



ADVISORY BOARD MEETING

<u>Board Member</u>	<u>Alternate</u>	<u>Board Member</u>	<u>Alternate</u>
David Morritt	Lyndon Barnes	Donald Milner	S. Bruce Blain
Robert Love	Kate Menear	Gordon Goodman	John Birch
Mike Swartz	Paul Wilson	Ken Crofoot	Eugene Cipparone
Julia Holland	James C. Tory	Laurence Detière	Melanie Koszegi
William Scott	David E. Woollcombe	Margaret McNee	Christopher Garrah

Tuesday, September 20, 2022 at 8:30 a.m.
 Goodmans LLP
 34th Floor, Bay Adelaide Centre, West Tower
 333 Bay Street
 Toronto, Ontario

ZOOM login information: Advisory Board of CLLAS

To join meeting using a computer:

<https://us02web.zoom.us/j/85695904473?pwd=zWtAE3AWoxcYMWWvM1ZlVn9i7ZdO-.1>

Meeting ID: 856 9590 4473

Meeting Password: 533661

To join meeting by phone:

+1 647 558 0588 Canada

Meeting ID: 856 9590 4473

Meeting Password: 533661

AGENDA

	<u>Responsibility</u>	<u>Est. Time</u>	<u>Tab</u>
1. Constitution of Meeting	Ken Crofoot		
2. Appointment of Secretary	Ken Crofoot		
3. Approval of the Minutes of June 21, 2022 Meeting	Ken Crofoot	5 mins	3.1

Proposed Resolution: To approve the minutes.



	<u>Responsibility</u>	<u>Est. Time</u>	<u>Tab</u>
4. Business Arising Out of the Minutes	Ken Crofoot		
5. Comments of Chair	Ken Crofoot	5 mins	
6. Reinsurance Renewal and State of the Market Outlook	Ryan Durrell	10 mins	
7. CLLAS Cyber Program Update	Ryan Durrell	10 mins	
8. Report of the General Manager's Office	Patrick Mahoney	20 mins	
8.1 Management Financial Statements as at June 30, 2022			8.1
8.2 Own Risk and Solvency Assessment (ORSA) Update			
8.3 Overview of CLLAS Governance Policies			8.3
9. Committee Reports		20 mins	
9.1 Audit Committee	Gord Goodman		
9.2 Claims Committee	Bill Scott		9.2
9.3 Risk Management Committee	Julia Holland		
9.4 Policy Committee	Donald Milner		
10. Other Business		10 mins	
10.1 Quarterly Report of the Investment Manager	Patrick Mahoney		10.1
11. Proposed Meeting Dates for 2023:			
• February 21, 2023			
• June 20, 2023			
• September 19, 2023			
• December 5, 2023			
12. Next Meeting – December 6, 2022			

Anticipated Adjournment Time: 10:00 a.m.

**CANADIAN LAWYERS LIABILITY ASSURANCE SOCIETY
("CLLAS")**

Minutes of a Meeting of the Advisory Board

8:45 a.m.

Goodmans LLP (via videoconference)

Tuesday, June 21, 2022

Present:

Ken Crofoot (Chair)	Goodmans LLP
Robert Love	Borden Ladner Gervais LLP
Laurence Detière	Davies Ward Phillips & Vineberg LLP
Gordon Goodman	Cassels Brock & Blackwell LLP
Donald Milner	Fasken Martineau DuMoulin LLP
Bill Scott	McCarthy Tétrault LLP
Margaret McNee	McMillan LLP
Julia Holland	Torys LLP
Michael Statham	WeirFoulds LLP
Patrick Mahoney	Office of the General Manager, CLLAS
Norma Ibbetson	Office of the General Manager, CLLAS
Ryan Durrell	Axxima

Absent:

David Morritt	Osler, Hoskin & Harcourt LLP
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1. Constitution of Meeting

The Chair brought the meeting to order.

2. Appointment of Secretary

Norma Ibbetson acted as Secretary.

3. Approval of Minutes of the February 22, 2022 and May 4, 2022 Meetings of the Advisory Board

It was moved by Laurence Detière and seconded by Margaret McNee that the minutes of the February 22, 2022 meeting of the Advisory Board be approved. The motion was carried unanimously.

It was moved by Laurence Detière and seconded by Margaret McNee that the minutes of the May 4, 2022 special meeting of the Advisory Board be approved. The motion was carried unanimously

4. Business Arising Out of the Minutes

All business arising out of the minutes is being dealt with elsewhere in the agenda.

5. Comments of the Chair

Ken Crofoot reported to the Board that the trip to London with management, the Axxima Group and Julia Holland went very well. The underwriters of the various syndicates were very receptive to the risk management work being done by CLLAS firms and discussion of the return-to-work policies of many of the firms.

6. Pro-Form Insurance Services

Bob Wilson and Scott Belton joined the meeting.

Although overall we are continuing to experience hard market conditions, there are signs that the professional liability space in Canada is starting to stabilize. We are no longer seeing the mass exodus of capacity that we had seen over the past few years and there are even some new domestic insurers entering the professional liability market. Tokio Marine Canada is one new market that has agreed to take a small line on the program this year. In certain situations, we may see Intact consolidating its capacity or non-renewing certain “old” RSA business following its acquisition of RSA but, Intact has agreed to maintain RSA’s participation for the CLLAS firms.

Mr. Wilson noted that the outlook for the broader commercial insurance market is clouded by the current economic and geopolitical uncertainty in the world. The ongoing threat of increasingly frequent large insured losses from natural catastrophes looms and is a significant challenge for Canadian insurers.

Current excess insurers have agreed to renew their participation for a further year and have agreed to limit their increases to 5% on the \$50,000,000 excess of \$50,000,000 layer and 5% on the next layer of \$60,000,000 excess of \$100,000,000. There are no changes to the structure of the program this year.

Mr. Wilson indicated that there will be no changes to the policy wordings in 2022, subject to any changes to the underlying CLLAS wording.

The CLLAS International program is renewing with a 6-12% rate increase, generally with the same insurers as expiring. Mr. Wilson stressed to the Board that he views this as a very good result. He reminded the Board that the international program is marketed as a group but that each firm is rated separately based on claims experience. Pro-Form will be in contact directly with each firm to explaining the specific increase. The only wording change is to beef up the sanctions exclusion as it relates to Russia.

A schedule summarizing the AM Best and S&P ratings of all insurers on the excess and international programs was included in the hand-out material. Also included was a rate summary going back to 2001 which highlights the decrease in rates since 2004 up to 2018. The 2022 rate is still competitive at \$930 for \$110 million of coverage and well below the rate of 15 years ago.

Lawyer head counts as of June 1, 2022 are considered final. Mr. Wilson indicated that firms will be renewed based on expiring terms and limits, unless he is advised otherwise. He and Mr. Belton then left the meeting.

7. **Reinsurance Renewal**

Ryan Durrell reported on the CLLAS reinsurance renewal and the cyber program.

Reinsurance Renewal

The Board received a copy of a June 15, 2022 memo reporting on the placement. The primary renewal objective for this year was to achieve the best renewal terms possible for CLLAS members given current market conditions. Given the opportunity to travel once again there was a focus on enhancing existing reinsurer relationships and we took the opportunity to meet with a new market as well.

Ken Crofoot and Julia Holland from the CLLAS Board and Patrick Mahoney, Ryan Durrell and Christopher Marley from Axxima met with markets. Julia and Ken provided significant comfort to underwriters on a variety of issues, including the Canadian legal marketplace, impacts of the Russia-Ukraine conflict and sanctions, hybrid working environments and risk management efforts.

The market this year remains challenging but is marked by what the market has been calling “decelerated increases” in rates. Availability of capacity is improving as insurers are once again turning profits after a period of year over year losses. The upward pressure on rates is subsiding. That said, a strong focus on technical rating remains and inflationary impacts on losses are being carefully monitored. There remains some concern that a recession is imminent. Recessions have historically brought higher claims frequency and severity.

The proposed renewal terms were a 5% increase on the primary layer, 20% on the optional excess and 16% on the umbrella layer. While our lead on the primary layer has agreed to 5%, some of the following markets are being challenged by their actuaries and so it is possible that the increase may be as high as 7.5%,

CLLAS’ loss development and loss emergence over the past 12 months have been relatively benign. Although some markets are not quick to forget the significant incurred losses reported in 2019, another year of relative stability was the highlight of CLLAS’ “business as usual” approach during renewal presentations.

On the CLLAS excess layers (optional and umbrella), we have lead agreement at 20% and 16% respectively driven by Swiss Re and Brit. We have not lost any capacity for 2022/23 which is the best indication of the improved stability in the market relative to past renewals.

A new optional umbrella layer of \$30 million excess of \$250 million has been placed as reported on in December 2021. The rate has yet to be finalized but we are optimistic that it will be confirmed at \$105 per lawyer. There is a minimum premium requirement for this layer which means that we need a critical mass of firms to purchase the coverage or the per lawyer rate would

increase accordingly. Based on the information in the renewal applications, there is sufficient interest in the layer that the minimum premium requirement will be met.

At the outset of the pandemic, when its impact on the cashflow of law firms was uncertain, CLLAS moved from semi-annual to quarterly premium instalments. This was done notwithstanding that there was no change to the timing of payment to CLLAS' reinsurers. It is proposed that CLLAS move back to semi-annual premium installments for the 2023/24 policy year.

Surplus Position and Impact on 2022/23 Premium

CLLAS' surplus position at December 31, 2021 was slightly above \$12.8 million. In considering the appropriate surplus level for CLLAS, it is important to consider regulatory requirements and surplus attributable to departed firms. Taking all factors into account and building in a prudent "cushion" over the minimum regulatory requirements, there is \$4.8 million of available surplus. CLLAS' actuary recommends the application of \$700,000 of surplus towards premium credits for 2022/2023, which is the same amount as in the previous two years. That said, if the rate on the primary level comes in at the higher end of the 5-7.5% range, we recommend funding the minor difference in reinsurance costs through surplus, which would result in an additional deployment of surplus of up to \$232,000.

During last year's rate discussion, the Board agreed that the return of a certain amount of surplus was appropriate to smooth premium increases but that it should be at a level that is sustainable for the next three or four years.

It was moved by Gordon Goodman and seconded by Don Milner that the surplus of up to \$930,000 be distributed by way of premium credit and that the 2022/23 premium rate be set based on a reinsurance rate increase on the primary layer of 5.0%, subject to final minor adjustments. The motion was carried unanimously.

The invoice for the first premium instalment will go out as soon as rates are finalized, which we expect to happen in next few days.

CLLAS Cyber Reinsurance Program

Details, such as claims handling procedures and reinsurance contract wordings are continuing to be worked through as we approach inception on July 1, 2022 of this inaugural reinsurance placement. A few key details:

Reinsurance of the first CLLAS Cyber Policy is being expected to incept July 1, 2022 and is structured to allow risks to attach through the year ending June 30, 2023. This will permit CLLAS to facilitate inception dates for each firm at their current policy's expiry, which for most will be October 15, 2022. One firm is expected to incept on July 1, 2022. The expectation is that all firms will move to a common renewal dated over the first two policy periods.

CLLAS has secured preliminary terms from Beazley Syndicate at Lloyd's, which presently provides the majority of CLLAS firms with their primary \$5,000,000 policy. Beazley has agreed to provide capacity on the basis that the CLLAS policy wording mirrors its own wording. Axxima has reviewed the Beazley wording against broadest wording in the marketplace (CFC's wording) and has found

that the Beazley wording to be clearer and that the policy terms and conditions read generally in line or broader than CFC's save for a few coverage enhancements which we do not see providing material value to the CLLAS firms. Key coverages are expected to be unchanged.

Beazley is expected to provide 100% of the \$5 million excess of the primary CLLAS retained layer of \$1 million per claim and in the annual aggregate per firm. The expectation is that terms will be finalized with Beazley in the next week and then we will be in a position to complete the placement of the \$ 4 million excess of \$6 million layer of the other interested reinsurers for 100%. Limits above the CLLAS \$10 million layer will be placed through the commercial marketplace and the expectation is to have the commercial policies follow form to the primary.

Mr. Mahoney advised that discussions have taken place with the Alberta and Ontario insurance regulators and that the necessary licence amendment for cyber has been issued by Ontario.

8. **Report of the General Manager's Office**

Patrick Mahoney reported.

Financial Statements Quarter Ending March 31, 2022

CLLAS's financial management report for the three months ended March 31, 2022 was included with the meeting materials.

CLLAS experienced a small underwriting gain of \$236,00 for the first three months of 2022, primarily due to a recovery on a very old claim that resulted in making money on the claim because of the unique resolution strategy at the time. After taking into account investment income (including unrealized losses in the quarter due to the impact of interest rate hikes on the fixed income portfolio) CLLAS' total comprehensive was just under \$33,000. At March 31, 2022, CLLAS had a surplus of \$12.8 million. Expenses to date are well under budget.

The key regulatory solvency test that CLLAS is required to comply with is known as the Alberta Maintenance of Reserve and Guarantee Fund ("AMRGF"). CLLAS must maintain "cash and approved securities" in excess of the reserve fund plus the guarantee fund required by the Alberta regulator. The AMRGF required for CLLAS at March 31, 2022 was \$11.1 million. CLLAS' cash and approved securities are well in excess of the minimum requirement.

CLLAS also monitors its Minimum Capital Test ratio. At March 31, 2022, CLLAS' MCT ratio is estimated to be 560%, well above CLLAS' minimum internal requirements of 210% and slightly over the December 31, 2021 result of 555%.

Mr. Mahoney also referred the Board to the risk metrics, Exhibit V, monitored by CLLAS on a quarterly basis. The results for March 31, 2022 are within CLLAS' risk tolerances with the exception of the "maximum concentration with a single reinsurer" as the Argo Syndicate reinsures 19.0% of CLLAS' total liabilities. As noted before, appropriate moves to continue diversifying CLLAS' reinsurance support should be made when market conditions permit.

CLLAS Transition to IFRS 17

Included in the Board meeting material was a memorandum that presented CLLAS March 31, 2022 financial statements prepared on the status quo basis (IFRS 4) and on the basis of the new accounting standard (IFRS 17) that will take effect on January 1, 2023. The next step is to prepare the June 30, September 30, and December 31, 2022 quarterly reporting under both the old IFRS 4 version and the new IFRS 17 allowing for use as the comparative for year 2023 interim reporting. Discussions with CLLAS' auditors have taken place and it is expected that Deloitte will audit opening balances prepared under IFRS 17 as part of the year-end cycle. The first time the Board will have to approve the financials on the new IFRS 17 basis will actually be December 31, 2023.

There will be an orientation session in the Fall with the Audit Committee to review the financial statements prepared under IFRS 17, to be followed by a session with the full Board.

Business Plan for Regulator – FY22 to FY24

The Business Plan, which has been updated to reflect the proposed CLLAS Cyber Program was filed with the regulator in May and included with the Board materials. The grey shading in the Business Plan handout are the updated sections relating to the Cyber Program.

CLLAS Subscribers Agreement – amendments for cyber

Included in the Board package is the CLLAS Subscribers' Agreement showing amendments necessary to reflect the addition of the CLLAS Cyber Program. The main change to the Agreement is the creation of separate "Underwriting Groups" for the current E&O coverage and the new cyber coverage so that they can be accounted for separately.

There are governance aspects to the introduction of the second Underwriting Group which affect board participation and entry/exit provisions.

Mr. Mahoney reviewed with the Board the changes necessitated by the cyber program. He advised that the amendments were prepared by management and then reviewed by a lawyer at Walker Sorenson who is familiar with subscribers' agreements. The changes have also been vetted by the Chair of the Board and of the Policy Committee.

Each firm is required to sign the amended agreement. Mr. Mahoney advised that he would circulate an email to the board members asking for any feedback and, after that process is complete, circulate the final document for execution.

9. Committee Reports

Report of the Audit Committee

Gordon Goodman had no report for the Board.

Report of the Claims Committee

Bill Scott reported. The Committee continues to meet quarterly in person, and as needed by phone and email. The next meeting is scheduled for early July 2021. There has been a material increase on an old 2008 file which is at mediation today.

Report of the Risk Management Committee

Julia Holland reported to the Board. The June risk management session was well attended and received. There was CLE accreditation for lawyers attending. Ms. Holland thanked everyone for their participation. The Fall will be another cyber session. The underwriters in London are always interested in all of CLLAS' risk management initiatives especially the risk audits.

Report of the Policy Committee

Don Milner reported. There is currently no new activity.

10. Other Business

Report of the Investment Manager at March 31, 2022

The report of the investment manager was included with the Board materials as an information item.

Updated Committee Membership

An updated committee list was provided. Appreciation as always was expressed for the work being done by the committees. Anyone interested in participating in a Committee or changing their role was asked to contact the chair.

Succession Planning at Axxima

Patrick Mahoney advised the Board that in the Fall of 2023 he will no longer be a partner at Axxima and that as part of that transition Carrie Green, who was hired by Axxima in September 2021 and participated in the May 2022 special board meeting, will be taking over much of his General Manager role. Axxima intends to manage this succession carefully over the next 15 months to avoid any disruption for CLLAS.

There was no other business.

11. Next Meeting

The next scheduled meeting of the Board will be on September 20, 2022 and will be held via Zoom.

There being no further business, the meeting was terminated.

Chairman

Secretary



MEMORANDUM

DATE: September 12, 2022
 TO: CLLAS Advisory Board
 FROM: Patrick Mahoney
 COPY:
 RE: June 30, 2022 Financial Management Report

CLLAS' financial management report for the six months ended June 30, 2022 is attached. Included are the following exhibits:

Exhibit I:	Statement of Financial Position
Exhibit II:	Statement of Comprehensive Income
Exhibit III:	Statement of Changes in Equity
Exhibit IV:	Budget Variance Analysis
Exhibit V:	Summary of Risk Metrics
Exhibit VI:	Alberta Maintenance of Reserve and Guarantee Fund

Financial Results

As shown on Exhibit II, CLLAS experienced an underwriting loss of \$393,000 in the second quarter and a total comprehensive loss (after taking into account realized and unrealized gains/losses on the investment portfolio) of \$496,000. The main reason for the loss was the strengthening of incurred but not reported (IBNR) reserves due to the impact of inflation on CLLAS' claims, which take a long time to develop and resolve. The decline in value on the investment portfolio was also due to inflation, as higher interest rates reduced the market value of fixed income investments.

As shown on Exhibit I, CLLAS' surplus at June 30, 2022 stood at just under \$12.4 million, basically unchanged from a year prior (i.e. June 30, 2021).

The Budget Variance (Exhibit IV) shows that expenses were about \$221,000, or 16%, under budget for the six-month period. Axxima fees are under budget for the period and will likely remain that way for the balance of the year. Premium taxes were also under budget due to an accounting requirement which forced the recognition of part of the 2022 premium tax expense in 2021 and this should balance out by the end of the year.



Risk Metrics

Exhibit V presents the results of various “risk metrics” monitored by CLLAS based on what have been identified through the ORSA process as its material risks. The Exhibit shows the year-end results for 2020 and 2021, and the results at June 30, 2022 against risk targets and risk limits.

Most of the metrics at June 30, 2022 are within CLLAS’ risk targets. The items of note are discussed below.

- Line 1: The key regulatory solvency test that CLLAS is required to comply with is known as AMRGF. Details of this calculation are shown in Exhibit VI, with the result summarized in Exhibit V. Exhibit VI shows that the CLLAS held cash and approved securities well in excess of the AMRGF requirement at June 30, 2022.
- Line 2: CLLAS also monitors its Minimum Capital Test ratio. At June 30, 2022 CLLAS’ MCT ratio was estimated to be 518%. The result is well above CLLAS’ internal target of 210%. Note that mid-year MCT calculations are done on a simplified basis in the interest of efficiency; the “official” MCT calculation is done at year-end.
- Line 4: CLLAS’ gross loss ratio (i.e. before taking into account reinsurance) was 151% for the period, which is just over CLLAS’ risk target of 150%. This was due primarily to an increased case reserve on an old file. CLLAS’ net loss ratio (i.e. after taking into account reinsurance) shown on Line 5 remains favourable.
- Line 8: The insurance market continues to be very difficult and so this metric appears in yellow. Again, this metric will be reviewed again if circumstance change.
- Line 9: As has been discussed as part of CLLAS’ Reinsurance Security Report, a couple of CLLAS reinsurers have A- ratings with AM Best and/or S&P.
- Line 10: As noted as part of CLLAS’ Reinsurance Security Report, the Argo Syndicate (Lloyds) reinsures 19.0% of CLLAS’ total liabilities. The percentage has reduced slightly from 19.3% in 2020 and exceeds CLLAS’ risk limit. Appropriate moves to continue diversifying CLLAS’ reinsurance support should be made when market conditions permit.

Please contact me if you have any questions with respect to the statements or the risk metrics.

Sincerely,

Patrick Mahoney, General Manager

Exhibit I

CANADIAN LAWYERS LIABILITY ASSURANCE SOCIETY
STATEMENT OF FINANCIAL POSITION
June 30, 2022

	As at June 30, 2022	As at June 30, 2021
ASSETS		
Cash	3,240,960	2,868,514
Short term investments	11,340,855	11,282,686
Bonds	5,721,231	6,160,494
Interest income due and accrued	24,241	23,119
Premium receivable	-	-
Other receivable	-	-
Prepaid expenses	136,032	114,076
Deferred policy acquisition costs	-	-
Unearned reinsurance premium ceded	-	-
Reinsurance recoverable	727,027	800,836
Provision for unpaid claims and adjustment expenses recoverable from reinsurers	73,239,919	68,055,944
	<u>94,430,264</u>	<u>89,305,669</u>
LIABILITIES		
Accounts payable & accrued charges	228,516	234,756
Premium taxes payable	-	-
Unearned premium	-	-
Due to reinsurers	-	378
Provision for unpaid claims and adjustment expenses	81,832,785	76,691,680
Premium deficiency liability	-	-
	<u>82,061,301</u>	<u>76,926,813</u>
SUBSCRIBERS' EQUITY		
Surplus	12,676,928	12,187,075
Accumulated Other Comprehensive Income (Loss)	(307,964)	191,780
	<u>12,368,963</u>	<u>12,378,855</u>
	<u>94,430,264</u>	<u>89,305,669</u>

Exhibit II

CANADIAN LAWYERS LIABILITY ASSURANCE SOCIETY
STATEMENT OF COMPREHENSIVE INCOME
For the Period Ending June 30, 2022

	Current Year		Prior Year	
	Quarter June 30, 2022	Year to Date June 30, 2022	Quarter June 30, 2021	Year to Date June 30, 2021
Written Premium	-	-	999	999
Gross Written Premiums	-	-	999	999
Less: Reinsurance Ceded	-	-	817	817
Net Written Premiums	-	-	182	182
Change in Unearned Premiums	507,161	1,008,750	503,946	1,002,354
Earned Premiums	507,161	1,008,750	504,128	1,002,536
Claims Paid	-	(391,021)	89,479	96,972
Change in IBNR	420,934	532,446	42,833	153,147
Change in Case Reserve	(79,371)	(98,866)	(144,479)	(101,973)
Premium Deficiency Expense	-	-	-	(30,774)
Incurred Claims	341,563	42,559	(12,167)	117,372
Management and operating expenses	457,664	933,526	337,159	761,823
Reinsurance fees	74,750	149,500	71,875	143,750
Premium taxes	26,938	41,179	-	-
Total Operating Expenses	559,352	1,124,205	409,034	905,573
Underwriting Gain (Loss)	(393,753)	(158,015)	107,262	(20,409)
Investment Income	65,723	106,976	36,563	73,949
Income on Claim Related Matters	-	-	-	-
Interest Income on Premium Tax	-	-	-	-
NET GAIN/(LOSS)	(328,030)	(51,039)	143,825	53,539
Other comprehensive income (loss)				
Unrealized gains (losses) on available for sale financial assets arising during the year	(168,363)	(412,805)	(11,353)	(126,057)
Recognition of realized (gain) loss included in income	-	-	-	-
Other comprehensive income (loss) for the year	(168,363)	(412,805)	(11,353)	(126,057)
Total comprehensive income (loss)	(496,393)	(463,843)	132,472	(72,518)

Exhibit III

CANADIAN LAWYERS LIABILITY ASSURANCE SOCIETY
STATEMENT OF CHANGES IN EQUITY
June 30, 2022

	Minimum Surplus	Additional Surplus	Unrealized gains and losses on AFS financial assets	Total Equity
Balance, beginning of year	50,000	12,677,966	104,841	12,832,807
Prior year adjustment		-		-
Comprehensive income (loss) for the year				
Net gain (loss) for the year		(51,039)		(51,039)
Other comprehensive income (loss)				
Change in unrealized gain on available-for-sale assets			(412,805)	(412,805)
Recognition of realized (gain) loss on available-for-sale assets			-	-
Total comprehensive income (loss) for the year		(51,039)	(412,805)	(463,843)
Distribution of premium surplus		-		-
Balance at June 30, 2022	50,000	12,626,928	(307,964)	12,368,963

Exhibit IV

CANADIAN LAWYERS LIABILITY ASSURANCE SOCIETY
STATEMENT OF OPERATIONS AND SURPLUS - VARIANCE ANALYSIS
FOR THE PERIOD ENDED June 30, 2022

	Annual Budget	Year to Date Budget %	Year to Date Budget \$	Year to Date Actual \$	Fav/(Unfav) Variance \$
MANAGEMENT SERVICES (See Note 1)	563,500	50%	281,750	282,854	(1,104)
PROFESSIONAL SERVICES (See Note 2)					
Actuarial Services	75,000	64%	48,000	41,882	6,118
Reinsurance Matters	280,000	64%	179,198	142,707	36,491
Strategic Matters	150,000	64%	96,000	85,128	10,872
Sub-Total Professional Services	505,000		323,198	269,718	53,480
GST/HST on Consulting Fees	138,905		78,643	71,834	6,809
Total Management & Professional Services	1,207,405		683,592	624,407	59,185
OTHER EXPENSES					
Audit Expenses (See Note 3)	178,000	50%	89,000	88,886	114
Annual Dinner	-		-	-	-
Premium Taxes	401,000	50%	200,500	41,179	159,321
Chairman's Honourium	150,000	100%	150,000	150,000	-
Reinsurance Expense	4,000	50%	2,000	5,244	(3,244)
D&O Insurance	20,000	0%	-	-	-
Office Expenses	10,000	50%	5,000	2,108	2,892
Claims: Borderaux (LawPro/LIF)	17,500	92%	16,100	15,550	550
Special Services	15,000	50%	7,500	3,480	4,020
Reinsurance Fee (BWI) (See Note 4)	299,000	50%	149,500	149,500	0
I.B.C Statistical Plan Fees	3,000	50%	1,500	896	604
Assessment Fees	3,000	50%	1,500	5,500	(4,000)
Investment counsel fees	32,000	50%	16,000	14,565	1,435
Investment - Custodial	19,000	50%	9,500	9,390	110
Risk Management/Loss Prevention	20,000	50%	10,000	10,000	0
License Fee	5,000	80%	4,000	3,500	500
Insurance: Sundry	-		-	-	-
Sub-total	1,176,500		662,100	499,798	162,302
TOTAL	2,383,905		1,345,692	1,124,205	221,487

*** NOTE 1: MANAGEMENT SERVICES**

The budget of \$563,500 has been increased from \$420,500 prior year budget due to:

- IFRS 17 implementation, and
- decrease in commission credit applied against fixed fees as a combined result of the decision to place CLLAS Associate and CLLAS firms cyber policies with zero commission , and no profit share commission received in 2021 on CLLAS Associate firms.

*** NOTE 2: PROFESSIONAL SERVICES - SEASONALLY WEIGHTED BUDGET**

This is based upon an analysis of the current budget and previous years' experience, the anticipated pattern of seasonal workflow is as follows:

First Quarter, ending March 31st	23%
Second Quarter, ending June 30th	41%
Third Quarter, ending September 30th	19%
Fourth Quarter, ending December 31st	17%
	<u>100%</u>

*** NOTE 3: AUDIT EXPENSES**

The increase of \$46,000 over the 2021 actual reflects 3% increase on the base audit fee and an estimate of \$35,000 for the IFRS17 implementation.

*** NOTE 4: BWI INSURANCE FEES (Reins. Comm.)**

BWI fees for the 2021/22 policy year were agreed at \$299,000, up 4% from the prior year.
The 2022 budget assumes no change to the BWI fees for the 2022/23 policy year.

CANADIAN LAWYERS LIABILITY ASSURANCE SOCIETY
For the Period Ending June 30, 2022

ALBERTA MAINTENANCE OF RESERVE AND GUARANTEE FUNDS
 (Section 99 and 100)

	Current Year to Date 06/30/2022 (in \$000's)	Prior Year End 06/30/2021 (in \$000's)
<u>Reserve Fund</u>		
Premiums collected or credited having one year or less to run	(1) 12,594	10,696
Less: Amount paid to licensed reinsurers	(2) 10,493	8,602
Premiums collected with more than one year to run, less expired portion	(3) -	-
Less: Amount paid to reinsurers on premiums on line 3, less expired portion.	(4) -	-
Subtotal (lines 1, minus line 2, plus line 3, minus line 4)	(5) 2,101	2,094
Reserve Fund Required (50% of Line 5)	(6) 1,051	1,047
<u>Guarantee Fund</u>		
Total Liabilities	(7) 82,061	76,927
Less: Unearned Premiums	(8) -	-
Less: Recoverable from licensed reinsurers	(9) 73,005	68,010
Plus: Statutory Margin	(10) 50	50
Guarantee Fund Required (Line 7 minus Lines 8 and 9 plus line 10)	(11) 9,106	8,967
TOTAL RESERVE & GUARANTEE FUND REQUIRED (Line 6+11)	(12) 10,157	10,014
Cash & Approved Securities	(13) 20,303	20,311
Excess of Cash & Securities over Reserve & Guarantee Fund (line 13 minus line 12)	(14) 10,146	10,297

CANADIAN LAWYERS LIABILITY ASSURANCE SOCIETY
SUMMARY OF RISK METRICS
June 30, 2022

Exhibit V

Risk Category	Risk Metric	December 31, 2020	December 31, 2021	June 30, 2022	Green Zone (Meets Target)	Yellow Zone	Red Zone (Limit Exceeded)
General	(1) AMRGF - Excess of Cash/Appr. Securities Over Reg. Req'ment	\$6,421,000	\$8,237,000	\$10,146,000	5,000,000 and above	\$2,500,000 to \$5,000,000	Less than \$2,500,000
	(2) MCT Ratio	538%	555%	518%	210% and above	n/a	Less than 210%
	(3) Status of Governance Policies	Up to date	Up to date	Up to date	Up to date	Items outstanding	Materially behind schedule
Insurance	(4) Gross Loss Ratio	96%	-3%	151%	Less than 150%	150% to 300%	Over 300%
	(5) Net Loss Ratio	63%	-12%	3%	Less than 50%	50% to 100%	Over 100%
	(6) Risk of Systemic Loss	Some concerns raised	Some concerns raised	Nothing on horizon	Nothing on horizon	Some concerns raised	Adverse experience
Premium & Strategy	(7) Actual Expenses vs. Budget	92%	98%	84%	Less than 105%	105% to 120%	Over 120%
	(8) State of the Market Outlook	Some concerns raised	Some concerns raised	Some concerns raised	Nothing on horizon	Some concerns raised	Adverse experience
Reinsurance	(9) Reinsurer Credit Rating	A- to A+	A- to A+	A- to A+	A or above	A-	B+ and below
	(10) Maximum Concentration with a Single Reinsurer excl. Colchester	19.3%	19.0%	19.0%	Less than 10%	10% to 15%	Over 15%
Operational	(11) Board Discussion of Prior Quarter Risk Metrics	Discussed corrective measures	Discussed corrective measures	Discussed corrective measures	Discussed corrective measures	Received but no discussion	Not received
	(12) Resiliency Capacity - People (e.g. redundancy, succession)	n/a	n/a	n/a	Score of 4 or 5 out of 5	Score of 3 out of 5	Score of 1 or 2 out of 5
	(13) Resiliency Capacity - Data/Systems	n/a	n/a	n/a	Score of 4 or 5 out of 5	Score of 3 out of 5	Score of 1 or 2 out of 5
	(14) Advisory Board Turnover in Last 12 Months	1	0	0	0 to 2 members	3 to 4 members	5 or more members
	(15) Key Management/Advisor Turnover in Last 36 Months	1	1	1	0 to 1 person	2 to 3 people	4 or more members
Investments	(16) Investment Manager Compliance Statement	In compliance	In compliance	In compliance	In compliance	Temporarily or slightly not	Consistently or materially
Regulatory Compliance	(17) Regulatory Outlook Report	No significant concerns noted	No significant concerns noted	No significant concerns noted	No significant issues noted	Issues being addressed	Significant issues outstanding

Notes

- (1) = From Exhibit 6.
(2) Based on financial statements and quarterly actuarial valuation as of June 30, 2022. Target based on ORSA analysis.
(3) Reviewed annually in December.
(4) = Gross incurred losses / gross earned premiums. Gross losses from the actuarial valuations. Premiums exclude the effect of any return of surplus.
(5) = Net incurred losses / net earned premiums. Net losses derived from the financial statements. Premiums exclude the effect of any return of surplus.
(6) Reviewed in December 2021.
(7) = Actual expenses / budget expenses. From the financial statements.
(8) Reviewed in December 2021.
(9) Based on A.M. Best. information from report on reinsurance security (November 2021).
(10) Based on claim liabilities exposure. Lloyds syndicates are assessed separately. December 2021 and June 2022 information from report on reinsurance security (November 2021).
(11) Reviewed quarterly.
(12) Reviewed annually in December.
(13) Reviewed annually in December.
(14) Reviewed quarterly based on turnover in the preceding 12-month period
(15) Senior Management/Key Advisor Turnover in Last 36 Months – Includes principal attorney, general manager, accountant, auditor, actuary, reinsurance broker and excess insurance broker.
(16) Reviewed quarterly.
(17) Reviewed annually in December.

Color Code
Meets Target
Between Target and Limit
Exceeds Limit



M E M O R A N D U M

TO: CLLAS Board
FROM: Patrick Mahoney
RE: Summary of CLLAS Governance Policies
DATE: September 12, 2022

The table below summarizes the status of CLLAS' adopted governance policies together with the anticipated dates for on-going review and approval.

Policy	Status	Regulatory requirement for approval	Last Reviewed/ Approved	Next Review/ Approval
Reinsurance Risk Management	Adopted	Triennial /1	Sept 2021	Sept 2024
Surplus	Adopted	Annual	Feb 2021	Dec 2022
Investment	Adopted	Annual	Dec 2021	Dec 2022
Enterprise Risk Management	Adopted	Annual	Dec 2021	Dec 2022
Rate Setting	Adopted		June 2019	June 2024
Outsourcing	Adopted	Five Years /2	Dec 2017	Dec 2022
Related Party Transactions	Adopted	Five Years /2	Dec 2017	Dec 2022

/1 Review of this policy has been moved to once every three years given that it is no longer required by the Superintendent.

/2 Review of these policies have been moved to once every five years given that it is no longer required by the Superintendent.

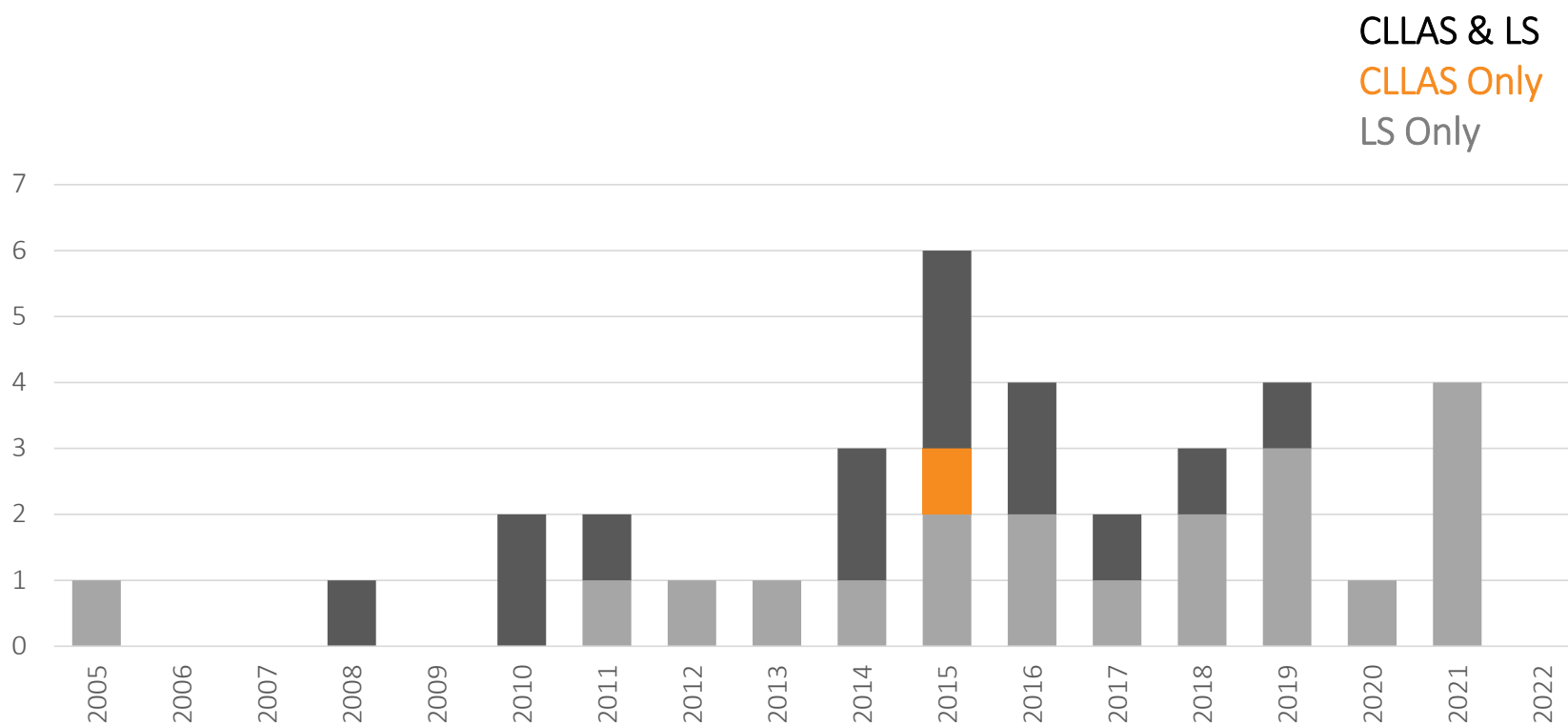
The review of CLLAS' ERM and surplus policies were deferred to December 2022 to align with the completion of the updated Own Risk and Solvency Assessment (ORSA).



Canadian Lawyers Liability Assurance Society

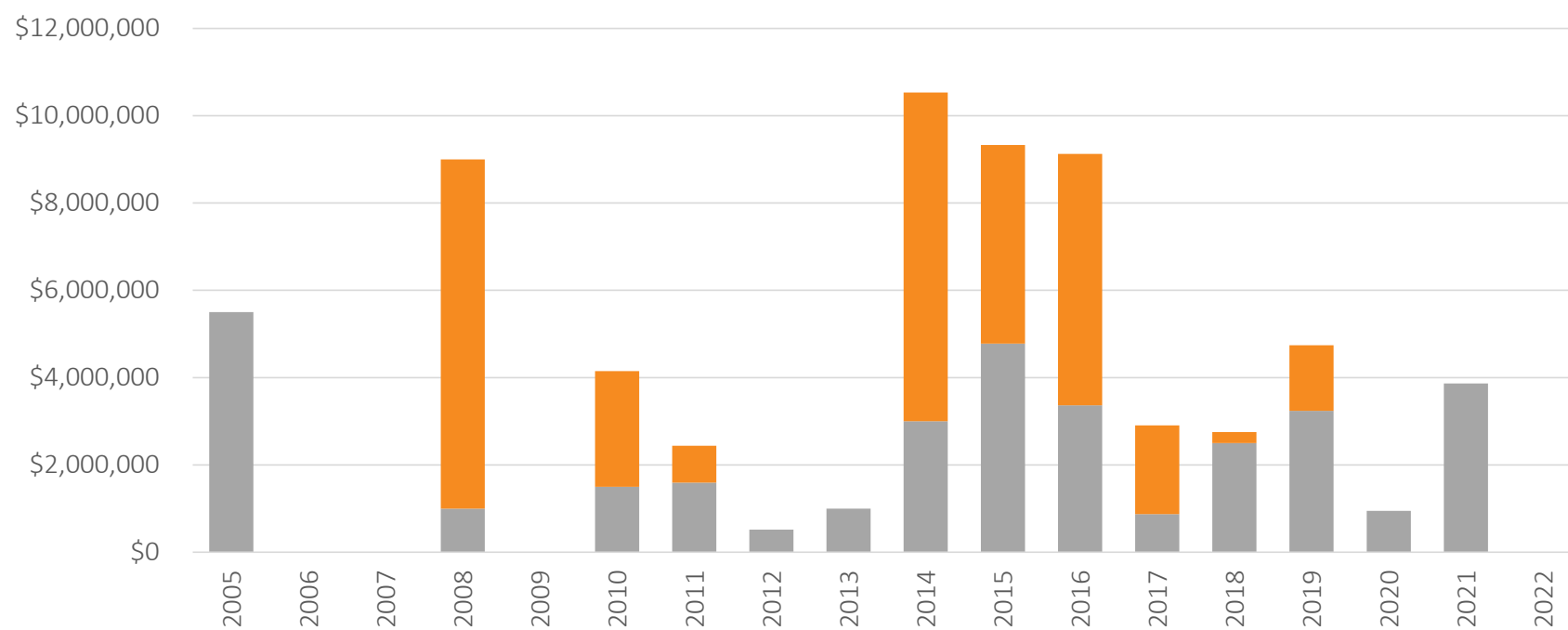
Open Large Loss Claims Summary as at June 30, 2022

Number of Claims by Insurer

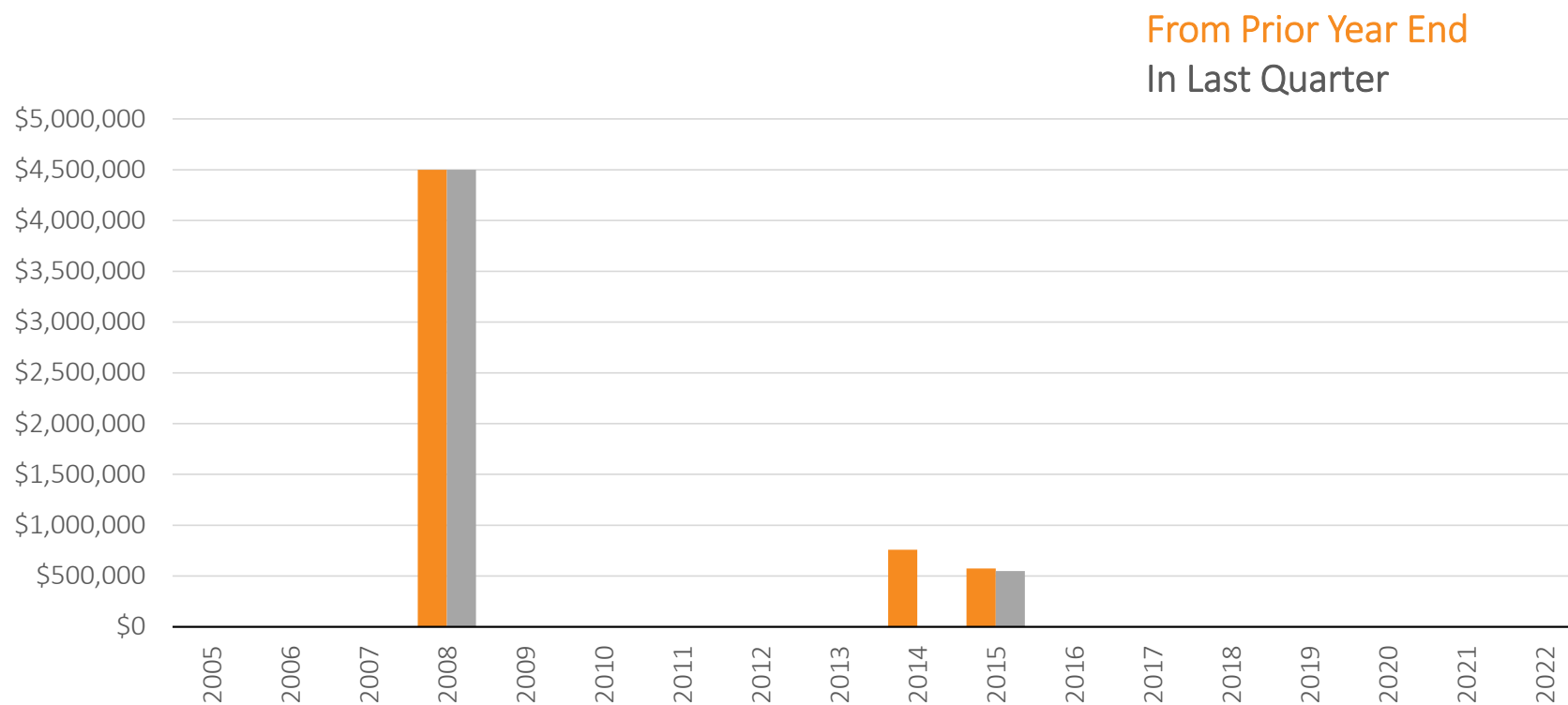


Incurred Amounts by Insurer

LS - CLLAS

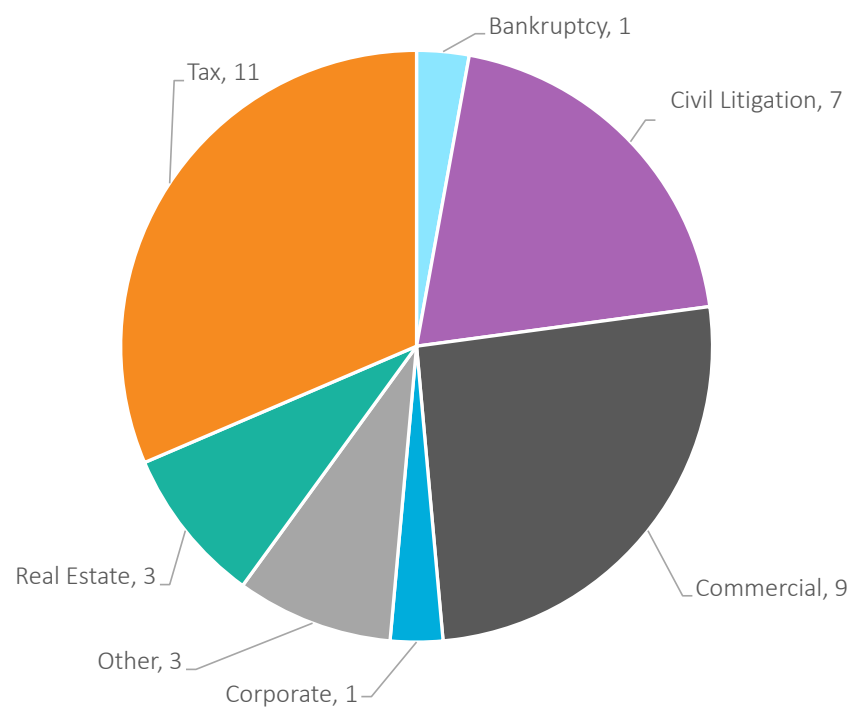


Change in Incurred Amounts (CLLAS)

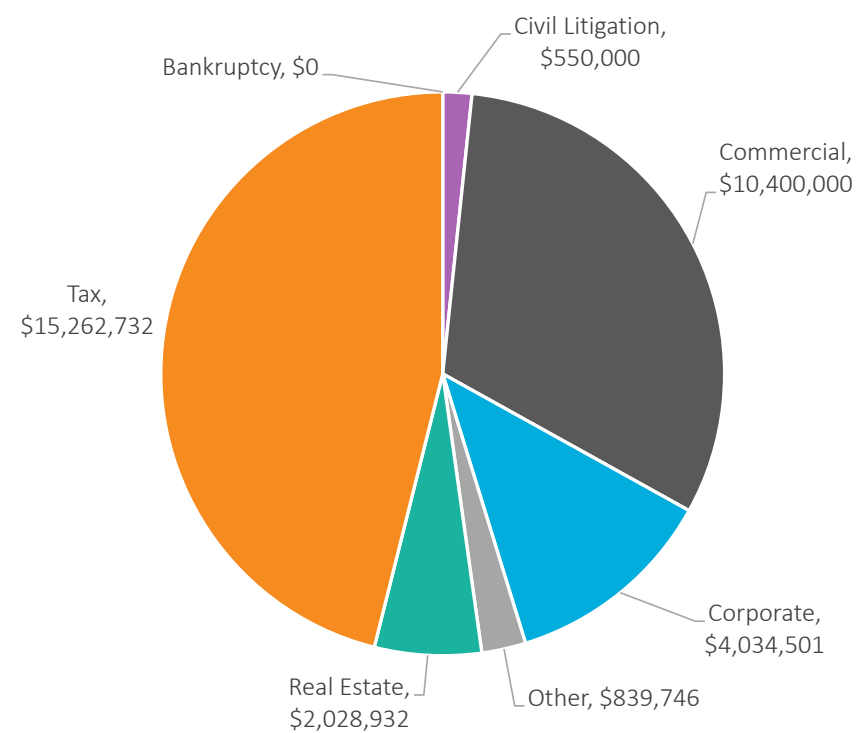


By Area of Law

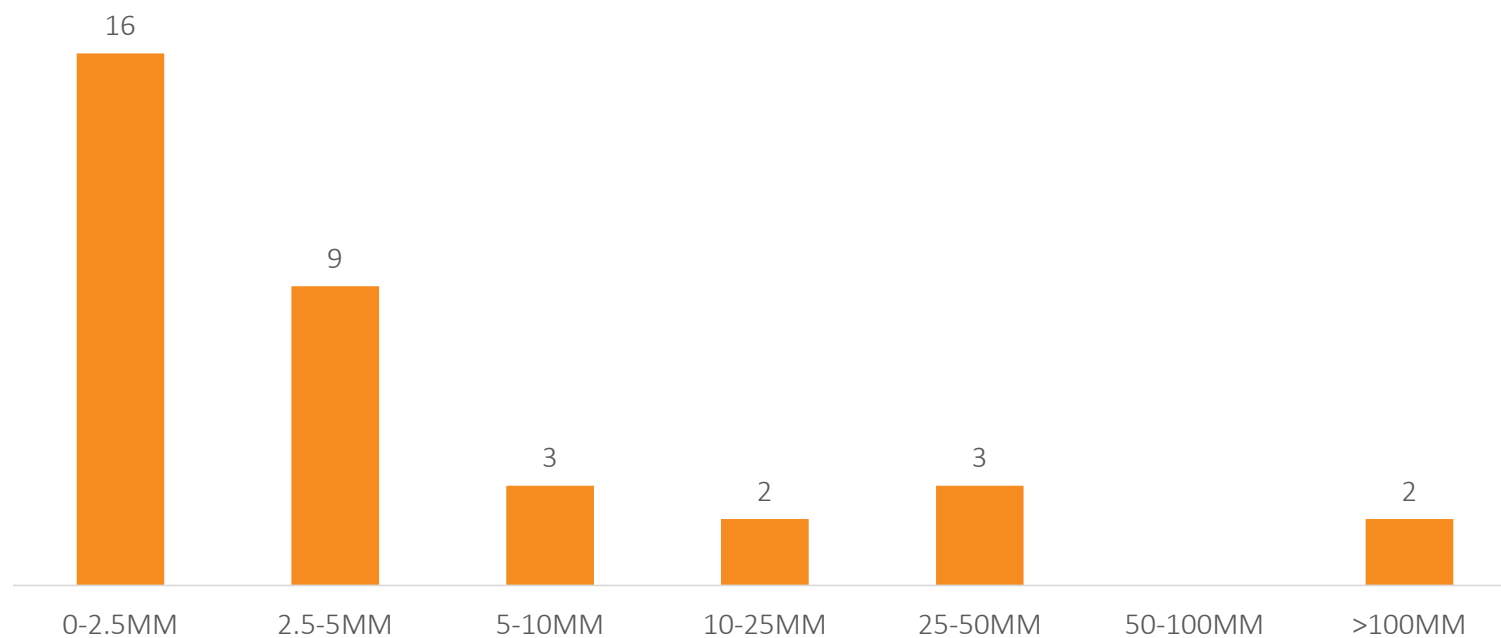
Number of Claims (CLLAS & LS)



CLLAS Incurred



Number of Claims by Best Estimate of Worst Case



Claim Count Movement in Quarter

Policy Year	Law Society Only	CLLAS Only	CLLAS & Law Society
2005 and prior	0	0	0
2006	0	0	0
2007	0	0	0
2008	0	0	0
2009	0	0	0
2010	0	0	0
2011	0	0	0
2012	0	0	0
2013	0	0	0
2014	0	0	0
2015	-1	0	1
2016	0	0	0
2017	0	0	0
2018	0	0	0
2019	0	0	0
2020	0	0	-1
2021	0	0	0
2022	0	0	0

Notes

Slide 1

- Illustrates the number of open claims by insurer.
- LS Only: Large (\$500,000+) Law Society (“LS”) claims which have not yet developed into CLLAS (\$1,000,000+) claims
- CLLAS Only: Claims which are typically drop-down claims where the Law Society does not respond
- CLLAS & LS: Claims where amounts have been incurred by both the Law Society and CLLAS

Slide 2

- Illustrates the aggregate incurred amounts (paid + reserved) by policy year
- Identifies the quantum yet to be crystalized and highlights extraordinary years

Slide 3

- Illustrates movements in paid (always positive, except in cases of recovery) and reserved amounts on open claims
- Positive values highlight strengthening of reserves, or adverse claim development. Negative values highlight reduced reserves or better than expected outcomes

Notes (Cont'd)

Slide 4

- Illustrates the split between areas of law for the number of open claims and the incurred amounts (paid + reserved)
- Highlights the law areas of claims being actively managed

Slide 5

- Based on counsel's best estimate of the worst case outcome of each open claim
- Highlights the potential claim sized being actively managed

Slide 6

- Illustrates the emergence or closure (including reduction of incurred value below the large loss monitoring threshold of \$500,000) of claims over the previous quarter
- Note: Claims may move between Law Society Only, CLLAS & Law Society, and CLLAS Only

discussion

CLLAS
CANADIAN LAWYERS LIABILITY
ASSURANCE SOCIETY

INVESTMENT REPORT
JUNE 30, 2022

MARTIN, LUCAS & SEAGRAM LTD.
INDEPENDENT INVESTMENT COUNSEL

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CANADIAN LAWYERS LIABILITY ASSURANCE SOCIETY

COMMENTARY FOR THE QUARTER ENDING JUNE 30, 2022

Review of Market Yields

Following a steady climb higher during April, yields across the entire curve settled into a sideways trading range during May. Yields then resumed their climb and reached their peak levels for the second quarter in mid-June, before settling back late in the quarter. At the end of June, yields at the short end of the curve showed the largest gains, with the three-month treasury bill up 148 basis points. Further out the curve, the 5-year Canada yield was up 71 basis points, while the yield on the 10-year issue rose 83 basis points.

As a result of these shifts, the slope of the yield curve flattened and at the end of June the yield advantage of the 10-year issue over 3-month T-bills had declined to 115 basis points compared to 180 basis points three month earlier.

	Jan. 01/95	Dec. 31/21	Mar.31/22	Jun. 30/22
3-month Treasury Bill	6.80%	0.16%	0.60%	2.08%
5-year Canada	8.99%	1.25%	2.39%	3.10%
10-year Canada	9.09%	1.42%	2.40%	3.23%

During the first quarter, activity in the Short Term Investment Fund involved the roll-over of money market securities. In the Long Term Investment Fund, a provincial bond matured. These proceeds, along with a \$84,490 transfer from the Short Term Fund, were used to increase two existing positions and to introduce a new corporate credit and provincial issue. These purchases had maturities in the 5- to 9-year range.

The market value of the Long Term Investment Fund decreased \$125,563 which represents a capital decline of 2.8%.

At June 30, 2022, the average term to maturity of the Long Term Investment Fund was 3.9 years and the duration was 3.6 years.

The table below shows the distribution of the assets net cash held in both the Short and Long Term Investment Funds at June 30.

<i>Distribution at June 30, 2022</i>	<i>Valuation</i>	<i>%</i>
Short Term Investment Fund	\$11,352,394	66.5%
Long Term Investment Fund	\$ 5,720,976	33.5%
TOTAL COMBINED VALUATION	\$17,073,370	100.0%

CANADIAN LAWYERS LIABILITY ASSURANCE SOCIETY

The following pages set out tables, commentary and schedules on the items listed below:

- Total Returns vs. Benchmarks - Gross and Net of Fees
- Distribution of Securities in the Long Term Investment Fund by Credit Risk and by Maturity
- Compliance Statement
- Quarterly Performance Report - Gross of Fees: Long Term Investment Fund
- Bond Market Commentary and Future Policy
- Security Holdings in the Short Term and Long Term Investment Funds Listed and Valued Separately as at June 30, 2022
- Security Purchases and Sales
- Cash Reconciliations
- External Individual Credit Rating Report

LONG TERM INVESTMENT FUND**TIME-WEIGHTED RATES OF TOTAL RETURN
FOR PERIODS ENDING JUNE 30, 2022**

	3 Years*	2 Years*	1 Year	Last 3 months
<i>Long Term Investment Fund – Gross of Fees</i>	<i>-0.10%</i>	<i>-2.78%</i>	<i>-5.74%</i>	<i>-2.15%</i>
<i>Long Term Investment Fund – Net of Fees</i>	<i>-0.38%</i>	<i>-3.05%</i>	<i>-6.01%</i>	<i>-2.22%</i>
Benchmark Portfolio **	-0.93%	-4.27%	-7.38%	-2.82%

*Annualized

** In the most recent Investment Policy update (dated December 7, 2021) the Benchmark Portfolio was revised to a composite comprised of the following total return indices:

- 60% FTSE Canada Short Bond Index
- 40% FTSE Canada Mid Bond Index

To reflect this change, the returns of the Benchmark Portfolio shown in the above table are based on the returns earned by the revised Benchmark Portfolio (as detailed above) in December 2021 and subsequent periods and the returns of the former Benchmark Portfolio that prevailed during reported periods prior to December 2021 (as detailed below).

- 30% FTSE (DEX) Federal Short Bond Index
- 30% FTSE (DEX) Provincial Short Bond Index
- 20% FTSE (DEX) Federal Mid Bond Index
- 20% FTSE (DEX) Provincial Mid Bond Index

SHORT TERM INVESTMENT FUND**TIME-WEIGHTED RATES OF TOTAL RETURN
FOR PERIODS ENDING JUNE 30, 2022**

	Since Inception Oct. 01/08 *	3 Years*	2 Years *	1 Year	Last 3 Months
<i>Short Term Investment Fund – Gross of Fees</i>	<i>0.82%</i>	<i>0.61%</i>	<i>0.23%</i>	<i>0.33%</i>	<i>0.20%</i>
<i>Short Term Investment Fund – Net of Fees</i>	<i>0.70%</i>	<i>0.49%</i>	<i>0.11%</i>	<i>0.21%</i>	<i>0.17%</i>
Benchmark Portfolio **	0.77%	0.61%	0.22%	0.31%	0.21%

* Annualized

** The Benchmark Portfolio, confirmed in the December 7, 2021 Investment Policy update, is based 100% on the total return index of the 30-day Treasury Bill Index

LONG TERM INVESTMENT FUND**DISTRIBUTION OF SECURITIES BY CREDIT RISK**
(Based on Market Values)

	Dec. 17/13	Sep. 30/21	Dec. 31/21	Mar. 31/22	Jun. 30/22
Bonds, Treasury Bills & Cash Less than 1 year term	100.0%	17.3%	16.7%	13.0%	14.8%
Canadas Greater than 1 year term		28.0%	24.8%	24.5%	24.1%
Provincials Greater than 1 year term		27.3%	29.9%	29.9%	26.7%
Corporates Greater than 1 year term		27.4%	28.6%	32.6%	34.4%
TOTAL PORTFOLIO	100.0%	100.0%	100.0%	100.0%	100.0%

LONG TERM INVESTMENT FUND**DISTRIBUTION OF SECURITIES BY MATURITY**
(Based on Market Values)

	Sep. 30/21	Dec. 31/21	Mar. 31/22	Jun. 30/22
Under 1 year	17.3%	16.7%	13.0%	14.8%
1 - 3 years	31.3%	28.0%	26.0%	28.4%
3 - 5 years	25.7%	33.5%	33.2%	31.5%
5 - 7 years	18.1%	11.6%	16.0%	8.1%
7 - 10 years	7.6%	10.2%	11.8%	17.2%
TOTAL	100.0%	100.0%	100.0%	100.0%
Average Maturity (yrs)	3.44	3.50	3.62	3.90
Average Duration (yrs)	3.24	3.29	3.36	3.61

SHORT TERM INVESTMENT FUND

	Sep. 30/21	Dec. 31/21	Mar. 31/22	Jun. 30/22
Short Term Average Duration (yrs)	0.12	0.09	0.13	0.14

COMPLIANCE WITH INVESTMENT POLICY STATEMENT

AT JUNE 30, 2022

	Investment Limits	Investment Funds	Compliance
<i>Short Term Investment Fund</i>			
Maximum Term of Any Issue	1 year	0.3 years	Yes
Minimum Percentage of Total Fund (Short & Long)	20% of Total	66.5%	Yes
Minimum Canada & Provincial Percentage	50%	55.9%	Yes
Minimum Provincial Quality	A	N/A	Yes
Minimum Bank CD & BA Quality	R1 (high)	R1 (high)	Yes
<i>Long Term Investment Fund</i>			
Maximum Term of Any Issue	10 years	9.0 years	Yes
Maximum Percentage of Total Fund (Short & Long)	80% of Total	33.5%	Yes
Minimum Canada Percentage	20%	27.5%	Yes
Maximum Provincial Percentage	40%	35.5%	Yes
Minimum Canada & Provincial Percentage	60%	63.0%	Yes
Minimum Provincial Quality *	A	AA (low)	Yes
Maximum Corporate Percentage	40%	37.0%	Yes
Minimum Corporate Quality *	BBB	BBB (high)	Yes
Maximum BBB Corporate Percentage	10%	4.8%	Yes

* At time of purchase

This will confirm that, during the latest quarter, the Long Term and Short Term Investment Funds were managed in compliance with the Investment Policy limits provided December 7, 2021.

Martin, Lucas & Seagram Ltd.
 PERFORMANCE REPORT
 GROSS OF FEES
CLLAS – LONG TERM INVESTMENT FUND
(RBC Investor Services)
From 03-31-22 to 06-30-22

Portfolio Value on 03/31/22	5,800,207
Accrued Interest	39,255
Contributions	486,755
Withdrawals	-455,438
Realized Gains	-1,604
Unrealized Gains	-162,117
Interest	53,173
Dividends	0
Change in Accrued Interest	-15,015
Portfolio Value on 06/30/22	5,720,976
Accrued Interest	24,241
Average Capital	5,842,004
Total Gains before Fees	-125,563
IRR for 0.25 Years	-2.15%

BOND MARKET COMMENTARY AND FUTURE POLICY

After reaching cyclical and in some cases record highs late last year, global stock markets have experienced significant declines thus far in 2022. In the U.S., the S&P 500 index experienced its worst first half of the year since 1970 and entered bear market territory, which is typically defined as a decline of 20% from the previous high. While the Toronto stock index fared noticeably better due to the domestic market's sizeable exposure to energy stocks, the index is still down some 12% from its year-end level. Other risk assets have also experienced significant declines thus far in 2022 including Bitcoin, the highest-profile cryptocurrency, which has tumbled nearly 60%.

Meanwhile, until recently, fixed income markets have not provided a safe haven from the selloff in equities. Bond prices have also been declining since the start of the year due to a sharp upward shift in the yield curve. After starting the year at 1.51%, the 10-year U.S. Treasury yield climbed steadily higher and reached a peak of almost 3.5% last month, before settling back to around 3%. In Canada, yields have followed a similar path and the benchmark 10-year issue surpassed 3.6% last month, which was the highest level in more than a decade.

Until recently, investors were predominantly focused on consistently hotter-than-expected inflation readings and expectations that the U.S. Federal Reserve (Fed) would need to move more forcefully to tighten monetary policy. The initial impact of the Fed's shift to tighter policies drove up bond yields across the curve and pushed down the stock averages, with declines most pronounced in the high growth sectors, particularly among speculative technology stocks with high valuations. However, selling pressures in the stock market broadened in May to include most sectors as investors shifted their focus to the potential economic fallout from the Fed's efforts to rein in inflation.

Amid growing concerns that an economic slowdown and possibly a recession lay ahead, cyclical sectors of the market have been under considerable pressure and most commodity prices have also experienced sharp corrections. Copper, which is considered an important economic bellwether given its historical record of predicting turning points in the economy, has dropped more than 30% since the beginning of June. Even oil prices, which reached a high of US\$130 a barrel in March, have retreated to under US\$100 as concerns surrounding global shortages following Russia's invasion of Ukraine have been countered by worries that an economic slowdown will curtail the demand for oil. Fixed income markets have mirrored these signs of a pending slowdown as yields have retreated by close to one-half of a percent for 10-year issues in both Canada and the U.S. Furthermore, in the U.S., the yield on the 10-year Treasury bond has fallen below the 2-year issue, which is considered a warning sign that the economy may be heading into a recession.

Not surprisingly, given the recent gyrations in the security markets, news on the economic front has been mixed. In the U.S., GDP growth turned negative in the first quarter and posted a 1.5% annualized decline and preliminary indicators suggest there was little to no growth in the second quarter. While consumer spending, which accounts for some two-thirds of the economy, continued to expand during the first quarter, the most recent monthly results covering May turned lower as continued strength in services was more than offset by a pullback in spending on goods. Nevertheless, employment has remained strong with close to 3 million new jobs added in the first 6 months of this year. The latest report for June showed an acceleration in job growth and the unemployment rate held at 3.6%, which is very close to its level before the pandemic

began. There has also been a notable pickup in disposable income. In June, average earnings were up 5.1% over the past year. However, after adjusting for inflation, which reached another four-decade high of 9.1% in June, real wages have declined by 4%. The inability of wages to keep pace with rising prices along with higher interest rates, turmoil in the equity markets and signs of a cooling housing market have all weighed on consumer sentiment. As measured by the University of Michigan's gauge, consumer sentiment fell well below expectations in June to its lowest level on record.

Unlike the U.S., the Canadian economy expanded at an annualized pace of 3.1% in the first quarter of this year, bringing economic output 0.8% above its pre-pandemic level. The continued expansion in manufacturing, together with the easing of Covid restrictions, generated a surge in business activity and full-time employment. Economic growth remained buoyant in April, following four consecutive months of employment growth. However, preliminary estimates for May indicate the economy contracted due to broad weakness in the goods-producing sectors. The latest job numbers for June also turned negative. Despite the decline, the jobless rate fell to a record low of 4.9% and hourly wages were up 5.2% over the year, which was the fastest annual increase in over 20 years. Still, this gain lagged the latest annual inflation rate of 7.7%, which was the biggest increase in almost 40 years.

Outside of North America, the global economic backdrop has also deteriorated on balance and the World Bank recently cut its global growth forecast to just 2.9% for this year compared to a 4.1% gain that was predicted back in January.

This is a challenging juncture for investors given the number of issues that have been buffeting the markets. These include geopolitical tensions, the war in Ukraine and its impact on global food and energy prices, high inflation, a deteriorating economic outlook and the impact of central banks' pivot to tighter monetary policies. Looking ahead, we expect much will depend on whether the monetary authorities can reduce inflation towards their targets without causing significant damage to the underlying economy. In the U.S., the Fed's chairman cautioned that getting inflation under control won't be easy and has acknowledged that events of the last few months have made it more difficult to achieve a "soft landing", in which the bank brings down inflation without causing a recession. After falling behind the inflation curve, the bank has hiked rates by 1.5 percentage points so far this year and signalled that another three-quarter percent hike was coming later this month. Meanwhile, the Bank of Canada recently decided to move even more aggressively by announcing a full percentage point increase in its benchmark rate to 2.5 percent, up from just 0.25 percent at the start of the year. The Bank also indicated that interest rates will need to rise further to guard against the risk that high inflation expectations become entrenched among consumers and businesses.

Over the near term, we expect bond yields will remain in a volatile sideways trading range as investor concerns oscillate between the future course of inflation and the economy. Earlier this year, central bank rate hikes and accelerating inflation helped push short- and long-term yields significantly higher. More recently, as evidence grows that the global economy is decelerating, longer-term yields have moved lower as investors consider the possibility that the central banks will be too aggressive and push the economy into recession. It should be kept in mind that monetary policy operates with long and variable lags and that it has proven difficult for the monetary authorities to achieve a "soft landing" in the past. Given the central banks' guidance on future rate hikes, we expect evidence of an economic slowdown to build and inflation expectations to ease, which is normally supportive of longer-term bond yields. We also note that, in past cycles, U.S. 10-year treasury yields have converged on the Fed funds rate near market

peaks. Based on the latest projections from the Federal Open Market Committee, this suggests the 10-year treasury yield would peak around 3.5% to 3.75% in the current cycle. Given that this issue currently yields around 3%, down from a peak of 3.5% back in June, suggests that medium- to long-term yields have limited upside and may have already peaked. However, we believe there is still sufficient upside risks to bond yields to warrant a defensive posture for the time being. We believe the Long Term Fund's laddered maturity structure and below benchmark duration of 3.6 years provides a prudent hedge against the likelihood that persistent inflationary pressures will push yields higher and the possibility that the economic expansion could be derailed near term.

RWB/de

As stipulated in our Investment Management Agreement, please let ML&S know if there are major changes in your financial and/or personal circumstances, income needs or risk tolerance in order for us to review the suitability of your investment portfolio and objectives.

Martin, Lucas & Seagram Ltd.

CLLAS - SHORT TERM INVESTMENT FUND
(RBC Investor Services)

Portfolio Holdings at June 30, 2022

<u>Quantity</u>	<u>Security</u>	<u>Unit Cost</u>	<u>Price</u>	<u>Market Value</u>	<u>Annual Income</u>
CASH					
	Cash Account			15,017	0
MONEY MARKET ISSUES					
1,175,000	Canada Treasury Bill 1.20% due July 7, 2022	99.77	99.97	1,174,679	14,068
1,240,000	CIBC B.A. 1.30% due July 14, 2022	99.72	99.92	1,239,050	16,074
1,310,000	Canada Treasury Bill 0.90% due July 21, 2022	99.76	99.92	1,308,914	11,762
1,325,000	CIBC BA 1.65% due August 8, 2022	99.60	99.77	1,321,938	21,776
1,390,000	Canada Treasury Bill 1.30% due August 18, 2022	99.70	99.76	1,386,707	18,016
1,245,000	Toronto Dominion Bank B.A. 1.75% due August 26, 2022	99.58	99.66	1,240,769	21,696
1,145,000	Canada Treasury Bill 1.60% due September 15, 2022	99.57	99.58	1,140,217	18,242
1,350,000	Canada Treasury Bill 2.00% due September 29, 2022	99.47	99.48	1,342,952	26,856
1,205,000	Toronto Dominion Bank BA 2.46% due October 4, 2022	99.35	99.35	1,197,168	29,450
				<u>11,352,394</u>	<u>177,940</u>
TOTAL PORTFOLIO				11,367,411	177,940

Disclosures:

1. Please note that the securities listed herein are held on your behalf by the above noted custodian. You may wish to contact them directly to determine if your account is covered by any recognized Investor Protection Plan and/or for information on how these securities are held.
2. The cost of each position shown in the account is the book cost (original cost adjusted for distributions, capital returns and re-orgs). For unit costs marked with an *, the book cost cannot be determined and the value shown is based on the closing market price on July 15, 2015.

Martin, Lucas & Seagram Ltd.
PURCHASE AND SALE
CLLAS - SHORT TERM INVESTMENT FUND
(RBC Investor Services)
From 04-01-22 To 06-30-22

Trade Date	Settle Date	Quantity	Security	Unit Price	Amount
PURCHASES					
04-01-22	04-01-22	1,175,000	Royal Bank BA 0.70% due April 29, 2022	99.95	1,174,369.03
04-13-22	04-14-22	1,310,000	Canada Treasury Bill 0.90% due July 21, 2022	99.76	1,306,841.59
04-22-22	04-22-22	1,240,000	CIBC B.A. 1.30% due July 14, 2022	99.72	1,236,478.40
04-28-22	04-28-22	1,175,000	Canada Treasury Bill 1.20% due July 7, 2022	99.77	1,172,340.98
05-11-22	05-12-22	1,325,000	CIBC BA 1.65% due August 8, 2022	99.60	1,319,750.35
05-25-22	05-26-22	1,390,000	Canada Treasury Bill 1.30% due August 18, 2022	99.70	1,385,853.63
05-27-22	05-30-22	1,245,000	Toronto Dominion Bank B.A. 1.75% due August 26, 2022	99.58	1,239,769.76
06-08-22	06-09-22	1,145,000	Canada Treasury Bill 1.60% due September 15, 2022	99.57	1,140,101.69
06-22-22	06-23-22	1,350,000	Canada Treasury Bill 2.00% due September 29, 2022	99.47	1,342,789.65
06-28-22	06-29-22	1,205,000	Toronto Dominion Bank BA 2.46% due October 4, 2022	99.35	1,197,167.50
					12,515,462.58
SALES					
04-01-22	04-01-22	1,175,000	Royal Bank BA 0.40% due April 1, 2022	100.00	1,175,000.00
04-14-22	04-14-22	1,305,000	Canada Treasury Bill 0.40% due April 14, 2022	100.00	1,305,000.00
04-25-22	04-25-22	1,240,000	CIBC BA 0.45% due April 25, 2022	100.00	1,240,000.00
04-29-22	04-29-22	1,175,000	Royal Bank BA 0.70% due April 29, 2022	100.00	1,175,000.00
05-12-22	05-12-22	1,320,000	Canada Treasury Bill 0.30% due May 12, 2022	100.00	1,320,000.00
05-26-22	05-26-22	1,385,000	Canada Treasury Bill 0.50% due May 26, 2022	100.00	1,385,000.00
05-30-22	05-30-22	1,235,000	Toronto Dominion Bank BA 0.85% due May 30, 2022	100.00	1,235,000.00
06-09-22	06-09-22	1,200,000	Canada Treasury Bill 0.52% due June 9, 2022	100.00	1,200,000.00
06-23-22	06-23-22	1,325,000	Canada Treasury Bill 0.56% due June 23, 2022	100.00	1,325,000.00

Martin, Lucas & Seagram Ltd.
PURCHASE AND SALE
CLLAS - SHORT TERM INVESTMENT FUND
(RBC Investor Services)
From 04-01-22 To 06-30-22

Trade Date	Settle Date	Quantity	Security	Unit Price	Amount
06-29-22	06-29-22	1,200,000	TD Bank BA 0.95% due June 29, 2022	100.00	1,200,000.00
					12,560,000.00

Martin, Lucas & Seagram Ltd.
CASH RECONCILIATION
CLLAS - SHORT TERM INVESTMENT FUND
(RBC Investor Services)
From 03-31-22 to 06-30-22

Cash Balance at March 31, 2022		<u>13,789.60</u>
ADD: Proceeds from Sales		
Capital Contribution	12,560,000.00	
Bond Interest Credited (from Long Term Investment Fund)	53,172.77	
Transfers from Long Term Fund re: net sales and purchases	<u>-84,490.00</u>	<u>12,528,682.77</u>
LESS: Cost of Purchases	-12,515,462.58	
Capital Withdrawal	0.00	
Q1 2022 Investment Counsel Fees - Short Term Investment Fund	-3,217.14	
Q1 2022 Investment Counsel Fees - Long Term Investment Fund	-4,096.40	
Trust Company Charges	<u>-4,679.23</u>	<u>-12,527,455.35</u>
Cash Balance at June 30, 2022		<u><u>15,017.02</u></u>

Martin, Lucas & Seagram Ltd.							
EXTERNAL INDIVIDUAL CREDIT RATING REPORT - JUNE 30 2022							
CLLAS - SHORT TERM INVESTMENT FUND							
			Unit	Total		Market	%
Quantity	Security	Rating	Cost	Cost	Price	Value	Assets
1,175,000	Canada Treasury Bill 1.20% due July 7, 2022	R-1 (high)	99.774	1,172,341	99.973	1,174,679	10.3%
1,240,000	CIBC B.A. 1.30% due July 14, 2022	R-1 (high)	99.716	1,236,478	99.923	1,239,050	10.9%
1,310,000	Canada Treasury Bill 0.90% due July 21, 2022	R-1 (high)	99.759	1,306,842	99.917	1,308,914	11.5%
1,325,000	CIBC BA 1.65% due August 8, 2022	R-1 (high)	99.604	1,319,750	99.769	1,321,938	11.6%
1,390,000	Canada Treasury Bill 1.30% due August 18, 2022	R-1 (high)	99.702	1,385,854	99.763	1,386,707	12.2%
1,245,000	Toronto Dominion Bank B.A. 1.75% due August 26, 2022	R-1 (high)	99.580	1,239,770	99.660	1,240,769	10.9%
1,145,000	Canada Treasury Bill 1.60% due September 15, 2022	R-1 (high)	99.572	1,140,102	99.582	1,140,217	10.0%
1,350,000	Canada Treasury Bill 2.00% due September 29, 2022	R-1 (high)	99.466	1,342,790	99.478	1,342,952	11.8%
1,205,000	Toronto Dominion Bank BA 2.46% due October 4, 2022	R-1 (high)	99.350	1,197,168	99.350	1,197,168	10.5%
				11,341,094		11,352,394	100%

Martin, Lucas & Seagram Ltd.

CLLAS - LONG TERM INVESTMENT FUND
(RBC Investor Services)

Portfolio Holdings at June 30, 2022

Quantity	Security	Unit Cost	Price	Market Value	Annual Income
GOVERNMENT BONDS					
200,000	Canada Housing Trust 2.4% Series 48 due December 15, 2022	100.37	99.93	199,864	4,800
200,000	Canada Housing Trust 2.35% due September 15, 2023	105.62	99.08	198,158	4,700
250,000	Canada Housing Trust 2.9% due June 15, 2024	102.64	99.32	248,291	7,250
300,000	Canada Housing Trust Ser. 70 2.25% due December 15, 2025	100.98	96.42	289,250	6,750
250,000	Canada Housing Trust No.1 2.350% due March 15, 2028	103.96	94.09	235,236	5,875
200,000	Canada Housing Trust 2.1% Series 88 due September 15, 2029	102.89	90.71	181,417	4,200
275,000	Canada Housing Trust 1.1% Series 95 due March 15, 2031	94.05	81.02	222,798	3,025
				<hr/> 1,575,014	<hr/> 36,600
PROVINCIAL BONDS					
500,000	Ontario 2.85% due June 2, 2023	102.29	99.72	498,605	14,250
400,000	Ontario 2.60% due June 2, 2025	101.08	97.66	390,655	10,400
350,000	British Columbia 2.3% due June 18, 2026	104.40	95.65	334,786	8,050
350,000	Ontario 2.60% due June 2, 2027	97.56	95.57	334,488	9,100
350,000	Ontario 2.05% due June 2, 2030	94.43	87.40	305,890	7,175
200,000	British Columbia 1.55% due June 18, 2031	83.75	82.03	164,056	3,100
				<hr/> 2,028,480	<hr/> 52,075
CORPORATE BONDS					
150,000	Wells Fargo 3.46% due January 24, 2023	102.36	100.12	150,176	5,190
300,000	Toronto Dominion Bank Dep. Note 1.909% due July 18, 2023	102.63	98.10	294,302	5,727
250,000	Toronto Dominion Bank Dep. Note 3.226% due July 24, 2024	102.02	98.64	246,607	8,065
250,000	CIBC Deposit Note 3.3% due May 26, 2025	100.24	97.95	244,867	8,250

Martin, Lucas & Seagram Ltd.

CLLAS - LONG TERM INVESTMENT FUND
(RBC Investor Services)

Portfolio Holdings at June 30, 2022

Quantity	Security	Unit Cost	Price	Market Value	Annual Income
200,000	Wells Fargo & Company 2.975% due May 19, 2026	102.15	93.78	187,552	5,950
300,000	Bank of Nova Scotia Dep. Notes 2.62% due December 2, 2026	102.07	93.66	280,987	7,860
150,000	Bank of Montreal Dep. Note 2.70% due December 9, 2026	108.76	93.92	140,887	4,050
100,000	Bank of Nova Scotia 2.95% due March 8, 2027	92.85	92.69	92,686	2,950
150,000	Enbridge Inc. CB-27 3.2% due June 8, 2027	96.43	92.83	139,248	4,800
100,000	Bank of Montreal 3.19% due March 1, 2028	100.75	94.06	94,061	3,190
50,000	Telus Corp. CB-27 3.625% due March 1, 2028	100.55	93.98	46,988	1,813
100,000	Bell Canada SerM56 2.2% due May 29, 2028	98.26	86.66	86,658	2,200
125,000	Ontario Power Generation 2.977% 13SEP29 due September 13, 2029	99.95	89.97	112,463	3,721
				<hr/> 2,117,482	<hr/> 63,766
TOTAL PORTFOLIO				5,720,976	152,441

Disclosures:

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Martin, Lucas & Seagram Ltd.
PURCHASE AND SALE
CLLAS - LONG TERM INVESTMENT FUND
(RBC Investor Services)
From 04-01-22 To 06-30-22

Trade Date	Settle Date	Quantity	Security	Unit Price	Amount
PURCHASES					
06-02-22	06-06-22	200,000	British Columbia 1.55% due June 18, 2031	83.75	167,500.00
06-02-22	06-06-22	200,000	Ontario 2.05% due June 2, 2030	88.87	177,740.00
06-08-22	06-10-22	100,000	Bank of Nova Scotia 2.95% due March 8, 2027	92.85	92,850.00
06-08-22	06-10-22	50,000	Enbridge Inc. CB-27 3.2% due June 8, 2027	92.80	46,400.00
					484,490.00
SALES					
06-02-22	06-02-22	400,000	Ontario 3.15% due June 2, 2022	100.00	400,000.00
					400,000.00

Martin, Lucas & Seagram Ltd.
CASH RECONCILIATION
CLLAS - LONG TERM INVESTMENT FUND
From 03-31-22 to 06-30-22

Cash Balance at March 31, 2022		<u>0.00</u>
ADD: Proceeds from Sales	400,000.00	
Bond Interest Credited to Long Term Investment Fund	53,172.77	
Transfer Bond Interest to Short Term Investment Fund	-53,172.77	
Transfer to Short Term Investment Fund net purchases & sales	<u>84,490.00</u>	<u>484,490.00</u>
LESS: Cost of Purchases	-484,490.00	<u>-484,490.00</u>
Cash Balance at June 30, 2022		<u><u>0.00</u></u>

EXTERNAL INDIVIDUAL CREDIT RATING REPORT - JUNE 30 2022

CLLAS - LONG TERM INVESTMENT FUND

					Unit	Total		Market	Pct.
Quantity	CUSIP	Security		Rating	Cost	Cost	Price	Value	Assets
GOVERNMENT BONDS									
200,000	13509PDL4	Canada Housing Trust 2.4% Series 48	due December 15, 2022	AAA	100.37	200,740	99.93	199,864	3.5%
200,000	13509PDV2	Canada Housing Trust 2.35%	due September 15, 2023	AAA	105.62	211,240	99.08	198,158	3.5%
250,000	13509PEF6	Canada Housing Trust 2.9%	due June 15, 2024	AAA	102.64	256,600	99.32	248,291	4.3%
300,000	13509PFD0	Canada Housing Trust Ser. 70 2.25%	due December 15, 2025	AAA	100.98	302,940	96.42	289,250	5.1%
250,000	13509PGF4	Canada Housing Trust No.1 2.350%	due March 15, 2028	AAA	103.96	259,900	94.09	235,236	4.1%
200,000	13509PHD8	Canada Housing Trust 2.1% Series 88	due September 15, 2029	AAA	102.89	205,780	90.71	181,417	3.2%
275,000	13509PHQ9	Canada Housing Trust 1.1% Series 95	due March 15, 2031	AAA	94.05	258,638	81.02	222,798	3.9%
						1,695,838		1,575,014	27.5%
PROVINCIAL BONDS									
500,000	68323ABN3	Ontario 2.85%	due June 2, 2023	AA (low)	102.29	511,430	99.72	498,605	8.7%
400,000	68323ACX0	Ontario 2.60%	due June 2, 2025	AA (low)	101.08	404,305	97.66	390,655	6.8%
350,000	11070TAJ7	British Columbia 2.3%	due June 18, 2026	AA (high)	104.40	365,400	95.65	334,786	5.9%
350,000	68323AEE0	Ontario 2.60%	due June 2, 2027	AA (low)	97.56	341,460	95.57	334,488	5.8%
350,000	68333ZAH0	Ontario 2.05%	due June 2, 2030	AA (low)	94.43	330,515	87.40	305,890	5.3%
200,000	110709AF9	British Columbia 1.55%	due June 18, 2031	AA (high)	83.75	167,500	82.03	164,056	2.9%
						2,120,610		2,028,480	35.5%
CORPORATE BONDS									
150,000	94975ZBN5	Wells Fargo 3.46%	due January 24, 2023	AA (low)	102.36	153,542	100.12	150,176	2.6%
300,000	891160LV3	Toronto Dominion Bank Dep. Note 1.909%	due July 18, 2023	AA (high)	102.63	307,890	98.10	294,302	5.1%
250,000	891145T79	Toronto Dominion Bank Dep. Note 3.226%	due July 24, 2024	AA (high)	102.02	255,050	98.64	246,607	4.3%
250,000	13596Z3Y9	CIBC Deposit Note 3.3%	due May 26, 2025	AA	100.24	250,600	97.95	244,867	4.3%
200,000	949746RX1	Wells Fargo & Company 2.975%	due May 19, 2026	AA (low)	102.15	204,300	93.78	187,552	3.3%
300,000	064151QE6	Bank of Nova Scotia Dep. Notes 2.62%	due December 2, 2026	AA	102.07	306,210	93.66	280,987	4.9%
150,000	06368AAA8	Bank of Montreal Dep. Note 2.70%	due December 9, 2026	AA	108.76	163,140	93.92	140,887	2.5%
100,000	06415GDE7	Bank of Nova Scotia 2.95%	due March 8, 2027	AA (low)	92.85	92,850	92.69	92,686	1.6%
150,000	29251ZBK2	Enbridge Inc. CB-27 3.2%	due June 8, 2027	BBB (high)	96.43	144,650	92.83	139,248	2.4%
100,000	06368BTX6	Bank of Montreal 3.19%	due March 1, 2028	AA	100.75	100,750	94.06	94,061	1.6%
50,000	87971MBG7	Telus Corp. CB-27 3.625%	due March 1, 2028	BBB (high)	100.55	50,275	93.98	46,988	0.8%
100,000	07813ZCJ1	Bell Canada SerM56 2.2%	due May 29, 2028	BBB (high)	98.26	98,263	86.66	86,658	1.5%
125,000	68321ZAD3	Ontario Power Generation 2.977% 13SEP29	due September 13, 2029	A (low)	99.95	124,938	89.97	112,463	2.0%
						2,252,457		2,117,482	37.0%
TOTAL PORTFOLIO						6,068,904		5,720,976	100.0%

Martin, Lucas & Seagram Ltd.
DATE TO DATE GAINS AND LOSSES
CLLAS - LONG TERM INVESTMENT FUND
(RBC Investor Services)
From 03-31-22 to 06-30-22

Security	03-31-22 Market Value	Additions Withdrawals	06-30-22 Market Value	06-30-22 Cost Basis	Realized Gain or Loss		Unrealized Gain or Loss	
					Cost	Market	Cost	Market
CASH								
Cash Account	0	0	0	0				
GOVERNMENT BONDS								
Canada Housing Trust 2.4% Series 48 due December 15, 2022	201,240	-2,400	199,864	200,740	0	0	-876	-1,376
Canada Housing Trust 2.35% due September 15, 2023	200,352	0	198,158	211,240	0	0	-13,082	-2,194
Canada Housing Trust 2.9% due June 15, 2024	252,488	-3,625	248,291	256,600	0	0	-8,309	-4,197
Canada Housing Trust Ser. 70 2.25% due December 15, 2025	295,966	-3,375	289,250	302,940	0	0	-13,690	-6,715
Canada Housing Trust No.1 2.350% due March 15, 2028	244,562	0	235,236	259,900	0	0	-24,664	-9,326
Canada Housing Trust 2.1% Series 88 due September 15, 2029	190,508	0	181,417	205,780	0	0	-24,363	-9,091
Canada Housing Trust 1.1% Series 95 due March 15, 2031	237,333	0	222,798	258,638	0	0	-35,840	-14,535
GOVERNMENT BONDS Total	<u>1,622,448</u>		<u>1,575,014</u>	<u>1,695,838</u>	<u>0</u>	<u>0</u>	<u>-120,824</u>	<u>-47,434</u>
PROVINCIAL BONDS								
Ontario 3.15% due June 2, 2022	401,604	-406,300	0	0	0	-1,604	0	0
Ontario 2.85% due June 2, 2023	504,275	-7,125	498,605	511,430	0	0	-12,825	-5,670
Ontario 2.60% due June 2, 2025	399,050	-5,200	390,655	404,305	0	0	-13,650	-8,395
British Columbia 2.3% due June 18, 2026	343,906	-4,025	334,786	365,400	0	0	-30,615	-9,121
Ontario 2.60% due June 2, 2027	346,377	-4,550	334,488	341,460	0	0	-6,972	-11,888
Ontario 2.05% due June 2, 2030	139,659	176,247	305,890	330,515	0	0	-24,626	-11,510
British Columbia 1.55% due June 18, 2031	0	167,394	164,056	167,500	0	0	-3,444	-3,444
PROVINCIAL BONDS Total	<u>2,134,870</u>		<u>2,028,480</u>	<u>2,120,610</u>	<u>0</u>	<u>-1,604</u>	<u>-92,130</u>	<u>-50,027</u>
CORPORATE BONDS								
Wells Fargo 3.46% due January 24, 2023	151,765	0	150,176	153,542	0	0	-3,365	-1,589
Toronto Dominion Bank Dep. Note 1.909% due July 18, 2023	297,838	0	294,302	307,890	0	0	-13,588	-3,536
Toronto Dominion Bank Dep. Note 3.226% due July 24, 2024	251,807	0	246,607	255,050	0	0	-8,443	-5,200
CIBC Deposit Note 3.3% due May 26, 2025	252,033	-4,125	244,867	250,600	0	0	-5,734	-7,167
Wells Fargo & Company 2.975% due May 19, 2026	194,067	-2,975	187,552	204,300	0	0	-16,748	-6,515
Bank of Nova Scotia Dep. Notes 2.62% due December 2, 2026	291,986	-3,930	280,987	306,210	0	0	-25,223	-10,998

Martin, Lucas & Seagram Ltd.
DATE TO DATE GAINS AND LOSSES
CLLAS - LONG TERM INVESTMENT FUND
(RBC Investor Services)
From 03-31-22 to 06-30-22

Security	03-31-22 Market Value	Additions Withdrawals	06-30-22 Market Value	06-30-22 Cost Basis	Realized Gain or Loss		Unrealized Gain or Loss	
					Cost	Market	Cost	Market
Bank of Montreal Dep. Note 2.70% due December 9, 2026	146,558	-2,025	140,887	163,140	0	0	-22,253	-5,671
Bank of Nova Scotia 2.95% due March 8, 2027	0	93,618	92,686	92,850	0	0	-164	-164
Enbridge Inc. CB-27 3.2% due June 8, 2027	97,030	44,813	139,248	144,650	0	0	-5,402	-4,182
Bank of Montreal 3.19% due March 1, 2028	99,168	0	94,061	100,750	0	0	-6,689	-5,108
Telus Corp. CB-27 3.625% due March 1, 2028	49,564	0	46,988	50,275	0	0	-3,287	-2,575
Bell Canada SerM56 2.2% due May 29, 2028	91,335	-1,100	86,658	98,263	0	0	-11,605	-4,678
Ontario Power Generation 2.977% 13SEP29 due September 13, 2029	119,737	0	112,463	124,938	0	0	-12,475	-7,274
CORPORATE BONDS Total	2,042,888		2,117,482	2,252,457	0	0	-134,974	-64,656
TOTAL PORTFOLIO	5,800,207		5,720,976	6,068,904	0	-1,604	-347,928	-162,118
TOTAL DATE TO DATE GAIN OR LOSS								-163,721
% CHANGE DURING PERIOD								-2.82