

Unaudited Interim Financial Statements

For the period ended June 30, 2021

Tangerine[®] ETF Portfolios

Tangerine ETF Portfolios

Unaudited Financial Statements For the period ended June 30, 2021
(In Canadian dollars, unless otherwise indicated)

Tangerine Balanced ETF Portfolio

Statements of Financial Position (unaudited)

As at

	June 30, 2021	December 31, 2020
Assets		
Current Assets		
Investments (Notes 3c and 3i)	\$59,493,742	\$7,765,229
Cash (Note 3m)	\$284,190	\$260,120
Subscriptions receivable	\$1,433,780	\$1,214,455
Accrued investment income	\$181,778	\$8,208
Total assets	\$61,393,490	\$9,248,012
Liabilities		
Current Liabilities		
Payable for securities purchased	\$740,700	\$1,083,895
Redemptions payable	\$237,650	\$19,464
Accrued expenses	\$30,376	\$2,826
Total current liabilities	\$1,008,726	\$1,106,185
Net assets attributable to holders of redeemable units	\$60,384,764	\$8,141,827
Number of redeemable units outstanding (Note 6)	5,861,990	817,183
Net assets attributable to holders of redeemable units per unit (Note 3e)	\$10.30	\$9.96

Statements of Comprehensive Income (unaudited)

For the six-month period ended

	June 30, 2021
Income	
Income distribution from underlying funds	\$364,141
Interest for distribution purposes (Note 3j)	\$1,265
Net realized gain on investments	\$1,099
Change in unrealized appreciation on investments	\$1,383,250
Total income	\$1,749,755
Expenses	
Management fees (Note 9a)	\$91,324
Administrative fees (Note 9a)	\$27,397
Other expenses including indirect taxes (Note 9a)	\$15,788
Independent Review Committee fees (Note 9a)	\$4,006
Transaction costs (Note 3g)	\$24,087
Total expenses	\$162,602
Less: Rebated and absorbed expenses (Note 9a)	\$(21,209)
Net expenses	\$141,393
Increase in net assets attributable to holders of redeemable units from operations	\$1,608,362
Increase in net assets attributable to holders of redeemable units from operations per unit (Note 3l)	\$0.43

Approved by the board of directors of Tangerine Investment Management Inc.



Ramy Dimitry, Director



Gillian Riley, Director

The accompanying notes are an integral part of the financial statements

Tangerine ETF Portfolios

Unaudited Financial Statements For the period ended June 30, 2021
(In Canadian dollars, unless otherwise indicated)

Tangerine Balanced ETF Portfolio

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

For the six-month period ended

	June 30, 2021
Net assets attributable to holders of redeemable units, beginning of the period	\$8,141,827
Increase in net assets attributable to holders of redeemable units from operations	\$1,608,362
Redeemable unit transactions	
Proceeds from redeemable units issued	\$57,161,246
Redemptions of redeemable units	\$(6,526,671)
Net increase from redeemable units transactions	\$50,634,575
Net increase in net assets attributable to holders of redeemable units for the period	\$52,242,937
Net assets attributable to holders of redeemable units, end of the period	\$60,384,764

Statements of Cash Flows (unaudited)

For the six-month period ended

	June 30, 2021
Cash flows from operating activities	
Increase in net assets attributable to holders of redeemable units from operations	\$1,608,362
Adjustments for:	
Net realized (gain) on investments	\$(1,099)
Change in unrealized (appreciation) on investments	\$(1,383,250)
Proceeds from sale of investments	\$1,291,757
Purchase of investments	\$(51,905,170)
Income distribution from underlying funds	\$(73,946)
Net change in non-cash assets and liabilities	\$(146,020)
Net cash used in operating activities	\$(50,609,366)
Cash flows from financing activities	
Proceeds from issuances of redeemable units	\$56,941,921
Distributions to holders of redeemable units, net of reinvestments	—
Amounts paid on redemptions of redeemable units	\$(6,308,485)
Net cash flows from financing activities	\$50,633,436
Net increase in cash during the period	\$24,070
Cash, beginning of the period	\$260,120
Cash, end of the period	\$284,190
Supplemental cash flow information relating to operating activities	
Interest received	\$1,265
Income from underlying funds received, net of withholding taxes	\$116,627

The accompanying notes are an integral part of the financial statements

Tangerine ETF Portfolios

Unaudited Financial Statements For the period ended June 30, 2021
(In Canadian dollars, unless otherwise indicated)

Tangerine Balanced ETF Portfolio

Schedule of Investments (unaudited)

As at June 30, 2021

Number of Shares	Security	Average Cost (\$)	Fair Value (\$)
CANADIAN FIXED INCOME FUNDS (39.1% of Net Assets)			
1,228,160	Scotia Canadian Bond Index Tracker ETF	23,871,205	23,597,989
CANADIAN EQUITY FUNDS (1.7% of Net Assets)			
40,510	Scotia Canadian Large Cap Equity Index Tracker ETF	962,114	1,045,911
U.S. EQUITY FUNDS (34.9% of Net Assets)			
861,140	Scotia U.S. Equity Index Tracker ETF	19,712,309	21,090,869
INTERNATIONAL EQUITY FUNDS (22.8% of Net Assets)			
144,758	iShares Core MSCI Emerging Markets IMI Index ETF	4,589,209	4,633,704
381,190	Scotia International Equity Index Tracker ETF	9,125,538	9,125,269
		13,714,747	13,758,973
Total investments (98.5% of Net Assets)		58,260,375	59,493,742
Other assets less current liabilities			891,022
Net assets attributable to holders of redeemable units ("Net Assets")			60,384,764

Fund Specific Notes

For the period ended June 30, 2021

The Fund (note 1)

The Fund seeks to provide capital appreciation by investing in a diversified mix of equity and fixed income exchange traded funds on a targeted allocation among two different types of investments in the following proportions; Fixed income (40.0%) and Equities (60.0%). Each investment type seeks to replicate, as closely as possible, the performance of a recognized securities index: the equity component seeks to replicate the Solactive GBS Global Markets Large and Mid Cap Index segment; and the fixed income component seeks to replicate the Solactive Broad Canadian Bond Universe Liquid ex MPL TR Index.

The Fund invests primarily in funds managed by the Portfolio Advisor and/or by the third party investment managers (the "Underlying Funds"). To ensure the Fund's composition meets the investment objectives of the Fund, the Portfolio Advisor monitors the Underlying Funds on an ongoing basis and rebalances the Fund's assets among the Underlying Funds. In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)

Currency risk

The Fund did not have significant direct currency risk exposure as at June 30, 2021 and December 31, 2020. The fund was indirectly exposed to currency risk as the underlying funds invest in financial instruments that are denominated in foreign currencies.

Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at June 30, 2021 and December 31, 2020. Accordingly, the Fund did not have significant direct interest rate risk exposure due to fluctuations in the prevailing levels of market interest rates. However, the fund was indirectly exposed to interest rate risk as certain underlying funds invest in interest-bearing financial instruments.

Tangerine ETF Portfolios

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(In Canadian dollars, unless otherwise indicated)

Tangerine Balanced ETF Portfolio

Fund Specific Notes

For the period ended June 30, 2021

Other price risk

As at June 30, 2021, approximately 98.5% (December 31, 2020: 95.4%) of the Fund's net assets were directly exposed to price risk. If prices of these instruments had fluctuated by 10%, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased by approximately \$5,949,374 (December 31, 2020: \$776,523). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The Fund did not have significant direct exposure to bonds and debentures, money market instruments or preferred shares as at June 30, 2021 and December 31, 2020. However, the fund was indirectly exposed to credit risk through its investment in underlying funds.

Concentration risk

Below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets.

Underlying Funds	As % of Net Assets	
	June 30, 2021	Dec. 31, 2020
Canadian Fixed Income Funds	39.1	37.6
U.S. Equity Funds	34.9	33.1
International Equity Funds	22.8	23.1
Canadian Equity Funds	1.7	1.6
Total Investments	98.5	95.4

Fair value classification (note 3i)

Below is a summary of the classification of the Fund's financial instruments within the fair value hierarchy.

June 30, 2021	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Underlying Funds	59,493,742	—	—	59,493,742
Total Investments	59,493,742	—	—	59,493,742

December 31, 2020	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Underlying Funds	7,765,229	—	—	7,765,229
Total Investments	7,765,229	—	—	7,765,229

Transfers between levels

During the periods ended June 30, 2021 and December 31, 2020, there were no significant transfers between Level 1 and Level 2.

Interest in Underlying Funds (note 3o)

Below is a summary of the Underlying Funds held by the Fund.

June 30, 2021	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
iShares Core MSCI Emerging Markets IMI Index ETF	4,633,704	0.4
Scotia Canadian Bond Index Tracker ETF	23,597,989	26.4
Scotia Canadian Large Cap Equity Index Tracker ETF	1,045,911	5.4
Scotia International Equity Index Tracker ETF	9,125,269	9.5
Scotia U.S. Equity Index Tracker ETF	21,090,869	9.5
Total	59,493,742	

December 31, 2020	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
iShares Core MSCI Emerging Markets IMI Index ETF	619,454	0.1
Scotia Canadian Bond Index Tracker ETF	3,063,402	10.2
Scotia Canadian Large Cap Equity Index Tracker ETF	126,643	5.7
Scotia International Equity Index Tracker ETF	1,258,494	3.9
Scotia U.S. Equity Index Tracker ETF	2,697,236	9.4
Total	7,765,229	

Tangerine ETF Portfolios

Unaudited Financial Statements For the period ended June 30, 2021
(In Canadian dollars, unless otherwise indicated)

Tangerine Balanced Growth ETF Portfolio

Statements of Financial Position (unaudited)

As at

	June 30, 2021	December 31, 2020
Assets		
Current Assets		
Investments (Notes 3c and 3i)	\$244,319,135	\$28,999,154
Cash (Note 3m)	\$2,618,022	\$1,615,854
Subscriptions receivable	\$6,268,132	\$4,814,691
Accrued investment income	\$832,404	\$37,655
Total assets	\$254,037,693	\$35,467,354
Liabilities		
Current Liabilities		
Payable for securities purchased	\$5,091,158	\$4,378,495
Redemptions payable	\$571,528	\$83,574
Accrued expenses	\$123,296	\$9,831
Total current liabilities	\$5,785,982	\$4,471,900
Net assets attributable to holders of redeemable units	\$248,251,711	\$30,995,454
Number of redeemable units outstanding (Note 6)	23,761,617	3,123,611
Net assets attributable to holders of redeemable units per unit (Note 3e)	\$10.45	\$9.92

Statements of Comprehensive Income (unaudited)

For the six-month period ended

	June 30, 2021
Income	
Income distribution from underlying funds	\$1,513,791
Interest for distribution purposes (Note 3j)	\$5,400
Net realized gain on investments	\$756
Change in unrealized appreciation on investments	\$7,635,869
Total income	\$9,155,816
Expenses	
Management fees (Note 9a)	\$357,488
Administrative fees (Note 9a)	\$107,246
Other expenses including indirect taxes (Note 9a)	\$56,082
Independent Review Committee fees (Note 9a)	\$4,009
Transaction costs (Note 3g)	\$94,567
Total expenses	\$619,392
Less: Rebated and absorbed expenses (Note 9a)	\$(70,431)
Net expenses	\$548,961
Increase in net assets attributable to holders of redeemable units from operations	\$8,606,855
Increase in net assets attributable to holders of redeemable units from operations per unit (Note 3l)	\$0.60

Approved by the board of directors of Tangerine Investment Management Inc.



Ramy Dimitry, Director



Gillian Riley, Director

Tangerine ETF Portfolios

Unaudited Financial Statements For the period ended June 30, 2021
(In Canadian dollars, unless otherwise indicated)

Tangerine Balanced Growth ETF Portfolio

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

For the six-month period ended

	June 30, 2021
Net assets attributable to holders of redeemable units, beginning of the period	\$30,995,454
Increase in net assets attributable to holders of redeemable units from operations	\$8,606,855
Redeemable unit transactions	
Proceeds from redeemable units issued	\$229,743,315
Redemptions of redeemable units	\$(21,093,913)
Net increase from redeemable units transactions	\$208,649,402
Net increase in net assets attributable to holders of redeemable units for the period	\$217,256,257
Net assets attributable to holders of redeemable units, end of the period	\$248,251,711

Statements of Cash Flows (unaudited)

For the six-month period ended

	June 30, 2021
Cash flows from operating activities	
Increase in net assets attributable to holders of redeemable units from operations	\$8,606,855
Adjustments for:	
Net realized (gain) on investments	\$(756)
Change in unrealized (appreciation) on investments	\$(7,635,869)
Proceeds from sale of investments	\$3,590,039
Purchase of investments	\$(210,187,685)
Income distribution from underlying funds	\$(373,047)
Net change in non-cash assets and liabilities	\$(681,284)
Net cash used in operating activities	\$(206,681,747)
Cash flows from financing activities	
Proceeds from issuances of redeemable units	\$228,289,874
Amounts paid on redemptions of redeemable units	\$(20,605,959)
Net cash flows from financing activities	\$207,683,915
Net increase in cash during the period	\$1,002,168
Cash, beginning of the period	\$1,615,854
Cash, end of the period	\$2,618,022
Supplemental cash flow information relating to operating activities	
Interest received	\$5,400
Income from underlying funds received, net of withholding taxes	\$348,663

The accompanying notes are an integral part of the financial statements

Tangerine ETF Portfolios

Unaudited Financial Statements For the period ended June 30, 2021
(In Canadian dollars, unless otherwise indicated)

Tangerine Balanced Growth ETF Portfolio

Schedule of Investments (unaudited)

As at June 30, 2021

Number of Shares	Security	Average Cost (\$)	Fair Value (\$)
CANADIAN FIXED INCOME FUNDS (24.3% of Net Assets)			
3,145,640	Scotia Canadian Bond Index Tracker ETF	61,069,796	60,440,641
CANADIAN EQUITY FUNDS (2.2% of Net Assets)			
207,620	Scotia Canadian Large Cap Equity Index Tracker ETF	4,949,672	5,360,458
U.S. EQUITY FUNDS (43.5% of Net Assets)			
4,410,260	Scotia U.S. Equity Index Tracker ETF	101,132,550	108,015,206
INTERNATIONAL EQUITY FUNDS (28.4% of Net Assets)			
741,467	iShares Core MSCI Emerging Markets IMI Index ETF	23,467,610	23,734,359
1,953,660	Scotia International Equity Index Tracker ETF	46,785,584	46,768,471
		70,253,194	70,502,830
Total investments (98.4% of Net Assets)		237,405,212	244,319,135
Other assets less current liabilities			3,932,576
Net assets attributable to holders of redeemable units ("Net Assets")			248,251,711

Fund Specific Notes

For the period ended June 30, 2021

The Fund (note 1)

The Fund seeks to provide capital appreciation and some income by investing in both equity and fixed income exchange traded funds on a targeted allocation among two different types of investments in the following proportions; Fixed income (25.0%) and Equities (75.0%). Each investment type seeks to replicate, as closely as possible, the performance of a recognized securities index: the equity component seeks to replicate the Solactive GBS Global Markets Large and Mid Cap Index segment; and the fixed income component seeks to replicate the Solactive Broad Canadian Bond Universe Liquid ex MPL TR Index.

The Fund invests primarily in funds managed by the Portfolio Advisor and/or by the third party investment managers (the "Underlying Funds"). To ensure the Fund's composition meets the investment objectives of the Fund, the portfolio advisor monitors the Underlying Funds on an ongoing basis and rebalances the Fund's assets among the Underlying Funds. In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)

Currency risk

The Fund did not have significant direct currency risk exposure as at June 30, 2021 and December 31, 2020. The fund was indirectly exposed to currency risk as the underlying funds invest in financial instruments that are denominated in foreign currencies.

Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at June 30, 2021 and December 31, 2020. Accordingly, the Fund did not have significant direct interest rate risk exposure due to fluctuations in the prevailing levels of market interest rates. However, the fund was indirectly exposed to interest rate risk as certain underlying funds invest in interest-bearing financial instruments.

Tangerine ETF Portfolios

Unaudited Financial Statements For the period ended June 30, 2021
(In Canadian dollars, unless otherwise indicated)

Tangerine Balanced Growth ETF Portfolio

Fund Specific Notes

For the period ended June 30, 2021

Other price risk

As at June 30, 2021, approximately 98.4% (December 31, 2020: 93.6%) of the Fund's net assets were directly exposed to price risk. If prices of these instruments had fluctuated by 10%, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased by approximately \$24,431,914 (December 31, 2020: \$2,899,915). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The Fund did not have significant direct exposure to bonds and debentures, money market instruments or preferred shares as at June 30, 2021 and December 31, 2020. However, the fund was indirectly exposed to credit risk through its investment in underlying funds.

Concentration risk

Below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets.

Underlying Funds	As % of Net Assets	
	June 30, 2021	Dec. 31, 2020
U.S. Equity Funds	43.5	40.5
International Equity Funds	28.4	28.2
Canadian Fixed Income Funds	24.3	23.0
Canadian Equity Funds	2.2	1.9
Total Investments	98.4	93.6

Fair value classification (note 3i)

Below is a summary of the classification of the Fund's financial instruments within the fair value hierarchy.

June 30, 2021	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Underlying Funds	244,319,135	—	—	244,319,135
Total Investments	244,319,135	—	—	244,319,135

December 31, 2020	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Underlying Funds	28,999,154	—	—	28,999,154
Total Investments	28,999,154	—	—	28,999,154

Transfers between levels

During the periods ended June 30, 2021 and December 31, 2020, there were no significant transfers between Level 1 and Level 2.

Interest in Underlying Funds (note 3o)

Below is a summary of the Underlying Funds held by the Fund.

June 30, 2021	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
iShares Core MSCI Emerging Markets IMI Index ETF	23,734,359	2.1
Scotia Canadian Bond Index Tracker ETF	60,440,641	67.6
Scotia Canadian Large Cap Equity Index Tracker ETF	5,360,458	27.7
Scotia International Equity Index Tracker ETF	46,768,471	48.5
Scotia U.S. Equity Index Tracker ETF	108,015,206	48.5
Total	244,319,135	

December 31, 2020	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
iShares Core MSCI Emerging Markets IMI Index ETF	2,880,233	0.3
Scotia Canadian Bond Index Tracker ETF	7,140,309	23.7
Scotia Canadian Large Cap Equity Index Tracker ETF	589,002	26.5
Scotia International Equity Index Tracker ETF	5,850,616	18.0
Scotia U.S. Equity Index Tracker ETF	12,538,994	43.7
Total	28,999,154	

Tangerine ETF Portfolios

Unaudited Financial Statements For the period ended June 30, 2021
(In Canadian dollars, unless otherwise indicated)

Tangerine Equity Growth ETF Portfolio

Statements of Financial Position (unaudited)

As at

	June 30, 2021	December 31, 2020
Assets		
Current Assets		
Investments (Notes 3c and 3i)	\$148,370,164	\$19,326,731
Cash (Note 3m)	\$2,368,356	\$3,209,786
Subscriptions receivable	\$3,536,227	\$3,154,951
Accrued investment income	\$594,793	\$28,291
Total assets	\$154,869,540	\$25,719,759
Liabilities		
Current Liabilities		
Payable for securities purchased	\$3,323,378	\$5,387,612
Redemptions payable	\$223,263	\$9,276
Accrued expenses	\$70,297	\$5,427
Total current liabilities	\$3,616,938	\$5,402,315
Net assets attributable to holders of redeemable units	\$151,252,602	\$20,317,444
Number of redeemable units outstanding (Note 6)	14,114,079	2,054,215
Net assets attributable to holders of redeemable units per unit (Note 3e)	\$10.72	\$9.89

Statements of Comprehensive Income (unaudited)

For the six-month period ended

	June 30, 2021
Income	
Income distribution from underlying funds	\$974,092
Interest for distribution purposes (Note 3j)	\$3,320
Net realized gain on investments	\$10,505
Change in unrealized appreciation on investments	\$6,922,519
Total income	\$7,910,436
Expenses	
Management fees (Note 9a)	\$221,110
Administrative fees (Note 9a)	\$66,333
Other expenses including indirect taxes (Note 9a)	\$35,104
Independent Review Committee fees (Note 9a)	\$4,004
Transaction costs (Note 3g)	\$51,107
Total expenses	\$377,658
Less: Rebated and absorbed expenses (Note 9a)	\$(54,134)
Net expenses	\$323,524
Increase in net assets attributable to holders of redeemable units from operations	\$7,586,912
Increase in net assets attributable to holders of redeemable units from operations per unit (Note 3l)	\$0.87

Approved by the board of directors of Tangerine Investment Management Inc.



Ramy Dimitry, Director



Gillian Riley, Director

The accompanying notes are an integral part of the financial statements

Tangerine ETF Portfolios

Unaudited Financial Statements For the period ended June 30, 2021
(In Canadian dollars, unless otherwise indicated)

Tangerine Equity Growth ETF Portfolio

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

For the six-month period ended

	June 30, 2021
Net assets attributable to holders of redeemable units, beginning of the period	\$20,317,444
Increase in net assets attributable to holders of redeemable units from operations	\$7,586,912
Redeemable unit transactions	
Proceeds from redeemable units issued	\$138,540,800
Redemptions of redeemable units	\$(15,192,554)
Net increase from redeemable units transactions	\$123,348,246
Net increase in net assets attributable to holders of redeemable units for the period	\$130,935,158
Net assets attributable to holders of redeemable units, end of the period	\$151,252,602

Statements of Cash Flows (unaudited)

For the six-month period ended

	June 30, 2021
Cash flows from operating activities	
Increase in net assets attributable to holders of redeemable units from operations	\$7,586,912
Adjustments for:	
Net realized (gain) on investments	\$(10,505)
Change in unrealized (appreciation) on investments	\$(6,922,519)
Proceeds from sale of investments	\$570,503
Purchase of investments	\$(124,446,516)
Income distribution from underlying funds	\$(298,630)
Net change in non-cash assets and liabilities	\$(501,632)
Net cash used in operating activities	\$(124,022,387)
Cash flows from financing activities	
Proceeds from issuances of redeemable units	\$138,159,524
Amounts paid on redemptions of redeemable units	\$(14,978,567)
Net cash flows from financing activities	\$123,180,957
Net increase in cash during the period	\$(841,430)
Cash, beginning of the period	\$3,209,786
Cash, end of the period	\$2,368,356
Supplemental cash flow information relating to operating activities	
Interest received	\$3,320
Income from underlying funds received, net of withholding taxes	\$108,960

The accompanying notes are an integral part of the financial statements

Tangerine ETF Portfolios

Unaudited Financial Statements For the period ended June 30, 2021
(In Canadian dollars, unless otherwise indicated)

Tangerine Equity Growth ETF Portfolio

Schedule of Investments (unaudited)

As at June 30, 2021

Number of Shares	Security	Average Cost (\$)	Fair Value (\$)
CANADIAN EQUITY FUNDS (2.9% of Net Assets)			
167,520	Scotia Canadian Large Cap Equity Index Tracker ETF	3,983,194	4,325,132
U.S. EQUITY FUNDS (57.6% of Net Assets)			
3,558,890	Scotia U.S. Equity Index Tracker ETF	81,444,954	87,163,622
INTERNATIONAL EQUITY FUNDS (37.6% of Net Assets)			
598,284	iShares Core MSCI Emerging Markets IMI Index ETF	18,909,427	19,151,071
1,576,110	Scotia International Equity Index Tracker ETF	37,677,038	37,730,339
		56,586,465	56,881,410
Total investments (98.1% of Net Assets)		142,014,613	148,370,164
Other assets less current liabilities			2,882,438
Net assets attributable to holders of redeemable units ("Net Assets")			151,252,602

Fund Specific Notes

For the period ended June 30, 2021

The Fund (note 1)

The Fund seeks to provide capital appreciation and growth by investing in equity exchange traded funds on a 100% targeted allocation. The investment seeks to replicate, as closely as possible, the performance of the Solactive GBS Global Markets Large and Mid Cap Index.

The Fund invests primarily in funds managed by the Portfolio Advisor and/or by the third party investment managers (the "Underlying Funds"). To ensure the Fund's composition meets the investment objectives of the Fund, the portfolio advisor monitors the Underlying Funds on an ongoing basis and rebalances the Fund's assets among the Underlying Funds. In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)

Currency risk

The Fund did not have significant direct currency risk exposure as at June 30, 2021 and December 31, 2020. The fund was indirectly exposed to currency risk as the underlying funds invest in financial instruments that are denominated in foreign currencies.

Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at June 30, 2021 and December 31, 2020. Accordingly, the Fund did not have significant direct interest rate risk exposure due to fluctuations in the prevailing levels of market interest rates.

Other price risk

As at June 30, 2021, approximately 98.1% (December 31, 2020: 95.2%) of the Fund's net assets were directly exposed to price risk. If prices of these instruments had fluctuated by 10%, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased by approximately \$14,837,016 (December 31, 2020: \$1,932,673). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Tangerine ETF Portfolios

Unaudited Financial Statements For the period ended June 30, 2021
(In Canadian dollars, unless otherwise indicated)

Tangerine Equity Growth ETF Portfolio

Fund Specific Notes

For the period ended June 30, 2021

Credit risk

The Fund did not have significant direct exposure to bonds and debentures, money market instruments or preferred shares as at June 30, 2021 and December 31, 2020.

Concentration risk

Below is a summary of the Fund's concentration risk by carrying value as a percentage of net assets.

Underlying Funds	As % of Net Assets	
	June 30, 2021	Dec. 31, 2020
U.S. Equity Funds	57.6	54.6
International Equity Funds	37.6	38.0
Canadian Equity Funds	2.9	2.6
Total Investments	98.1	95.2

Fair value classification (note 3i)

Below is a summary of the classification of the Fund's financial instruments within the fair value hierarchy.

June 30, 2021	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Underlying Funds	148,370,164	—	—	148,370,164
Total Investments	148,370,164	—	—	148,370,164

December 31, 2020	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Underlying Funds	19,326,731	—	—	19,326,731
Total Investments	19,326,731	—	—	19,326,731

Transfers between levels

During the periods ended June 30, 2021 and December 31, 2020, there were no significant transfers between Level 1 and Level 2.

Interest in Underlying Funds (note 3o)

Below is a summary of the Underlying Funds held by the Fund.

June 30, 2021	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
iShares Core MSCI Emerging Markets IMI Index ETF	19,151,071	1.7
Scotia Canadian Large Cap Equity Index Tracker ETF	4,325,132	22.3
Scotia International Equity Index Tracker ETF	37,730,339	39.2
Scotia U.S. Equity Index Tracker ETF	87,163,622	39.1
Total	148,370,164	

December 31, 2020	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
iShares Core MSCI Emerging Markets IMI Index ETF	2,546,611	0.3
Scotia Canadian Large Cap Equity Index Tracker ETF	520,792	23.4
Scotia International Equity Index Tracker ETF	5,172,896	15.9
Scotia U.S. Equity Index Tracker ETF	11,086,432	38.6
Total	19,326,731	

Notes to the Financial Statements

1. Organization of the Fund

Tangerine Balanced ETF Portfolio, Tangerine Balanced Growth ETF Portfolio and Tangerine Equity Growth ETF Portfolio (collectively, “the Funds”, individually a “Fund”) are open-ended mutual fund trusts established under the laws of Ontario. The Funds are governed by a Master Declaration of Trust dated November 19, 2008 and amended most recently on November 10, 2020.

The Funds are domiciled in Canada and its principal business office is located at 3389 Steeles Avenue East, in Toronto, Ontario.

Tangerine Investment Management Inc. (the “Manager”) provides management services to the Fund. The principal distributor of the Fund is Tangerine Investment Funds Limited. Both companies are wholly owned subsidiaries of Tangerine Bank. Tangerine Bank is a wholly owned subsidiary of The Bank of Nova Scotia (“Scotiabank”).

1832 Asset Management L.P., (the “Portfolio Advisor”), a wholly owned subsidiary of Scotiabank, has been engaged by the Manager to manage the Funds’ portfolio investments.

The investment objectives for each of the Funds are provided in the respective Fund’s “Funds Specific Notes”. The Funds were incepted on November 12, 2020 with seed capital by the Manager and commenced operations on November 16, 2020.

The Statements of Financial Position of each of the Funds are as at June 30, 2021 and December 31, 2020, as applicable, and the Statements of Comprehensive Income, Statements of Changes in Net Assets Attributable to Holders of Redeemable Units and Statements of Cash Flows are for the six month periods ended June 30, 2021 and 2020. The Schedule of Investment Portfolio for each of the Funds is as at June 30, 2021. Throughout this document, reference to the period or periods refers to the reporting period described above. These interim financial statements were authorized for issue by the Manager on August 25, 2021.

2. Basis of Presentation

These interim financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), applicable to the preparation of interim financial statements including International Accounting Standards (“IAS”) 34 Interim Financial Reporting.

The financial statements are prepared on a going concern basis using the historical cost convention, except for financial assets and liabilities that have been measured at fair value.

3. Summary of Significant Accounting Policies

3a. Accounting estimates

The preparation of interim financial statements requires the Manager to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. The most significant uses of judgments, estimates and assumptions are to classify financial instruments held by the Funds and to determine the fair value of financial instruments. Actual results may differ from these estimates.

3b. Translation of foreign currencies

The Funds’ functional and presentation currency is the Canadian dollar, which is the currency of the primary economic environment in which the Funds operates.

- Financial instrument assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the rate of exchange prevailing at the Statements of Financial Position dates.
- Purchases and sales of investments classified as fair value recognized in profit and loss (“FVTPL”), investment income and expenses denominated in foreign currencies are translated into Canadian dollars at the rate of exchange prevailing on the respective dates of such transactions.
- Realized foreign currency gains (losses) on investments classified as FVTPL are included in the Statements of Comprehensive Income as part of “Net realized gain (loss) on investments”.
- Unrealized foreign currency gains (losses) on investments classified as FVTPL are included in the Statements of Comprehensive Income as part of “Change in unrealized appreciation on investments”.

Notes to the Financial Statements

- Realized and unrealized foreign currency gains (losses) on non-investment assets, liabilities and investment income denominated in foreign currencies are included in the Statements of Comprehensive Income as “Net realized gain (loss) on foreign exchange” and “Change in unrealized appreciation (depreciation) on foreign exchange”, respectively.

3c. Recognition and classification of financial instruments

The Funds recognize a financial asset or a financial liability when, and only when, it becomes a party to the contractual provisions of the instrument. The Funds’ accounting policy regarding derivative instruments is described in note 3f.

The initial classification of a financial instrument depends upon the contractual cash flow characteristics of the financial assets as well as the Funds’ business model for managing the financial assets. This classification is not subsequently changed except in very limited circumstances.

All financial instruments, including regular way purchases and sales of financial assets, are initially recorded at fair value on the trade date i.e., the date that the Funds commit to purchase or sell the asset. The subsequent measurement of all financial instruments depends on the initial classification.

Investment and derivative financial assets are those that are managed and whose performance is evaluated on a fair value basis and is neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. The Funds are primarily focused on fair value information and use that information to assess the assets’ performance and to make decisions. Consequently, all investments and derivatives of the Funds are classified as FVTPL. Financial assets classified as FVTPL are subsequently measured at fair value. The cost of investments classified as FVTPL represents the amount paid for each security, excluding transaction costs, and is determined on an average cost basis.

Income from FVTPL financial instruments are included directly in the Statements of Comprehensive Income and are reported as “Income distribution from underlying funds”, “Interest for distribution purposes”, “Change in unrealized appreciation (depreciation) on investments” and “Net realized gain (loss) on investments”. Income distribution from underlying funds, includes notional distributions received.

The Funds’ obligation for net assets attributable to holders of redeemable units represents a financial liability and is measured at the redemption amount. Other financial assets and financial liabilities are measured at amortized cost, which approximates their fair value. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, where appropriate, at the effective rate of interest.

3d. Derecognition of financial instruments

Financial assets

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or when the Funds have transferred substantially all the risks and rewards of ownership. If the Funds neither transfer nor retain substantially all the risks and rewards of ownership of a financial asset, the Funds derecognize the financial asset if they no longer have control over the asset.

In transfers where control over the asset is retained, the Funds continue to recognize the asset to the extent of its continuing involvement. The extent of the Funds’ continuing involvement is determined by the extent to which the Funds are exposed to changes in the value of the asset.

Financial liabilities

Financial liabilities are derecognized when contractual obligations are met, revoked or have expired.

3e. Redeemable units

The units of the Funds contain a contractual obligation for the Funds to repurchase or redeem them for cash or another financial asset and, therefore, do not meet the criteria in IFRS for classification as equity. The Funds’ redeemable units’ entitlement includes a contractual obligation to distribute any net income and net capital gains annually in December in cash (at the request of the unitholder) and therefore meet the contractual obligation requirement to be classified as financial liabilities. Redeemable units are redeemable at the unitholders’ option and are classified as financial liabilities. Redeemable units can be put back to each respective Fund at any date for cash equal to a proportionate share of the respective Fund’s Net Assets. The redeemable units are carried at the redemption amount that is payable at the Statements of Financial Position date if the holder exercises the right to put the unit back to the respective Fund.

Notes to the Financial Statements

The redemption amount (“Net Assets”) is the net difference between total assets and all other liabilities of the each respective fund calculated in accordance with IFRS. National Instrument 81-106, “Investment Funds Continuous Disclosure”, requires the Funds to calculate its daily Net Asset Value (“NAV”) for subscriptions and redemptions at the fair value of the Funds’ assets and liabilities. The Funds’ Net Asset Value Per Unit (“NAVPU”) at the date of issue or redemption is computed by dividing the NAV of the respective fund by the total number of outstanding units of the respective fund. The NAVPU is calculated as of the close of each day that the Toronto Stock Exchange is open for trading.

The calculations of the NAV and Net Assets are both based on the closed or last traded prices of “Investments”. As such, there is no difference between NAV and Net Assets at the Statements of Financial Position date.

3f. Derivative transactions

The each fund is permitted by Canada’s securities law to use derivative instruments to achieve its investment objectives as set out in the Funds’ Simplified Prospectus. Derivatives are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently measured at their fair value. Derivative instruments are valued daily using normal exchange reporting sources for exchange-traded derivatives and specific broker enquiry for over-the-counter derivatives. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative and are reported on the Statements of Financial Position.

3g. Transaction costs

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment. These costs include fees and commissions paid to agents, advisors, brokers and dealers levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Transaction costs incurred in the purchase and sale of investments classified as FVTPL are expensed and are included in “Transaction costs” on the Statements of Comprehensive Income.

3h. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported on the Statements of Financial Position when the Funds have a currently legally enforceable right to offset and the Funds either intend to settle on a net basis or realize the asset and settle the liability simultaneously.

3i. Fair value measurement and disclosure

Fair value estimation

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.

The fair value of financial instruments at the financial reporting date is determined as follows:

- Financial instruments that are traded in an active market are based on the quoted market prices at the close of trading on the reporting date. The Funds use the last traded market prices for both financial assets and financial liabilities where the last traded price falls within the reporting day’s end bid-ask spread. In circumstances where the last traded price is not within the reporting day’s end bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value.
- Financial instruments that are not traded in an active market are valued through valuation techniques using observable market inputs, on such basis and in such manner as established by the Manager.
- Bonds and similar securities are valued based on the closing quotation received from recognized investment dealers.

Fair value hierarchy

IFRS requires disclosures relating to fair value measurements using a three-level fair value hierarchy that reflects the significance of the inputs used in measuring fair values.

The Funds’ policy for the three-level fair value hierarchy levels is as follows:

Level 1 – Fair values are based on unadjusted quoted prices from an active market for identical assets.

Level 2 – Fair values are based on inputs, other than quoted prices, that are directly or indirectly observable in an active market.

Level 3 – Fair values are based on inputs not observable in the market.

The Funds recognize a transfer between levels of the fair value hierarchy as of the end of the reporting period during which the change occurred.

Notes to the Financial Statements

3j. Investment transactions and income

Investment transactions are accounted for on a trade date basis. Dividend income and distributions from Underlying Funds are recognized on the ex-dividend date. The “Interest for distribution purposes” on the Statements of Comprehensive Income represents the coupon interest received by the Funds, accounted for on an accrual basis. The Funds does not amortize premiums paid or discounts received on the purchase of fixed income securities.

Realized gain (loss) on sale of investments and unrealized appreciation (depreciation) on investments are determined on an average cost basis. Average cost does not include amortization of premiums or discounts on fixed income securities.

3k. Securities lending

The Funds qualify to lend securities from time to time in order to earn additional income. The Funds receive collateral in the form of cash or qualified non-cash instruments having a fair value equal to at least 102% of the fair value of the securities loaned during the period. The Funds have the right to sell the non-cash collateral if the borrower defaults on its obligations under the transaction. The fair value of the loaned securities is determined at the close of each business day and any additional required collateral is delivered to the Funds on the following business day. Cash collateral is invested in cash equivalents. The loaned securities continue to be included in “Investments” on the Statements of Financial Position. The non-cash collateral pledged by the borrower and the related obligation of the Funds to return the collateral are not reported on the Statements of Financial Position and the Schedule of Investments.

Income on securities lending transactions is accrued with the passage of time and is included in “Securities lending income” on the Statements of Comprehensive Income.

3l. Increase (decrease) in net assets attributable to holders of redeemable units from operations per unit

“Increase (decrease) in net assets attributable to holders of redeemable units from operations per unit” in the Statements of Comprehensive Income represents the “Increase (decrease) in net assets attributable to holders of redeemable units from operations” for the period divided by the weighted average number of units outstanding during the period.

3m. Cash and Bank overdraft

Cash comprises of deposits in banks. Any overdrawn bank account is included in the “Current Liabilities” as “Bank Overdraft”.

3n. Non-cash transactions

Non-cash transactions on the Statement of Cash Flows include reinvested distributions from the underlying mutual funds. These amounts represent non-cash income recognized in the Statement of Comprehensive Income.

3o. Investments in unconsolidated structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements.

The investments into underlying investment ETF funds (“Underlying Funds”) are un-consolidated structured entities since decision making about Underlying Funds’ activities is generally not governed by voting or similar rights held by the Funds and other investors in any Underlying Funds.

The Funds do not provide and have not committed to provide any additional significant financial or other support to the Underlying Funds.

4. Financial Instrument Risk

The Funds’ activities expose it to a variety of financial risks. The Manager seeks to minimize potential adverse effects of these risks on the Funds’ performance by employing professional, experienced portfolio advisors; by daily monitoring of the Funds’ position and market events; by diversifying the investment portfolio within the constraints of the investment objectives; and by using derivatives to hedge certain risk exposures. The Funds’ exposures to risk, where applicable, are disclosed in the respective Fund’s “Fund Specific Notes”.

Market disruptions associated with the COVID-19 pandemic have had a global impact, and uncertainty exists as to the long-term implications. Such disruptions can adversely affect the financial instrument risks associated with the Funds.

Notes to the Financial Statements

4a. Currency risk

Currency risk arises from financial instruments that are denominated in currencies other than the Canadian dollar. The Funds are exposed to the risk that the Canadian dollar value of investments and cash denominated in other currencies will fluctuate due to changes in exchange rates. When the value of the Canadian dollar falls in relation to foreign currencies, then the Canadian dollar value of foreign investments and cash rises. When the value of the Canadian dollar rises, the Canadian dollar value of foreign investments and cash falls. As at June 30, 2021 and December 31, 2020, the funds had no significant assets or liabilities denominated in foreign currencies and therefore does not have direct exposure to currency risk. The funds were indirectly exposed to currency risk as the underlying funds invest in financial instruments that are denominated in foreign currencies.

4b. Interest rate risk

The Funds are exposed to the risk that the fair value or future cash flows of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. As at June 30, 2021 and December 31, 2020, the majority of the funds' direct financial assets and liabilities are either short-term investments or non-interest bearing; accordingly, the funds are not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. However, the funds were indirectly exposed to interest rate risk as certain underlying funds invest in interest-bearing financial instruments. The Funds' exposure to interest rate risk arising from cash and short-term investments is minimal. The Portfolio Advisor reviews the Funds' overall interest rate sensitivity as part of the investment management process.

4c. Other price risk

Other price risk is the risk that the fair value or future cash flows 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 other factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Funds' investment portfolios are susceptible to market price risk arising from uncertainties about future prices of the instruments. The Funds manage their exposure to other price risk by diversifying their portfolio of underlying ETFs.

4d. Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Funds.

All transactions executed by the Funds in listed securities are settled or paid for upon delivery using approved brokers. The risk of default is considered minimal as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

As at June 30, 2021 and December 31, 2020, the funds had no significant direct investments in fixed income investments and/or forward currency contracts. However, the funds were indirectly exposed to credit risk through its investment in underlying funds.

4e. Liquidity risk

All financial liabilities of the Funds mature within one year or less. In addition, the Funds are exposed to daily cash redemptions of redeemable units. Therefore, in accordance with securities legislation, the Funds maintain at least 90% of its assets in investments that are traded in an active market and can be readily disposed. In addition, the Funds retain sufficient cash and cash equivalent positions to maintain liquidity.

As at June 30, 2021 and December 31, 2020, the funds were indirectly exposed to liquidity risk through its investment in underlying funds.

4f. Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, asset type, industry sector or counterparty type.

As at June 30, 2021 and December 31, 2020, the funds were indirectly exposed to concentration risk through its investment in underlying fund.

5. Income Tax

The Funds qualify as mutual fund trusts under the Income Tax Act (Canada) (the "Tax Act") and, accordingly, is not subject to income tax on the portion of its net income, including net realized capital gains, which is paid or payable to unitholders. Such distributed income is taxable in the hands of the unitholders. The taxation year end for the Funds is December 15, 2021.

Tangerine ETF Portfolios

Unaudited Financial Statements For the period ended June 30, 2021
(In Canadian dollars, unless otherwise indicated)

Notes to the Financial Statements

Temporary differences between the carrying value of assets and liabilities for accounting and income tax purposes give rise to deferred income tax assets and liabilities. The most significant temporary difference is between the reported fair value of the Funds' investment portfolio and its adjusted cost base for income tax purposes. Since the Funds' distribution policy is to distribute all net realized capital gains, deferred tax liabilities with respect to unrealized capital gains and deferred tax assets with respect to unrealized capital losses are not realized by the Funds and are, therefore, not recorded by the Funds.

As of the 2020 tax year end, the Funds have capital and non-capital losses available to carry forward as presented below:

Funds Name	Total Capital Losses \$	Total Non-Capital Losses \$
Tangerine Balanced ETF Portfolio	179	—
Tangerine Balanced Growth ETF Portfolio	146	—
Tangerine Equity Growth ETF Portfolio	98	—

6. Redeemable Units

The Funds are authorized to issue an unlimited number of transferable, redeemable trust units of one class, which represent an equal, undivided interest in each of the respective Net Assets of the Fund.

The capital of the Funds is represented by the net assets attributable to holders of the redeemable units with no par value. The units are entitled to distributions, if any, and to a proportionate share of the Funds' net assets attributable to holders of redeemable units. Each unitholder has one vote for each unit owned as determined at the close of business on the record date for voting at a meeting. There are no voting rights attributed to fractions of a unit. The Funds have no restrictions or specific capital requirements on the subscriptions and redemptions of units.

The number of units issued, reinvested, redeemed and outstanding were as follows:

Tangerine Balanced ETF Portfolio	June 30, 2021
Balance Beginning of the Period	817,183
Units Issued	5,693,300
Units Redeemed	(648,493)
Balance End of the Period	5,861,990

Tangerine Balanced Growth ETF Portfolio	June 30, 2021
Balance Beginning of the Period	3,123,611
Units Issued	22,720,640
Units Redeemed	(2,082,634)
Balance End of the Period	23,761,617

Tangerine Equity Growth ETF Portfolio	June 30, 2021
Balance Beginning of the Period	2,054,215
Units Issued	13,533,426
Units Redeemed	(1,473,562)
Balance End of the Period	14,114,079

The Funds' objectives are to manage capital to safeguard the Funds' ability to continue as a going concern; to provide financial capacity and flexibility to meet its strategic objectives; and to provide an adequate return to unitholders commensurate with the level of risk while maximizing the distributions to unitholders.

Since both the revenue and expenses of the Funds are reasonably predictable and stable and since the Funds do not have any externally imposed capital requirements, the Manager believes that current levels of distributions, capital and capital structure are sufficient to sustain ongoing operations. The Manager actively monitors the cash position and financial performance of the Funds to ensure resources are available to meet current distribution levels.

7. Securities Lending

There were no securities loaned and collateral held as at June 30, 2021 (December 31, 2020: \$nil).

8. Soft Dollar Commissions

Brokerage business is allocated to brokers based on an assessment as to which broker can deliver the best results to the Funds. Business may be allocated to brokers that provide, in addition to transaction execution, investment research services which may or may not be used by the Manager during its investment decision-making process. No portion of the broker commissions were related to soft dollar costs during the period ended June 30, 2021 (December 31, 2020: \$nil).

Notes to the Financial Statements

9. Related Party Transactions

9a. Management fees, administration fees and other expenses

The Manager charges fees in connection with management services at a rate of 0.50% per year of the Funds' daily NAV. The Funds also pay a fixed administration fee to the Manager equal to 0.15 % per year of the Funds' daily NAVs to cover regulatory filing fees and other day-to-day operating expenses including, but not limited to, recordkeeping, accounting and Funds valuation costs, custodial fees, audit and legal fees, the costs of preparing and distributing annual and semi-annual reports, prospectuses, financial statements and investor communications. Finally, certain operating expenses are paid directly by the Funds, including the costs and expenses related to the Independent Review Committee; the cost of any government or regulatory requirements introduced after July 1, 2007; and borrowing costs and taxes (including, but not limited to, GST and HST). The Manager, at its sole discretion, may absorb a portion of the Funds' expenses and these are reflected in the Statements of Comprehensive Income as "Rebated and absorbed expenses". Such waivers or absorptions may be terminated at any time without notice. Where the Funds invest in one or more underlying ETFs that each charge a management fee and the underlying fund is managed by the Manager or one of its affiliates or associates, the Manager waives or absorbs its management fee by an amount that is equal to any underlying ETF management fee that is incurred by the Fund.

Where a Fund invests in an ETF, there are fees and expenses payable by that ETF in addition to those paid by the Fund. However, no management or incentive fees are payable by a Fund if the payment of those fees could reasonably be perceived as a duplication of fees payable by the exchange traded fund for the same services.

No sales or redemption fees, other than brokerage fees, are payable by a Fund when it buys or sells securities of an ETF that is managed by us or one of our affiliates or associates, or if the payment of such fees could reasonably be perceived as a duplication of fees paid by an investor in the Fund.

9b. Buying and selling securities

The Funds primarily invest in ETFs issued and managed by The Scotiabank or its subsidiaries. Refer to the Schedule of Investments for details.

10. Offsetting of Financial Assets and Financial Liabilities

The Funds have not offset financial assets and financial liabilities on their Statements of Financial Position nor do they transact in financial instruments that are subject to an enforceable master netting arrangement or similar agreement.

