of redeemable units
Exemplar Growth and Income Fund	Exemplar Investment Grade Fund - ETF	177,400	3,563,079	1.5
Exemplar Performance Fund	Arrow Global Advantage Alternative Class - ETF	190,007	3,815,515	9.7

The Manager of the Funds may, from time to time, make initial investments in certain classes of certain Funds to help establish a class or a Fund. The Manager or Directors of the Manager may also make investments in the Funds ("Related Parties"). As at June 30, 2020 and December 31, 2019, the number of units owned by Related Parties are as follows:

EXEMPLAR FUNDS

GENERAL NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

For the periods ended June 30, 2020 and December 31, 2019

As at June 30, 2020

	Number of units	Amount (\$)	% of net assets attributable to holders of redeemable units
Exemplar Growth and Income Fund - A	2,074	21,798	0.0%
Exemplar Growth and Income Fund - AN	913	10,153	0.0%
Exemplar Growth and Income Fund - FN	214,062	2,442,447	0.8%
Exemplar Investment Grade Fund - FN	94	955	0.0%
Exemplar Investment Grade Fund - I	549	5,830	0.0%
Exemplar Investment Grade Fund - U	104	1,375	0.0%
Exemplar Performance Fund - F	1,787	27,556	0.1%
Exemplar Performance Fund - I	461	6,463	0.0%

As of December 31, 2019

	Number of units	Amount (\$)	% of net assets attributable to holders of redeemable units
Exemplar Growth and Income Fund - A	2,043	21,688	0.0%
Exemplar Growth and Income Fund - AN	913	10,098	0.0%
Exemplar Growth and Income Fund - F	667	7,149	0.0%
Exemplar Growth and Income Fund - FN	294,756	3,328,861	1.4%
Exemplar Investment Grade Fund - FN	94	973	0.0%
Exemplar Investment Grade Fund - I	549	5,937	0.0%
Exemplar Investment Grade Fund - U	103	1,346	0.0%
Exemplar Performance Fund - F	871	13,135	0.0%
Exemplar Performance Fund - I	461	6,317	0.0%

11. BROKERAGE COMMISSIONS

Commissions and other portfolio transaction costs are costs incurred to acquire, issue or dispose of financial assets or liabilities. They include fees and commissions paid to agents, advisers, brokers and dealers. Commissions may be paid to brokerage firms which provide (or pay for) certain services, other than order execution, which may include investment research, analysis and reports, and databases or software in support of these services (referred to in the industry as soft dollar arrangements). These goods and services are paid for with a portion of brokerage commissions and assist the portfolio advisor and portfolio sub-advisors with their decision-making services to the Fund or relate directly to the execution of portfolio transaction on behalf of the Fund.

Total commissions paid to dealers for the periods ended June 30, 2020 and 2019 in connection with portfolio transactions are as follows:

	June 30, 2020	June 30, 2019
	\$	\$
Exemplar Growth and Income Fund	127,441	111,504
Exemplar Investment Grade Fund	-	7,070
Exemplar Performance Fund	3,850	3,594

Soft Dollar Commissions

Where applicable and ascertainable, the value of third-party services or soft dollars that were paid for by brokers during the periods ended June 30, 2020 and 2019 are as follows:

	June 30, 2020	June 30, 2019
	\$	\$
Exemplar Growth and Income Fund	81,829	32,797
Exemplar Investment Grade Fund	-	-
Exemplar Performance Fund	10,538	7,539

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GENERAL NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

For the periods ended June 30, 2020 and December 31, 2019

12. INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT

The increase (decrease) in net assets attributable to holders of redeemable units per unit for the periods ended June 30, 2020 and 2019 is calculated as follows:

June 30, 2020	Increase (decrease) in net assets attributable to holders of redeemable units (\$)	Weighted average redeemable units outstanding during the period	Increase (decrease) in net assets attributable to holders of redeemable units per unit (\$)
Exemplar Growth and Income Fund – Series A	347,242	6,495,030	0.05
Exemplar Growth and Income Fund – Series AN	193,352	3,979,282	0.05
Exemplar Growth and Income Fund – Series F	699,422	7,760,296	0.09
Exemplar Growth and Income Fund – Series FN	396,304	4,231,200	0.09
Exemplar Growth and Income Fund – Series I	-	-	-
Exemplar Growth and Income Fund – Series L	5,000	439,048	0.01
Exemplar Growth and Income Fund – Series LN	37	239,269	0.00
Exemplar Growth and Income Fund – Series ETF	164,676	260,165	0.63
Exemplar Investment Grade Fund – Series A	(780,255)	2,909,178	(0.27)
Exemplar Investment Grade Fund – Series AI	(198,658)	891,825	(0.22)
Exemplar Investment Grade Fund – Series AN	(222,735)	554,477	(0.40)
Exemplar Investment Grade Fund – Series F	(1,782,850)	8,070,161	(0.22)
Exemplar Investment Grade Fund – Series FI	(467,925)	2,154,112	(0.22)
Exemplar Investment Grade Fund – Series FN	(943,381)	2,210,814	(0.43)
Exemplar Investment Grade Fund – Series I	349,938	220,062	1.59
Exemplar Investment Grade Fund – Series G	21,975	69,160	0.32
Exemplar Investment Grade Fund – Series U	2,396	8,108	0.30
Exemplar Investment Grade Fund – Series ETF	(128,321)	410,714	(0.31)
Exemplar Performance Fund – Series A	278,014	698,852	0.40
Exemplar Performance Fund – Series AD	1,349	20,082	0.07
Exemplar Performance Fund – Series F	403,641	1,777,416	0.23
Exemplar Performance Fund – Series FD	8,717	18,463	0.47
Exemplar Performance Fund – Series I	142	461	0.31
Exemplar Performance Fund – Series L	46,710	111,943	0.42
Exemplar Performance Fund – Series LD	2,367	8,290	0.29

EXEMPLAR FUNDS

GENERAL NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

For the periods ended June 30, 2020 and December 31, 2019

June 30, 2019	Increase (decrease) in net assets attributable to holders of redeemable units (\$)	Weighted average redeemable units outstanding during the period	Increase (decrease) in net assets attributable to holders of redeemable units per unit (\$)
Exemplar Growth and Income Fund – Series A	1,255,347	3,478,522	0.36
Exemplar Growth and Income Fund – Series AN	458,023	1,828,979	0.25
Exemplar Growth and Income Fund – Series F	1,062,875	2,521,195	0.42
Exemplar Growth and Income Fund – Series FN	687,414	1,813,224	0.38
Exemplar Growth and Income Fund – Series L	63,359	186,612	0.34
Exemplar Growth and Income Fund – Series LN	34,800	104,063	0.33
Exemplar Growth and Income Fund – Series ETF	270,063	372,765	0.72
Exemplar Investment Grade Fund – Series A	1,190,872	3,479,427	0.34
Exemplar Investment Grade Fund – Series AI	216,228	774,324	0.28
Exemplar Investment Grade Fund – Series AN	235,673	705,205	0.33
Exemplar Investment Grade Fund – Series F	3,214,130	8,577,383	0.37
Exemplar Investment Grade Fund – Series FI	575,655	2,192,496	0.26
Exemplar Investment Grade Fund – Series FN	870,108	2,339,087	0.37
Exemplar Investment Grade Fund – Series I	244	533	0.46
Exemplar Investment Grade Fund – Series G	122	62,063	0.00
Exemplar Investment Grade Fund – Series U	(1,338)	5,451	(0.25)
Exemplar Investment Grade Fund – Series ETF	217,767	323,743	0.67
Exemplar Performance Fund – Series A	1,516,740	901,857	1.68
Exemplar Performance Fund – Series AD	26,789	20,672	1.30
Exemplar Performance Fund – Series F	3,456,823	1,904,141	1.82
Exemplar Performance Fund – Series FD	52,910	34,597	1.53
Exemplar Performance Fund – Series I	777	461	1.69
Exemplar Performance Fund – Series L	319,005	204,724	1.56
Exemplar Performance Fund – Series LD	27,181	20,663	1.32

12. INCOME TAXES

The Funds qualify as a mutual fund trust under the provisions of the Income Tax Act (Canada) and, accordingly is subject to tax on its investment income, including the taxable portion of net realized capital gains that are not paid or payable to its unitholders. The Fund distributes sufficient amounts of its net investment income, including net realized capital gains, less the amount retained to enable each Trust Fund to utilize any available tax losses or, if applicable, tax credits attributable to redemptions during the period by its unitholders such that no income tax (other than alternative minimum tax, if applicable) will be paid or payable by the Funds. Such net investment income, including net realized capital gains are taxable in the hands of the unitholders. Occasionally, the Funds may pay distributions in excess of the net income and net realized capital gains of the Funds. This excess distribution is called a return of capital and is non-taxable to the unitholder. However, a return of capital reduces the average cost of the unitholder's units for tax purposes, which may result in a capital gain to the unitholder to the extent the average cost becomes less than zero. Accordingly, the Funds do not record Canadian income taxes in their financial statements.

The Funds have a taxation year-ended of December 15. Non-capital losses are available to be carried forward for 20 years. Capital losses for income tax purposes may be carried forward indefinitely and applied against capital gains realized in future years. As at December 31, 2019 the Fund had the following unused non-capital losses and unused allocable capital losses:

	Non-Capital Loss \$	Capital Loss \$
Exemplar Growth and Income Fund	nil	nil
Exemplar Investment Grade Fund	nil	nil
Exemplar Performance Fund	500,569	449,796

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

August 24, 2020

TO THE UNITHOLDERS AND TRUSTEE OF EXEMPLAR GROWTH AND INCOME FUND, EXEMPLAR INVESTMENT GRADE FUND, AND EXEMPLAR PERFORMANCE FUND (COLLECTIVELY THE "FUNDS")

The accompanying unaudited financial statements have been prepared by Arrow Capital Management Inc. ("Arrow" or the "Manager" of the Funds), and approved by the Board of Directors of the Manager. The Manager is responsible for the information and representations contained in these financial statements.

The Manager maintains appropriate processes to ensure that reliable financial information is produced. The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and include certain amounts that are based on estimates and judgments. The significant accounting policies which management believes are appropriate for the Funds are described in Note 2 to the financial statements.

"James L. McGovern"

JAMES L. MCGOVERN
Managing Director & CEO
ARROW CAPITAL MANAGEMENT INC.

"Robert W. Maxwell"

ROBERT W. MAXWELL
Managing Director & CFO
ARROW CAPITAL MANAGEMENT INC.

NOTICE TO UNITHOLDERS

The auditor of the Funds has not reviewed these interim financial statements.

The Manager of the Funds appoints an independent auditor to audit the Funds' annual financial statements. Applicable securities laws require that if an auditor has not reviewed the Funds' interim financial statements, this must be disclosed in an accompanying notice.

FUND INFORMATION

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