

Canadian Scholarship Trust CST Advantage Plan

Audited Financial Statements and
Management Report of Fund Performance
October 31, 2020 and 2019



Contents

Management Report of Fund Performance	1
Management's Responsibility for Financial Reporting	5
Independent Auditor's Report	5
Statements of Financial Position	7
Statements of Comprehensive Income	8
Statements of Changes in Net Assets Attributable to Subscribers and Beneficiaries	8
Statements of Cash Flows	9
Schedule I – Statement of Investment Portfolio	10
Schedule II – Subscribers' Deposits and Accumulated Income	16
Schedule III – Education Assistance Payments	17
Notes to the Financial Statements	18
Government Grants (Appendix I to Schedule I)	26
Sales Charge Refund Entitlements	
– Agreements purchased prior to October 2, 2007 (Appendix II to Schedule I)	32
– Agreements purchased on or after October 2, 2007 (Appendix III to Schedule I)	33

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

Certain portions of the Management Report of Fund Performance, including but not limited to, "Results of Operations" and "Recent Developments", may contain forward-looking statements about the Plan, including its strategy, risks, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates" and similar forward-looking expressions or negative versions thereof.

In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Plan action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about the Plan and economic factors. Accordingly, assumptions concerning future economic and other factors may prove to be incorrect at a future date.

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

It should be stressed that the above-mentioned list of important factors is not exhaustive. You are encouraged to consider these and other factors carefully before making any investment decisions and you are urged to avoid placing undue reliance on forward-looking statements whether as a result of new information, future events or otherwise, prior to the release of the next Management Report of Fund Performance.

Management Report of Fund Performance

Introduction

This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements of the Canadian Scholarship Trust CST Advantage Plan (the “Plan”), formerly the Canadian Scholarship Trust Group Savings Plan 2001. A copy of the annual financial statements can be obtained on request, and at no cost, by visiting our website at www.cst.org, SEDAR at www.sedar.com, by calling our customer service team at 1-877-333-7377 or by writing to us by mail at 2235 Sheppard Avenue East, Suite 1600, Toronto, Ontario M2J 5B8.

The Canadian Scholarship Trust Foundation, as the Plan sponsor, and C.S.T. Consultants Inc., as the Investment Fund Manager, view corporate governance and compliance as critical to overall corporate performance and long-term investment returns, and as such we review and support the proxy voting guidelines established by our investment managers. Each investment manager’s proxy voting policy is available on request through our customer service area or by contacting us at cstplan@cst.org.

This management discussion of fund performance presents the portfolio management team’s view on the significant factors and developments during the year ended October 31, 2020, that have affected the Plan’s performance and outlook.

Investment Objective and Strategy

The Plan’s investment objectives are to protect Subscribers’ principal (net “Contributions” or “Principal”) and to deliver a reasonable positive return on investments over a long-term investment horizon within prudent risk tolerances.

The Plan is invested according to a strategic mix with Principal assets invested in a combination of government fixed income securities and Canadian corporate bonds with a minimum debt rating of BBB and above. Income assets (money earned on either contributions or government grants, such as interest and capital gains) are invested in U.S, International, real estate, and infrastructure ETFs, and Canadian equity securities.

The Plan’s Canadian government fixed income securities are passively managed by TD Asset Management Inc. (“TDAM”) and CIBC Asset Management Inc., according to pre-specified duration targets. Corporate bond debt securities are actively managed by TD Asset Management Inc. and Fiera Capital Corporation. The active fixed income portfolios focus on strategies where value can be added on a sustainable basis and may rely upon sector allocation, credit research, and duration management, dependent upon the managers’ expertise and mandate.

The Plan’s U.S. and International equity assets are managed by BMO Asset Management Inc. and BlackRock Asset Management Canada Limited. These assets are allocated to ETFs traded on Canadian or U.S. exchanges that replicate the performance of various non-domestic equity indices including the S&P US Total Market Index, S&P 500 Total Return Index, MSCI EAFE IMI Index, and MSCI Emerging Markets Index. Global real estate and infrastructure ETFs are managed by BlackRock and designed to replicate the performance of their specific benchmark index. The Plan’s Canadian equity assets are managed between two managers. Fiera Capital Corporation actively manages a focused portfolio composed of Canadian companies identified as having effective management with superior long-term prospects. BMO Asset Management Inc. manages a passive ETF mandate with the objective

of replicating the performance of the S&P/TSX Capped Composite Index.

Risk

The risks of investing in the Plan remain as described in the prospectus. There were no material changes to the Plan during the year that affected the overall level of risk.

Results of Operation

Plan Performance

During the year, the Plan’s rate of return, net of fees, was 3.5% compared to the investment policy benchmark (the “Benchmark”) return of 4.2%. In comparison, the following Broad-based indices, the FTSE Canada Universe Bond Index generated a return of 6.5%, and the S&P/TSX Capped Composite returned negative 2.3% over the identical time period. The Plan’s return is after the deduction of fees and expenses of 0.7%, while the Benchmark and Broad-based Indices returns do not include any costs of investing, such as fees, expenses and commissions.

The Plan’s rate of return, before fees and expenses, matched the Benchmark rate over the one-year period.

Economic Review

First recognized in December 2019, and officially declared a global pandemic by the World Health Organization in March 2020, the SARS-CoV-2 coronavirus, or “COVID-19”, has had a negative impact on the health of millions across the globe, and the economic situation for most nations. In an effort to slow the spread of the virus, countries across the world closed borders, enacted business lock downs, and implemented quarantines. Capital markets subsequently reacted with an extreme plunge in equity prices combined with increased volatility and tightening liquidity. Governments also responded with unprecedented levels of fiscal and monetary stimulus packages in attempts to avoid recessions, address rapidly rising unemployment, and maintain functioning financial markets. April and subsequent months witnessed significant market recoveries;

however risk levels remain elevated and are dependent on continued global efforts to contain the spread of the virus.

U.S. GDP grew 33.1% in the third quarter of 2020, as the economy rebounded from the impact of COVID-19 early in the year. The improvement was attributed to the economic stimulus measures enacted by Congress and the Federal Reserve, including lowering the overnight lending rate from 2.5% to 0.25% and conducting quantitative easing measures in order to boost demand and support market liquidity. Unemployment levels which increased to above 14% in April improved to below 7% by October. U.S. Inflation as measured by the Consumer Price Index rose to 1.4% in September as the Federal Reserve noted the accommodative policy stance will be to allow inflation to rise beyond the historically targeted rate of 2 percent.

Similar to its U.S. counterpart, the Bank of Canada conducted a series of wide-ranging stimulus response actions including lowering the overnight lending rate on three separate occasions in March to 0.25% and purchasing fixed income securities on the open market to support liquidity. Canada's unemployment levels peaked at 13.7% in May and subsequently declined to below 9.0% as of October 31st. The Canadian dollar strengthened relative to the US dollar despite oil prices remaining well below pre-pandemic levels. Inflation levels similarly declined over the course of the year as lower economic activity and falling energy prices deflated the Consumers Price Index to under 0.5% on an annualized basis.

Canadian fixed income returns were positive as yields fell, more specifically the benchmark FTSE Canada Universe Bond Index gained 6.5%. Longer dated maturities benefited as the FTSE Canada Long Term Bond Index rose 7.6% over the same period. Canadian corporate bonds and shorter maturity fixed income issues also provided gains of 6.3% for the FTSE Corporate Bond Index and 3.4% for the FTSE Canadian Short-Term Bond Index.

Equity returns were extremely volatile over the course of the year with performance widely varying dependent upon the specific region or sector. Despite falling by more than 7% year-to-date through March 31, 2020, U.S. large cap equities (as represented by

the S&P 500) recovered to post an annual gain of 10.7% (in Canadian dollar terms). Positive U.S. equity returns were largely attributed to a narrow group of Technology and Health Care stocks. The Canadian equity market (as represented by the S&P/TSX Capped Composite) returned negative 2.3% as the Energy and Real Estate sectors dragged performance down for the overall index over the year. Developed International equity markets generated negative returns as reflected by the MSCI EAFE Index falling 4.6%, as COVID-19 cases surged throughout Europe towards the end of the year. Despite being in negative territory for the second half of the fiscal year, the MSCI Emerging Markets Index was up 9.2% over 2020.

Portfolio Manager Changes

Two Portfolio Manager changes occurred in the 2020 fiscal period. On June 9th, 2020, the Canadian equity mandate assigned Sionna Investment Managers was terminated with assets reallocated to BMO Asset Management Inc. On July 24th, 2020, the corporate bond mandate allocated to TD Asset Management Inc. was terminated with assets reallocated to Fiera Capital Corporation.

Recent Developments and Other Information

We believe that our investment strategy and conservative management approach will continue to provide value over the long-term horizon of the Plan. Our goal, as always, is to provide safety of principal and deliver a reasonable return within our investment policy guidelines and risk tolerances for our subscribers and beneficiaries.

Financial and Operating Highlights (with comparative figures)

The following table shows selected financial information about the Plan and is intended to help you understand the Plan's financial performance for each of the past five fiscal years. This information is derived from the Plan's audited annual financial statements.

(\$ thousands)	2020	2019	2018	2017	2016
Statements of Financial Position					
Total Assets	\$4,808,277	\$4,638,128	\$4,163,679	\$3,992,371	\$3,666,544
Net Assets	\$4,758,047	4,623,160	4,124,698	3,971,985	3,614,998
% Change in Net Assets	2.9%	12.1%	3.8%	9.9%	11.9%
Statements of Comprehensive Income					
Net Investment Income	\$ 186,140	\$ 497,538	\$ 37,299	\$ 186,214	\$ 203,366
Statements of Changes in Net Assets					
Education Assistance Payments	\$ (51,144)	\$ (35,840)	\$ (25,291)	\$ (19,397)	\$ (17,359)
Government Grants Received (net of repayments)	80,949	86,243	87,355	86,320	86,466
Government Grant Payments to Beneficiaries	(51,696)	(43,420)	(29,972)	(17,328)	(15,106)
Other					
Total number of units	3,200,622	3,143,996	3,065,038	2,974,945	2,873,326
% Change in the total number of units	1.8%	2.6%	3.0%	3.5%	4.0%

Management Fees

Administration Fees

An administration fee of \$26.1 million (2019 – \$23.8 million) comprising Plan administration and processing fees and financial reporting expenses was paid to the Canadian Scholarship Trust Foundation (the “Foundation”), the sponsor and administrator of the Plan, in accordance with subscribers’ Education Savings Plan Agreements. The administration of the Plan includes processing and call centre services related to new agreements, Government Grants, plan modifications, terminations, maturities and Education Assistance Payments (“EAPs”). The annual administration fee is calculated as 0.5% of the total amount of net Contributions, Government Grants and income earned on these amounts, subject to applicable taxes, and is paid monthly.

The Foundation has delegated certain administrative and distribution functions to its wholly-owned subsidiary, C.S.T. Consultants Inc., which is registered as the Plan’s Investment Fund Manager in Ontario, Quebec, Newfoundland and Labrador, and Scholarship Plan Dealer under securities legislation of each of the provinces and territories of Canada in which it operates to sell scholarship plans. C.S.T. Consultants, Inc. is the exclusive distributor of the Canadian Scholarship Trust Plans.

In exchange for its administrative services, C.S.T. Consultants, Inc. receives an amount equal to the administration costs incurred plus a percentage of such costs from the Foundation. The administration services agreement is renewable on an annual basis.

Portfolio Management Fees

The Plan’s annual investment management fee was 0.08%, including taxes, (2019 – 0.09%) of the average market value of assets based on the Investment Management Agreements with portfolio managers. The portfolio managers provide investment advisory and discretionary managed account services with respect to purchasing, selling, and dealing in securities.

Trustee and Custodian Fees

The Plan pays trustee and custodian fees to RBC Investor Services Trust to settle all investment trades and disburse fees, EAPs and other amounts in accordance with the terms of the Plan Agreement. For 2020 these fees charged to the Plan amounted to \$1.1 million (2019 – \$1.2 million) and were 0.02%, including taxes, (2019 – 0.03%) of the average market value of assets.

Summary of Plan Investment Portfolio

The Plan’s Total Portfolio Assets are comprised of the Principal and Income for all education savings plan agreements that have not reached their maturity date, and the assets from which eligible beneficiaries collect EAP payments.

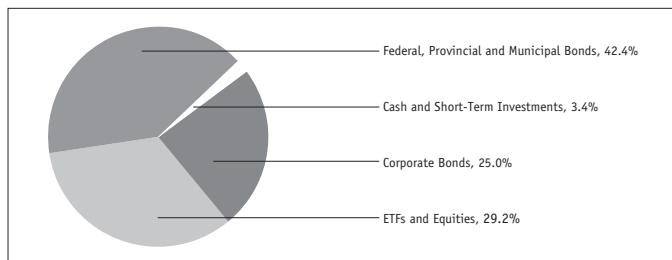
Government Grant assets and related investment income are specific to each beneficiary and are invested together with funds from other Plans administered by the Foundation. Any payments to beneficiaries from Government Grant assets are treated as separate payments and not included in EAP values paid out.

Sales Charge Refund (“SCR”) assets and related investment income are used to pay SCR Entitlements to qualified beneficiaries. These assets are invested together with SCR funds from other Plans administered by the Foundation. Any payments to beneficiaries from Sales Charge Refund assets are treated as separate payments.

The Plan’s Total Portfolio Assets as presented and as defined in this report, reflect only the Principal and Income assets. The Plan’s Total Portfolio Assets do not include the allocation of assets from the Government Grant and SCR asset pools that are attributable to this Plan.

The following chart illustrates the Plan’s Total Portfolio Assets by investment categories.

Asset Mix as at October 31, 2020



The following table details the top 25 long holdings in the Total Portfolio Assets of the Plan. The Plan is prohibited from holding short positions in securities.

Issuer	Fair Value (\$ 000's)	% of Plan Portfolio Assets
iShares Core S&P U.S. ETF	260,720	7.8%
BMO S&P 500 Index ETF	139,641	4.2%
BMO MSCI EAFE Index ETF	132,986	4.0%
iShares Core MSCI EAFE IMI Index ETF	126,436	3.8%
Province of Ontario	2.60% 02 Jun 2027	80,546 2.4%
Bank of Montreal	74,326	2.2%
Province of Ontario	2.90% 02 Jun 2028	65,927 2.0%
Province of Ontario	2.40% 02 Jun 2026	62,993 1.9%
Province of Ontario	2.05% 02 Jun 2030	56,412 1.7%
Province of Ontario	2.70% 02 Jun 2029	56,405 1.7%
iShares Global Infrastructure Index ETF	49,056	1.5%
iShares Global Real Estate Index ETF	47,789	1.5%
Province of Québec	2.75% 01 Sep 2028	44,288 1.3%
Province of Alberta	2.05% 01 Jun 2030	38,441 1.2%
Province of Québec	2.75% 01 Sep 2027	37,677 1.1%
Province of Québec	1.90% 01 Sep 2030	35,491 1.1%
BMO MSCI Emerging Markets Index ETF	35,394	1.1%
iShares Core MSCI Emerging Markets IMI Index ETF	34,684	1.0%
Province of Québec	2.50% 01 Sep 2026	33,382 1.0%
Province of Ontario	6.50% 08 Mar 2029	32,556 1.0%
Province of Québec	2.30% 01 Sep 2029	29,309 0.9%
Province of Alberta	2.55% 01 Jun 2027	27,633 0.8%
Province of Alberta	2.20% 01 Jun 2026	20,899 0.6%
Province of Québec	5.75% 01 Dec 2036	18,937 0.6%
Canadian Imperial Bank of Commerce	2.30% 11 Jul 2022	17,237 0.5%

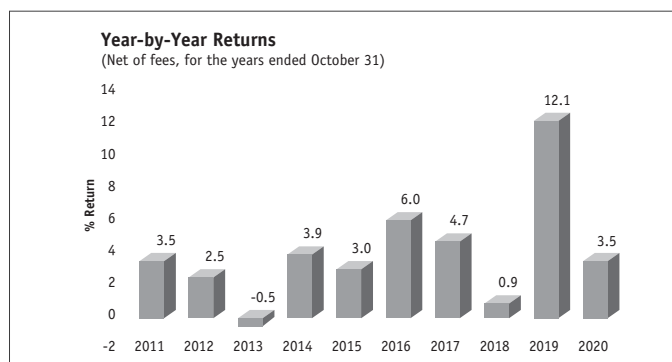
Top 25 long positions as a percentage of Total Portfolio Asset of the Plan **46.9%**

Past Performance

The returns presented in the following chart and the annual compound returns table are based on the investment performance of the Plan's Total Portfolio Assets only and do not reflect the investment performance of assets from the Government Grants and Sales Charge Refund Entitlements. Investment returns have been calculated using market values and time-weighted cash flows during the periods. Total expenses incurred by the Plan, including administration, portfolio management, custody and trustee fees, and Independent Review Committee expenses have been deducted and only net returns are displayed for each period. Past returns of the Plan do not necessarily indicate how it will perform in the future.

Year-by-Year Returns

The following bar chart illustrates the annual performance of the Plan's Total Portfolio assets in each of the past ten fiscal years. The chart illustrates, in percentage terms, how much an investment made on the first day of each fiscal year would have increased or decreased by the last day of that year:



Annual Compound Returns

With the implementation of the updated investment strategy in fiscal 2019, the Plan's investment benchmark was changed effective October 1, 2019 to 70% FTSE Canada Universe Bond Index + 30% S&P/TSX Capped Composite. The FTSE Canada Universe Bond Index is a broad measure of the Canadian investment-grade fixed income market and includes government and corporate bonds with maturities greater than one year. The S&P/TSX Capped Composite Index reflects price movements of selected securities listed on the

Toronto Stock Exchange weighted by market capitalization, with a capped weight of 10% on all of the constituents.

The following table illustrates the annual compound returns of the Plan's Total Portfolio Assets, for the periods shown ending on October 31, 2020.

	Period			
	1 Yr	3 Yr	5 Yr	10 Yr
Net Plan Return*	3.5	5.4	5.3	3.9
Benchmark	4.2	5.9	5.8	4.6
FTSE Canada Universe Bond Index	6.5	5.3	4.2	4.3
S&P/TSX Capped Composite Index	(2.3)	2.2	6.1	5.2

* Plan returns are after the deduction of fees and expenses, while the Benchmarks and Broad-based Index returns do not include any costs of investing such as fees, expenses and commissions. The Plan's fees and expenses were 0.7% for all periods.

For commentary on the market and/or information regarding the relative performance of the Plan compared to its Broad-based Index and Benchmark, see the Results of Operations section of this report.

Management's Responsibility for Financial Reporting

The accompanying financial statements of the Canadian Scholarship Trust CST Advantage Plan (the "Plan"), formerly the Canadian Scholarship Trust Group Savings Plan 2001, are prepared by management and are approved by the Board of Directors (the "Board") of the Canadian Scholarship Trust Foundation (the "Foundation"). Management is responsible for the information and representations contained in these financial statements. The Board of Directors is responsible for reviewing and approving the financial statements and overseeing management's performance of its financial reporting responsibilities.

The Foundation, through C.S.T. Consultants Inc., a wholly-owned subsidiary which administers the Plan, maintains appropriate processes to ensure that relevant and reliable financial information is produced. The financial statements have been prepared in accordance with International Financial Reporting Standards and include certain amounts that are based on estimates and judgments. The significant accounting policies, which management believes are appropriate for the Plan, are described in Note 2 to the financial statements.

Deloitte LLP is the external auditor of the Plan. It has audited the financial statements in accordance with Canadian generally accepted auditing standards to enable it to express to the Board of Directors and Members of the Foundation its opinion on the financial statements. Its report is set out below.



Sherry J. MacDonald, CPA, CA
President and Chief Executive Officer



Christopher Ferris, CPA, CGA, CFA
Chief Financial Officer

Toronto, Ontario
December 15, 2020

Independent Auditor's Report

To the Board of Directors and Members of the Canadian Scholarship Trust Foundation

Opinion

We have audited the financial statements of Canadian Scholarship Trust CST Advantage Plan (the "Plan"), formerly the Canadian Scholarship Trust Group Savings Plan 2001, which comprise the statements of financial position as October 31, 2020 and 2019, and the statements of comprehensive income, changes in net assets attributable to subscribers and beneficiaries, and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Plan as at October 31, 2020 and 2019, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Plan in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Management Report of Fund Performance.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Management Report of Fund Performance prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Plan's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Plan or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Plan's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Plan's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Plan to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
Toronto, Ontario
December 15, 2020

Statements of Financial Position

As at October 31, 2020 and 2019

(in thousands of Canadian dollars)

	2020	2019
Assets		
Cash and cash equivalents	\$ 115,766	\$ 65,083
Receivables for securities sold	2,987	5,176
Investments <i>(Note 4 and Schedule I)</i>	4,652,549	4,530,993
Accrued income and other receivables	24,915	24,726
Government grants receivable	12,060	12,150
	4,808,277	4,638,128
Liabilities		
Payables for securities purchased	41,880	8,618
Accounts payable and accrued liabilities	8,350	6,350
	50,230	14,968
Net Assets Attributable to Subscribers and Beneficiaries	4,758,047	4,623,160
Represented by:		
Non-Discretionary Funds		
Accumulated income held for future education assistance payments	919,435	874,704
Subscribers' deposits <i>(Schedule II)</i>	2,389,983	2,372,588
Government grants	903,435	871,073
Income on Government grants	366,094	334,717
Sales charge refund entitlements <i>(Note 8)</i>	174,240	168,310
General fund <i>(Note 7)</i>	7,647	6,350
Unrealized Gains (Losses)	(3,502)	(5,297)
Discretionary Funds		
Donations from the Foundation <i>(Note 7)</i>	715	715
	\$4,758,047	\$4,623,160

Approved on behalf of the Board of Canadian Scholarship Trust Foundation.



Douglas P. McPhie, FCPA, FCA
Director



Sherry J. MacDonald, CPA, CA
Director

Statements of Comprehensive Income

For the years ended October 31, 2020 and 2019

(in thousands of Canadian dollars)

	2020	2019
Income		
Interest	\$ 86,994	\$ 87,582
Realized gains on sale of investments	47,146	274,596
Change in unrealized gains	38,743	124,242
Dividends	44,223	39,926
	217,106	526,346
Expenses		
Administration and account maintenance fees <i>(Note 3(a))</i>	26,100	23,777
Portfolio management fees	3,687	3,739
Custodian and trustee fees	1,111	1,225
Independent Review Committee fees	68	67
	30,966	28,808
Increase in Net Assets from Operations Attributable to Subscribers and Beneficiaries	\$186,140	\$497,538

Statements of Changes in Net Assets Attributable to Subscribers and Beneficiaries

For the years ended October 31, 2020 and 2019

(in thousands of Canadian dollars)

	2020	2019
Net Assets Attributable to Subscribers and Beneficiaries, Beginning of the Year	\$4,623,160	\$4,124,698
Increase in Net Assets from Operations Attributable to Subscribers and Beneficiaries	186,140	497,538
Transfers to internal and external plans	(29,249)	(24,572)
	156,891	472,966
Receipts		
Net increase in Subscribers' deposits <i>(Schedule II)</i>	17,395	32,243
Government grants received (net of repayments)	80,949	86,243
Disbursements		
Payments to beneficiaries		
Education assistance payments	(51,144)	(35,840)
Government grants	(51,696)	(43,420)
Refund of sales charges	(14,710)	(11,813)
Return of income	(2,798)	(1,917)
Total payments to beneficiaries	(120,348)	(92,990)
Receipts less Disbursements	(22,004)	25,496
Change in Net Assets Attributable to Subscribers and Beneficiaries	134,887	498,462
Net Assets Attributable to Subscribers and Beneficiaries, End of the Year	\$4,758,047	\$4,623,160

Statements of Cash Flows

For the years ended October 31, 2020 and 2019

(in thousands of Canadian dollars)

	2020	2019
Operating Activities		
Increase in Net Assets from Operations Attributable to Subscribers and Beneficiaries	\$ 186,140	\$ 497,538
Net disbursements for investment transactions	(216)	(41,480)
Items not affecting cash		
Realized gains on sale of investments	(47,146)	(274,596)
Change in unrealized gains	(38,743)	(124,242)
Change in non-cash operating capital		
(Increase) decrease in Accrued income and other receivables	(189)	1,489
Decrease (Increase) in Government grants receivable	90	(162)
Increase (decrease) in Accounts payable and accrued liabilities	2,000	(395)
Cash flow from Operating Activities	101,936	58,152
Financing Activities		
Transfers to internal and external plans	(29,249)	(24,572)
Government grants received (net of repayments)	80,949	86,243
Net increase in Subscribers' deposits <i>(Schedule II)</i>	17,395	32,243
Payments to beneficiaries	(120,348)	(92,990)
Cash flow (used in) from Financing Activities	(51,253)	924
Net increase in Cash and cash equivalents	50,683	59,076
Cash and cash equivalents, Beginning of the Year		
Cash	4,870	4,315
Cash equivalents	60,213	1,692
	65,083	6,007
Cash and cash equivalents, End of the Year		
Cash	6,553	4,870
Cash equivalents	109,213	60,213
	\$ 115,766	\$ 65,083
Supplemental cash flow information:		
Withholding Taxes	\$ -	\$ 1
Interest Income Received	86,804	89,072

Schedule I – Statement of Investment Portfolio

As at October 31, 2020

(in thousands of Canadian dollars)

Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)	Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
Bonds						Bonds (continued)					
Federal – 6.7%						Federal – 6.7% (continued)					
Canada Housing Trust	1.50	15 Dec 2021	2,437	2,471	2,433	Labrador-Island Link Funding Trust	3.85	1 Dec 2053	300	434	378
Canada Housing Trust	1.15	15 Dec 2021	2,425	2,450	2,413	Muskrat Falls Funding Trust	3.83	1 Jun 2037	3,250	4,230	3,742
Canada Housing Trust	2.65	15 Mar 2022	3,800	3,924	3,968	Muskrat Falls Funding Trust	3.86	1 Dec 2048	400	552	496
Canada Housing Trust	1.75	15 Jun 2022	10,508	10,754	10,546					224,362	217,944
Canada Housing Trust	2.40	15 Dec 2022	6,790	7,084	6,920	Provincial – 34.3%					
Canada Housing Trust	2.35	15 Jun 2023	4,315	4,535	4,398	Province of Alberta	–	1 Jun 2022	881	836	836
Canada Housing Trust	2.35	15 Sep 2023	3,614	3,812	3,822	Province of Alberta	2.35	1 Jun 2025	9,700	10,365	9,942
Canada Housing Trust	3.15	15 Sep 2023	4,000	4,311	4,334	Province of Alberta	2.20	1 Jun 2026	19,605	20,899	19,984
Canada Housing Trust	2.55	15 Dec 2023	2,694	2,869	2,697	Province of Alberta	2.55	1 Jun 2027	25,411	27,633	26,756
Canada Housing Trust	2.90	15 Jun 2024	1,616	1,754	1,714	Province of Alberta	2.90	1 Dec 2028	14,611	16,350	15,474
Canada Housing Trust	1.80	15 Dec 2024	6,370	6,689	6,364	Province of Alberta	2.90	20 Sep 2029	7,450	8,341	7,766
Canada Housing Trust	2.55	15 Mar 2025	4,000	4,337	4,093	Province of Alberta	2.05	1 Jun 2030	36,900	38,441	38,334
Canada Housing Trust	0.95	15 Jun 2025	2,257	2,291	2,276	Province of Alberta	3.50	1 Jun 2031	520	613	551
Canada Housing Trust	1.95	15 Dec 2025	5,400	5,748	5,743	Province of Alberta	3.90	1 Dec 2033	1,850	2,281	1,976
Canada Housing Trust	1.90	15 Sep 2026	1,426	1,521	1,408	Province of Alberta	3.45	1 Dec 2043	3,791	4,489	3,819
Canada Housing Trust	2.35	15 Jun 2027	8,380	9,210	9,058	Province of Alberta	3.30	1 Dec 2046	1,615	1,879	1,643
Canada Housing Trust	2.35	15 Mar 2028	527	582	526	Province of Alberta	3.05	1 Dec 2048	2,232	2,504	2,183
Canada Housing Trust	2.65	15 Jun 2028	1,174	1,322	1,162	Province of Alberta	3.10	1 Jun 2050	4,471	5,092	4,735
Canada Housing Trust	2.65	15 Dec 2028	1,642	1,862	1,641	Province of British Columbia	–	9 Jun 2022	3,000	2,979	2,978
Canada Housing Trust	2.10	15 Sep 2029	2,184	2,388	2,235	Province of British Columbia	–	19 Aug 2022	1,590	1,581	1,576
Canada Housing Trust	1.75	15 Jun 2030	1,919	2,041	2,007	Province of British Columbia	2.30	18 Jun 2026	10,116	10,923	10,373
Canada Post Corporation	4.36	16 Jul 2040	325	458	409	Province of British Columbia	2.55	18 Jun 2027	13,812	15,205	14,470
Government of Canada	–	12 Nov 2020	395	395	395	Province of British Columbia	2.95	18 Dec 2028	7,651	8,721	8,236
Government of Canada	–	23 Dec 2020	1,850	1,849	1,849	Province of British Columbia	5.70	18 Jun 2029	11,110	15,145	14,770
Government of Canada	–	7 Jan 2021	6,150	6,148	6,148	Province of British Columbia	2.20	18 Jun 2030	9,151	9,872	9,790
Government of Canada	–	21 Jan 2021	14,850	14,846	14,846	Province of British Columbia	6.35	18 Jun 2031	6,850	10,173	9,256
Government of Canada	–	4 Feb 2021	125	125	125	Province of British Columbia	5.40	18 Jun 2035	890	1,312	1,146
Government of Canada	0.50	1 Mar 2022	1,037	1,041	1,001	Province of British Columbia	4.70	18 Jun 2037	750	1,056	980
Government of Canada	1.50	1 May 2022	4,551	4,638	4,655	Province of British Columbia	4.95	18 Jun 2040	1,650	2,452	2,151
Government of Canada	2.75	1 Jun 2022	1,158	1,204	1,212	Province of British Columbia	4.30	18 Jun 2042	530	740	602
Government of Canada	0.25	1 Aug 2022	4,985	4,986	4,981	Province of British Columbia	3.20	18 Jun 2044	1,400	1,689	1,419
Government of Canada	1.00	1 Sep 2022	3,685	3,737	3,565	Province of British Columbia	2.80	18 Jun 2048	1,754	2,007	1,741
Government of Canada	0.25	1 Nov 2022	3,600	3,599	3,599	Province of British Columbia	2.95	18 Jun 2050	1,340	1,591	1,545
Government of Canada	1.75	1 Mar 2023	2,855	2,954	2,879	Province of Manitoba	2.45	2 Jun 2025	2,800	3,009	2,885
Government of Canada	1.50	1 Jun 2023	2,932	3,028	2,958	Province of Manitoba	4.40	5 Sep 2025	3,000	3,505	3,344
Government of Canada	2.00	1 Sep 2023	8,098	8,490	8,518	Province of Manitoba	2.55	2 Jun 2026	13,419	14,594	13,926
Government of Canada	2.25	1 Mar 2024	1,954	2,080	2,067	Province of Manitoba	2.60	2 Jun 2027	5,518	6,054	5,714
Government of Canada	0.25	1 Apr 2024	3,575	3,565	3,568	Province of Manitoba	3.00	2 Jun 2028	8,305	9,378	8,797
Government of Canada	2.50	1 Jun 2024	3,850	4,151	4,100	Province of Manitoba	2.75	2 Jun 2029	3,923	4,372	4,100
Government of Canada	1.50	1 Sep 2024	4,880	5,097	4,870	Province of Manitoba	3.25	5 Sep 2029	500	578	472
Government of Canada	1.25	1 Mar 2025	6,334	6,577	6,593	Province of Manitoba	2.05	2 Jun 2030	673	708	703
Government of Canada	2.25	1 Jun 2025	3,525	3,831	3,841	Province of Manitoba	6.30	5 Mar 2031	625	907	825
Government of Canada	0.50	1 Sep 2025	5,846	5,874	5,887	Province of Manitoba	5.70	5 Mar 2037	250	377	339
Government of Canada	1.50	1 Jun 2026	442	469	463	Province of Manitoba	4.60	5 Mar 2038	300	410	348
Government of Canada	1.00	1 Jun 2027	445	461	426	Province of Manitoba	4.65	5 Mar 2040	250	349	281
Government of Canada	2.00	1 Jun 2028	3,190	3,540	3,293	Province of Manitoba	4.10	5 Mar 2041	3,625	4,752	4,111
Government of Canada	2.25	1 Jun 2029	1,533	1,747	1,751	Province of Manitoba	3.35	5 Mar 2043	425	505	378
Government of Canada	5.75	1 Jun 2029	3,250	4,647	4,501	Province of Manitoba	4.05	5 Sep 2045	1,600	2,125	1,831
Government of Canada	1.25	1 Jun 2030	6,589	6,946	7,008	Province of Manitoba	2.85	5 Sep 2046	651	718	593
Government of Canada	5.75	1 Jun 2033	700	1,114	1,076	Province of Manitoba	3.40	5 Sep 2048	221	270	226
Government of Canada	5.00	1 Jun 2037	2,545	4,136	3,705	Province of Manitoba	3.20	5 Mar 2050	622	741	714
Government of Canada	4.00	1 Jun 2041	2,425	3,736	3,465	Province of Manitoba	2.05	5 Sep 2052	117	111	116
Government of Canada	3.50	1 Dec 2045	1,791	2,697	2,413	Province of Manitoba	3.15	5 Sep 2052	750	893	699
Government of Canada	2.75	1 Dec 2048	4,097	5,577	5,490	Province of New Brunswick	–	12 Nov 2020	4,075	4,068	4,068
Government of Canada	2.00	1 Dec 2051	4,114	4,905	5,066	Province of New Brunswick	–	3 Jun 2021	435	421	421
Government of Canada	2.75	1 Dec 2064	1,618	2,443	1,869	Province of New Brunswick	2.60	14 Aug 2026	4,404	4,804	4,546
Labrador-Island Link Funding Trust	3.76	1 Jun 2033	250	315	293	Province of New Brunswick	2.35	14 Aug 2027	3,472	3,749	3,556
Labrador-Island Link Funding Trust	3.86	1 Dec 2045	4,249	5,785	4,685	Province of New Brunswick	3.10	14 Aug 2028	4,116	4,676	4,459

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

Schedule I – Statement of Investment Portfolio (continued)

As at October 31, 2020

(in thousands of Canadian dollars)

Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)	Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
Bonds (continued)						Bonds (continued)					
Provincial – 34.3% (continued)						Provincial – 34.3% (continued)					
Province of New Brunswick	5.65	27 Dec 2028	2,000	2,659	2,562	Province of Ontario	3.45	2 Jun 2045	5,600	6,989	5,898
Province of New Brunswick	5.50	27 Jan 2034	250	357	323	Province of Ontario	2.90	2 Dec 2046	6,902	7,924	6,928
Province of New Brunswick	4.55	26 Mar 2037	2,550	3,410	2,990	Province of Ontario	2.80	2 Jun 2048	3,466	3,933	3,560
Province of New Brunswick	4.80	26 Sep 2039	400	559	482	Province of Ontario	2.90	2 Jun 2049	6,961	8,064	7,213
Province of New Brunswick	4.80	3 Jun 2041	400	565	485	Province of Ontario	2.65	2 Dec 2050	4,697	5,228	5,191
Province of New Brunswick	3.55	3 Jun 2043	2,500	3,022	2,518	Province of Ontario	1.90	2 Dec 2051	1,019	966	1,012
Province of New Brunswick	3.80	14 Aug 2045	500	631	525	Province of Prince Edward Island	2.65	1 Dec 2051	223	237	223
Province of New Brunswick	3.10	14 Aug 2048	123	140	120	Province of Québec	–	21 Mar 2021	2,000	1,990	1,990
Province of New Brunswick	3.05	14 Aug 2050	277	316	311	Province of Québec	–	30 Mar 2021	1,950	1,902	1,902
Province of Newfoundland and Labrador	–	17 Apr 2022	1,160	1,100	1,100	Province of Québec	–	21 Sep 2021	1,975	1,901	1,901
Province of Newfoundland and Labrador	3.00	2 Jun 2026	12,257	13,442	12,533	Province of Québec	–	30 Sep 2021	1,137	1,126	1,126
Province of Newfoundland and Labrador	2.85	2 Jun 2028	4,531	4,960	4,708	Province of Québec	–	21 Mar 2022	1,155	1,100	1,100
Province of Newfoundland and Labrador	2.85	2 Jun 2029	5,381	5,891	5,618	Province of Québec	–	21 Sep 2022	367	345	345
Province of Newfoundland and Labrador	1.75	2 Jun 2030	1,660	1,655	1,656	Province of Québec	–	30 Mar 2023	215	200	200
Province of Newfoundland and Labrador	5.60	17 Oct 2033	100	138	130	Province of Québec	2.75	1 Sep 2025	2,000	2,188	2,106
Province of Newfoundland and Labrador	4.65	17 Oct 2040	100	131	117	Province of Québec	8.50	1 Apr 2026	4,700	6,578	7,070
Province of Newfoundland and Labrador	3.30	17 Oct 2046	675	735	636	Province of Québec	2.50	1 Sep 2026	30,572	33,382	31,977
Province of Newfoundland and Labrador	3.70	17 Oct 2048	2,466	2,889	2,570	Province of Québec	2.75	1 Sep 2027	33,804	37,677	35,840
Province of Newfoundland and Labrador	2.65	17 Oct 2050	1,307	1,267	1,291	Province of Québec	2.75	1 Sep 2028	39,507	44,288	41,762
Province of Nova Scotia	–	1 Jun 2021	1,745	1,708	1,708	Province of Québec	2.30	1 Sep 2029	26,951	29,309	28,008
Province of Nova Scotia	–	1 Dec 2021	677	674	675	Province of Québec	6.00	1 Oct 2029	11,650	16,251	15,633
Province of Nova Scotia	–	1 Jun 2022	526	522	522	Province of Québec	1.90	1 Sep 2030	33,838	35,491	35,873
Province of Nova Scotia	–	2 Jun 2022	525	522	498	Province of Québec	6.25	1 Jun 2032	3,300	4,932	4,706
Province of Nova Scotia	–	1 Jun 2023	215	200	200	Province of Québec	5.25	1 Jun 2034	4,200	5,922	5,292
Province of Nova Scotia	2.10	1 Jun 2027	3,296	3,512	3,254	Province of Québec	5.75	1 Dec 2036	12,275	18,937	17,040
Province of Nova Scotia	2.00	1 Sep 2030	5,088	5,340	5,208	Province of Québec	5.00	1 Dec 2038	6,000	8,793	8,140
Province of Nova Scotia	5.80	1 Jun 2033	3,464	5,051	4,488	Province of Québec	5.00	1 Dec 2041	3,200	4,819	4,111
Province of Nova Scotia	4.50	1 Jun 2037	450	607	526	Province of Québec	4.25	1 Dec 2043	1,500	2,085	1,757
Province of Nova Scotia	4.70	1 Jun 2041	250	354	302	Province of Québec	3.50	1 Dec 2045	6,500	8,207	7,226
Province of Nova Scotia	4.40	1 Jun 2042	2,980	4,101	3,284	Province of Québec	3.50	1 Dec 2048	3,451	4,429	3,872
Province of Nova Scotia	3.45	1 Jun 2045	250	304	254	Province of Québec	3.10	1 Dec 2051	2,299	2,806	2,836
Province of Nova Scotia	3.15	1 Dec 2051	501	598	579	Province of Saskatchewan	–	28 Jan 2021	2,250	2,248	2,248
Province of Nova Scotia	3.50	2 Jun 2062	1,400	1,855	1,397	Province of Saskatchewan	–	4 Feb 2022	3,001	2,981	2,984
Province of Ontario	1.75	8 Sep 2025	13,484	14,094	14,026	Province of Saskatchewan	–	30 May 2022	1,355	1,344	1,345
Province of Ontario	8.50	2 Dec 2025	7,500	10,333	10,312	Province of Saskatchewan	2.55	2 Jun 2026	4,850	5,274	5,049
Province of Ontario	2.40	2 Jun 2026	58,221	62,993	60,048	Province of Saskatchewan	2.65	2 Jun 2027	4,161	4,576	4,299
Province of Ontario	1.85	1 Feb 2027	900	949	898	Province of Saskatchewan	3.05	2 Dec 2028	4,550	5,173	4,885
Province of Ontario	2.60	2 Jun 2027	73,218	80,546	77,275	Province of Saskatchewan	2.20	2 Jun 2030	1,163	1,239	1,201
Province of Ontario	1.05	8 Sep 2027	6,084	6,084	6,100	Province of Saskatchewan	6.40	5 Sep 2031	8,596	12,704	11,976
Province of Ontario	2.90	2 Jun 2028	58,509	65,927	62,695	Province of Saskatchewan	5.60	5 Sep 2035	600	883	806
Province of Ontario	6.50	8 Mar 2029	23,075	32,556	32,113	Province of Saskatchewan	4.75	1 Jun 2040	325	459	401
Province of Ontario	2.70	2 Jun 2029	50,547	56,405	53,998	Province of Saskatchewan	3.90	2 Jun 2045	500	648	547
Province of Ontario	2.05	2 Jun 2030	53,240	56,412	56,668	Province of Saskatchewan	2.75	2 Dec 2046	2,986	3,235	2,654
Province of Ontario	1.35	2 Dec 2030	2,534	2,514	2,532	Province of Saskatchewan	3.30	2 Jun 2048	557	668	572
Province of Ontario	6.20	2 Jun 2031	3,125	4,575	4,345	Province of Saskatchewan	3.10	2 Jun 2050	791	925	874
Province of Ontario	5.85	8 Mar 2033	7,805	11,499	10,390	Province of Saskatchewan	2.95	2 Jun 2058	542	630	516
Province of Ontario	5.60	2 Jun 2035	275	410	372					1,139,617	1,085,050
Province of Ontario	4.70	2 Jun 2037	2,530	3,540	3,201	Municipal – 1.4%					
Province of Ontario	4.60	2 Jun 2039	4,750	6,689	5,909	City of Montreal	3.00	1 Sep 2025	163	179	165
Province of Ontario	4.65	2 Jun 2041	2,106	3,027	2,848	City of Montreal	2.75	1 Sep 2026	456	500	457
Province of Ontario	3.50	2 Jun 2043	2,900	3,620	3,071	City of Montreal	4.25	1 Dec 2032	750	948	824
						City of Montreal	4.10	1 Dec 2034	902	1,132	967
						City of Montreal	3.15	1 Dec 2036	1,900	2,164	1,889
						City of Montreal	3.50	1 Dec 2038	2,400	2,855	2,623
						City of Montreal	6.00	1 Jun 2043	875	1,423	1,252
						City of Ottawa	4.60	14 Jul 2042	1,000	1,383	1,180
						City of Ottawa	3.10	27 Jul 2048	1,972	2,238	1,856
						City of Toronto	–	1 Jun 2021	702	699	697

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

Schedule I – Statement of Investment Portfolio (continued)

As at October 31, 2020

(in thousands of Canadian dollars)

Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)	Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
Bonds (continued)						Bonds (continued)					
Municipal – 1.4% (continued)						Corporate – 25.0% (continued)					
City of Toronto	–	1 Jun 2022	702	690	690	Bank of Montreal	2.08	17 Jun 2030	1,600	1,631	1,600
City of Toronto	2.40	24 Jun 2026	464	501	464	Bank of Nova Scotia	1.83	27 Apr 2022	829	845	825
City of Toronto	2.95	28 Apr 2035	600	670	555	Bank of Nova Scotia	2.36	8 Nov 2022	440	455	457
City of Toronto	3.50	2 Jun 2036	4,021	4,776	4,009	Bank of Nova Scotia	2.38	1 May 2023	3,000	3,114	3,048
City of Toronto	5.20	1 Jun 2040	2,650	3,882	3,465	Bank of Nova Scotia	2.49	23 Sep 2024	609	641	609
City of Toronto	4.70	10 Jun 2041	1,150	1,596	1,359	Bank of Nova Scotia	2.58	30 Mar 2027	700	705	705
City of Toronto	3.80	13 Dec 2042	450	562	465	Bank of Nova Scotia	3.89	18 Jan 2029	9,175	9,895	9,271
City of Toronto	4.15	10 Mar 2044	450	587	493	Bank of Nova Scotia	2.84	3 Jul 2029	13,050	13,679	13,133
City of Toronto	3.25	24 Jun 2046	227	262	226	Bell Canada	3.00	3 Oct 2022	4,678	4,866	4,797
City of Vancouver	3.10	21 Sep 2028	1,400	1,594	1,400	Bell Canada	3.35	22 Mar 2023	1,550	1,629	1,628
City of Vancouver	3.70	18 Oct 2052	2,299	2,968	2,465	Bell Canada	3.35	12 Mar 2025	1,414	1,529	1,393
City of Winnipeg	4.10	1 Jun 2045	86	111	99	Bell Canada	2.90	10 Sep 2029	900	956	938
City of Winnipeg	4.30	15 Nov 2051	900	1,255	1,024	Bell Canada	2.50	14 May 2030	1,390	1,423	1,388
Municipal Finance Authority of British Columbia	2.50	19 Apr 2026	1,450	1,572	1,453	Bell Canada	6.10	16 Mar 2035	403	532	561
Region of Peel	2.30	2 Nov 2026	160	172	159	Bell Canada	4.75	29 Sep 2044	813	965	1,060
Region of Peel	5.10	29 Jun 2040	1,200	1,734	1,515	Bell Canada	4.35	18 Dec 2045	4,423	4,997	4,901
Region of Peel	3.85	30 Oct 2042	2,400	3,010	2,629	Bell Canada	3.50	30 Sep 2050	2,900	2,862	3,032
Regional Municipality of Halton	4.05	11 Oct 2041	1,400	1,799	1,569	BMW Canada Inc.	2.22	20 Dec 2021	250	253	253
Regional Municipality of York	2.60	15 Dec 2025	2,562	2,781	2,498	Brookfield Infrastructure Finance ULC	2.86	1 Sep 2032	2,790	2,813	2,790
Regional Municipality of York	2.50	2 Jun 2026	159	172	163	Brookfield Renewable Partners L.P.	4.25	15 Jan 2029	2,064	2,392	2,410
Regional Municipality of York	4.00	31 May 2032	600	742	658	Brookfield Renewable Partners L.P.	3.33	13 Aug 2050	467	455	467
Regional Municipality of York	4.05	1 May 2034	1,525	1,910	1,679	Caisse Centrale Desjardins	2.39	25 Aug 2022	2,488	2,569	2,574
				46,867	40,947	Caisse Centrale Desjardins	3.06	11 Sep 2023	2,106	2,242	2,246
						Caisse Centrale Desjardins	2.42	4 Oct 2024	3,028	3,175	3,028
Corporate – 25.0%						Calloway REIT Inc.	3.99	30 May 2023	3,007	3,169	3,162
407 International Inc.	2.47	8 Sep 2022	1,000	1,025	1,025	Canadian Imperial Bank of Commerce	2.30	11 Jul 2022	16,751	17,237	16,679
407 International Inc.	2.59	25 May 2032	1,775	1,873	1,911	Canadian Imperial Bank of Commerce	2.00	17 Apr 2025	3,418	3,532	3,415
407 International Inc.	5.96	3 Dec 2035	2,065	2,904	2,970	Canadian Imperial Bank of Commerce	3.45	4 Apr 2028	3,000	3,159	3,074
407 International Inc.	5.75	14 Feb 2036	2,753	3,551	3,684	Canadian Imperial Bank of Commerce	2.95	19 Jun 2029	795	836	797
407 International Inc.	3.65	8 Sep 2044	3,516	3,977	3,996	Canadian Imperial Bank of Commerce	2.01	21 Jul 2030	1,450	1,470	1,449
407 International Inc.	3.72	11 May 2048	750	868	880	Canadian Natural Resources Limited	3.31	11 Feb 2022	3,000	3,079	3,073
407 International Inc.	2.84	7 Mar 2050	1,375	1,362	1,393	Canadian Natural Resources Limited	3.55	3 Jun 2024	4,205	4,428	4,348
Access Justice Durham Ltd.	5.02	31 Aug 2039	456	577	584	Canadian Pacific Railway Ltd.	3.05	9 Mar 2050	720	723	715
Aéroports de Montréal	5.67	16 Oct 2037	628	858	903	Canadian Western Bank	2.83	14 Mar 2022	3,400	3,438	3,438
AIMCo Realty Investors L.P.	3.04	1 Jun 2028	1,625	1,779	1,703	Canadian Western Bank	1.57	14 Sep 2023	4,140	4,165	4,144
AIMCo Realty Investors L.P.	2.71	1 Jun 2029	4,170	4,468	4,246	Central 1 Credit Union	2.60	7 Nov 2022	550	549	549
Alectra Inc.	5.30	29 Apr 2041	1,944	2,723	2,740	Central 1 Credit Union	3.06	14 Oct 2026	1,830	1,850	1,852
Alimentation Couche-Tard Inc.	3.06	26 Jul 2024	8,748	9,307	8,931	Centre Hospitalier de l'Université de Montreal	6.72	30 Sep 2049	293	422	431
Alimentation Couche-Tard Inc.	3.60	2 Jun 2025	1,147	1,254	1,194	Choice Properties REIT	4.90	5 Jul 2023	1,463	1,591	1,597
Allied Properties REIT	3.11	8 Apr 2027	710	741	711	Choice Properties REIT	3.56	9 Sep 2024	1,000	1,073	1,006
Allied Properties REIT	3.13	15 May 2028	640	663	640	Choice Properties REIT	3.55	10 Jan 2025	4,130	4,443	4,268
Allied Properties REIT	3.12	21 Feb 2030	1,060	1,079	1,060	Choice Properties REIT	2.85	21 May 2027	3,552	3,731	3,552
AltaGas Ltd.	3.72	28 Sep 2021	2,963	3,041	3,056	Choice Properties REIT	4.18	8 Mar 2028	820	929	861
AltaGas Ltd.	2.16	10 Jun 2025	1,100	1,122	1,100	Choice Properties REIT	3.53	11 Jun 2029	5,157	5,598	5,256
AltaGas Ltd.	4.99	4 Oct 2047	889	1,048	1,123	Choice Properties REIT	2.98	4 Mar 2030	2,128	2,213	2,199
AltaLink, L.P.	2.98	28 Nov 2022	1,175	1,231	1,237	Choice Properties REIT	5.27	7 Mar 2046	1,032	1,249	1,212
AltaLink, L.P.	5.38	26 Mar 2040	4,065	5,658	5,589	Coast Capital Savings Credit Union	5.00	3 May 2028	1,690	1,783	1,787
AltaLink, L.P.	3.99	30 Jun 2042	2,753	3,303	3,331	Co-operators Financial Services	3.33	13 May 2030	1,175	1,175	1,205
AltaLink, L.P.	4.05	21 Nov 2044	1,284	1,570	1,575						
Bank of America	3.30	24 Apr 2024	11,645	12,284	11,983						
Bank of Montreal	2.27	11 Jul 2022	283	291	292						
Bank of Montreal	2.85	6 Mar 2024	1,900	2,015	1,931						
Bank of Montreal	2.70	11 Sep 2024	2,961	3,166	2,924						
Bank of Montreal	2.37	3 Feb 2025	2,035	2,136	2,030						
Bank of Montreal	3.32	1 Jun 2026	750	761	762						
Bank of Montreal	2.57	1 Jun 2027	500	502	502						
Bank of Montreal	2.88	17 Sep 2029	11,835	12,432	11,811						

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

Schedule I – Statement of Investment Portfolio (continued)

As at October 31, 2020

(in thousands of Canadian dollars)

Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)	Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
Bonds (continued)						Bonds (continued)					
Corporate – 25.0% (continued)						Corporate – 25.0% (continued)					
Crombie Real Estate Investment Trust	2.69	31 Mar 2028	1,148	1,149	1,148	Greater Toronto Airports Authority	6.47	2 Feb 2034	703	991	1,017
CU Inc.	4.80	22 Nov 2021	1,009	1,053	1,054	Greater Toronto Airports Authority	2.75	17 Oct 2039	2,152	2,112	2,149
CU Inc.	5.56	26 May 2028	1,670	2,135	2,090	Greater Toronto Airports Authority	4.53	2 Dec 2041	1,790	2,234	2,367
CU Inc.	4.54	24 Oct 2041	964	1,226	1,195	Great-West Lifeco Inc.	2.38	14 May 2030	1,250	1,296	1,250
CU Inc.	4.72	9 Sep 2043	9,454	12,380	12,229	Great-West Lifeco Inc.	6.67	21 Mar 2033	3,243	4,535	4,288
CU Inc.	2.96	7 Sep 2049	1,755	1,791	1,767	Great-West Lifeco Inc.	2.98	8 Jul 2050	1,749	1,704	1,739
Daimler Canada Finance Inc.	2.30	23 Nov 2020	1,500	1,475	1,475	H&R REIT	2.92	6 May 2022	480	483	484
Daimler Canada Finance Inc.	2.57	22 Nov 2022	430	442	429	H&R REIT	3.37	30 Jan 2024	296	300	301
Daimler Canada Finance Inc.	2.54	21 Aug 2023	3,493	3,615	3,495	HCN Canadian Holdings L.P.	2.95	15 Jan 2027	2,260	2,287	2,303
Daimler Canada Finance Inc.	2.97	13 Mar 2024	2,600	2,734	2,627	Heathrow Funding Ltd.	3.25	21 May 2027	2,064	2,124	2,159
Dollarama Inc.	2.34	22 Jul 2021	4,000	4,035	4,035	Heathrow Funding Ltd.	3.78	4 Sep 2030	2,065	2,107	2,249
Eagle Credit Card Trust	1.27	17 Jul 2025	394	394	394	Heathrow Funding Ltd.	3.66	13 Jan 2031	370	371	370
Enbridge Gas Distribution Inc.	4.00	22 Aug 2044	3,441	4,127	4,089	Honda Canada Finance Inc.	1.82	7 Dec 2021	3,000	3,037	3,038
Enbridge Gas Inc.	3.01	9 Aug 2049	90	93	90	Honda Canada Finance Inc.	2.27	15 Jul 2022	500	499	499
Enbridge Inc.	4.85	22 Feb 2022	2,000	2,100	2,101	Honda Canada Finance Inc.	3.18	28 Aug 2023	4,190	4,440	4,341
Enbridge Inc.	3.19	5 Dec 2022	6,568	6,854	6,807	Honda Canada Finance Inc.	1.34	17 Mar 2026	1,330	1,323	1,330
Enbridge Inc.	2.44	2 Jun 2025	4,628	4,786	4,702	Hospital Infrastructure Partner Inc.	5.44	31 Jan 2045	270	358	363
Enbridge Inc.	2.99	3 Oct 2029	1,230	1,288	1,229	HSBC Bank Canada	2.45	29 Jan 2021	1,600	1,608	1,608
Enbridge Inc.	5.75	2 Sep 2039	520	640	658	HSBC Bank Canada	2.17	29 Jun 2022	7,194	7,362	7,256
Enbridge Inc.	4.57	11 Mar 2044	4,285	4,688	4,931	HSBC Bank Canada	2.54	31 Jan 2023	15,313	15,884	15,249
Enbridge Inc.	5.38	27 Sep 2077	1,376	1,363	1,383	HSBC Bank Canada	3.25	15 Sep 2023	450	479	480
Enbridge Inc.	6.63	12 Apr 2078	3,914	4,165	4,218	Husky Energy Inc.	3.55	12 Mar 2025	1,700	1,721	1,767
Enbridge Pipelines Inc.	4.55	17 Aug 2043	2,720	3,062	3,128	Husky Energy Inc.	3.50	7 Feb 2028	1,295	1,241	1,258
Enbridge Pipelines Inc.	4.13	9 Aug 2046	3,684	3,938	4,065	Hydro One Inc.	–	5 Nov 2020	2,325	2,323	2,323
Enmax Corporation	3.88	18 Oct 2029	1,257	1,397	1,409	Hydro One Inc.	0.71	16 Jan 2023	416	416	416
Epcor Utilities Inc.	1.30	19 May 2023	615	624	615	Hydro One Inc.	2.54	5 Apr 2024	185	195	190
Epcor Utilities Inc.	3.55	27 Nov 2047	3,441	3,902	3,882	Hydro One Inc.	8.25	22 Jun 2026	4,750	6,625	7,081
Epcor Utilities Inc.	3.95	26 Nov 2048	1,760	2,135	2,211	Hydro One Inc.	6.93	1 Jun 2032	2,953	4,399	4,494
Federated Co-operatives Ltd.	3.92	17 Jun 2025	3,169	3,365	3,295	Hydro One Inc.	5.36	20 May 2036	2,064	2,779	2,745
Federation des caisses Desjardins du Quebec	2.86	26 May 2030	2,152	2,259	2,152	Hydro One Inc.	6.59	22 Apr 2043	560	907	878
Finning International Inc.	2.63	14 Aug 2026	2,065	2,128	2,076	Hydro One Inc.	3.63	25 Jun 2049	2,889	3,351	3,169
Ford Credit Canada Limited	0.89	15 Apr 2023	637	636	637	Hydro One Inc.	3.64	5 Apr 2050	1,980	2,303	2,180
Ford Credit Canada Limited	1.15	15 Jun 2024	1,082	1,082	1,082	Hydro-Québec	–	15 Apr 2021	2,000	1,949	1,949
Foresters Life Insurance Company	2.89	15 Oct 2035	1,039	1,037	1,039	Hydro-Québec	6.00	15 Aug 2031	1,750	2,535	2,563
FortisAlberta Inc.	5.40	21 Apr 2036	2,974	3,955	3,997	Hydro-Québec	6.50	15 Feb 2035	1,000	1,589	1,457
FortisAlberta Inc.	5.37	30 Oct 2039	5,125	7,026	6,915	Hydro-Québec	6.00	15 Feb 2040	650	1,059	933
FortisBC Energy Inc.	5.90	26 Feb 2035	689	951	964	Hydro-Québec	5.00	15 Feb 2050	500	803	662
FortisBC Energy Inc.	6.00	2 Oct 2037	1,377	1,981	1,970	Hydro-Québec	4.00	15 Feb 2055	3,652	5,253	4,883
FortisBC Energy Inc.	3.85	7 Dec 2048	1,196	1,441	1,444	IA Financial Group	2.40	21 Feb 2030	920	946	921
General Motors Financial of Canada Ltd.	3.25	7 Nov 2023	625	644	622	IGM Financial Inc.	4.56	25 Jan 2047	1,376	1,621	1,579
Gibson Energy Inc.	2.45	14 Jul 2025	200	204	200	Intact Financial Corporation	4.70	18 Aug 2021	2,000	2,063	2,095
Gibson Energy Inc.	2.85	14 Jul 2027	310	319	310	Intact Financial Corporation	2.85	7 Jun 2027	1,192	1,277	1,193
Gibson Energy Inc.	3.60	17 Sep 2029	944	1,004	1,020	Inter Pipeline Ltd.	3.78	30 May 2022	500	518	517
Glacier Credit Card Trust	2.05	20 Sep 2022	3,000	3,065	3,067	Inter Pipeline Ltd.	2.61	13 Sep 2023	3,441	3,523	3,420
Glacier Credit Card Trust	1.39	22 Sep 2025	1,240	1,241	1,240	Inter Pipeline Ltd.	3.48	16 Dec 2026	3,440	3,606	3,598
Goldman Sachs Group, Inc.	2.43	26 Apr 2023	2,963	3,030	3,027	Inter Pipeline Ltd.	4.64	30 May 2044	688	699	760
Granite REIT Holdings Limited Partnership	3.06	4 Jun 2027	830	886	830	Investors Group Inc.	–	9 Nov 2020	1,043	1,043	1,019
Greater Toronto Airports Authority	1.54	3 May 2028	1,100	1,097	1,099	Investors Group Inc.	–	9 May 2021	350	338	338
Greater Toronto Airports Authority	2.73	3 Apr 2029	1,127	1,212	1,220	Investors Group Inc.	–	9 Nov 2021	1,043	992	992
Greater Toronto Airports Authority	7.10	4 Jun 2031	1,175	1,671	1,720	Investors Group Inc.	–	9 May 2022	930	872	872
Greater Toronto Airports Authority	6.98	15 Oct 2032	253	365	377	Investors Group Inc.	–	9 Nov 2022	1,043	964	964
						John Deere Financial Inc.	2.99	14 Jan 2022	701	721	722
						John Deere Financial Inc.	2.05	13 May 2022	1,000	996	996
						John Deere Financial Inc.	1.34	8 Sep 2027	1,070	1,064	1,070
						Laurentian Bank of Canada	2.75	22 Apr 2021	1,000	1,009	1,005
						Laurentian Bank of Canada	3.00	12 Sep 2022	1,126	1,160	1,158
						Laurentian Bank of Canada	2.55	20 Jun 2022	140	143	143

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

Schedule I – Statement of Investment Portfolio (continued)

As at October 31, 2020

(in thousands of Canadian dollars)

Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)	Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
Bonds (continued)						Bonds (continued)					
Corporate – 25.0% (continued)						Corporate – 25.0% (continued)					
Laurentian Bank of Canada	3.45	27 Jun 2023	697	730	733	Real Estate Asset Liquidity Trust	2.38	12 Dec 2028	560	549	544
Liberty Utilities Canada L.P.	3.32	14 Feb 2050	3,865	3,817	3,872	Real Estate Asset Liquidity Trust	2.87	12 Jan 2030	520	521	520
Loblaw Companies Limited	4.86	12 Sep 2023	3,102	3,412	3,387	Reliance L.P.	2.68	1 Dec 2027	478	489	478
Loblaw Companies Limited	3.92	10 Jun 2024	3,252	3,559	3,480	Riocan Real Estate Investment Trust	2.19	9 Apr 2021	1,000	999	999
Loblaw Companies Limited	4.49	11 Dec 2028	800	955	970	Riocan Real Estate Investment Trust	3.73	18 Apr 2023	200	209	208
Loblaw Companies Limited	6.50	22 Jan 2029	3,238	4,274	4,123	Riocan Real Estate Investment Trust	3.21	29 Sep 2023	2,570	2,652	2,622
Loblaw Companies Limited	6.54	17 Feb 2033	1,014	1,356	1,417	Riocan Real Estate Investment Trust	3.29	12 Feb 2024	960	995	982
Loblaw Companies Limited	6.15	29 Jan 2035	1,184	1,581	1,650	Rogers Communications Inc.	2.36	10 Mar 2027	1,475	1,446	1,477
Loblaw Companies Limited	5.90	18 Jan 2036	2,126	2,773	2,757	Rogers Communications Inc.	4.00	6 Jun 2022	1,416	1,488	1,489
Manufacturers Life Insurance Company	2.39	5 Jan 2026	4,630	4,644	4,656	Rogers Communications Inc.	3.65	31 Mar 2027	498	553	496
Manufacturers Life Insurance Company	3.18	22 Nov 2027	6,096	6,355	6,305	Rogers Communications Inc.	3.25	1 May 2029	1,313	1,432	1,366
Manulife Bank of Canada	1.50	25 Jun 2025	2,270	2,306	2,270	Rogers Communications Inc.	6.56	22 Mar 2041	840	1,202	1,269
Manulife Financial Corporation	2.08	26 May 2022	3,000	3,048	3,048	Royal Bank of Canada	–	18 Nov 2020	1,100	1,099	1,099
Manulife Financial Corporation	3.32	9 May 2028	4,647	4,882	4,654	Royal Bank of Canada	2.61	1 Nov 2024	260	275	260
Manulife Financial Corporation	2.24	12 May 2030	4,189	4,305	4,188	Royal Bank of Canada	2.33	28 Jan 2027	7,816	8,244	7,680
Manulife Financial Corporation	2.82	13 May 2035	2,000	2,077	2,039	Royal Bank of Canada	2.74	25 Jul 2029	15,430	16,152	15,508
Manulife Financial Corporation	5.06	15 Dec 2041	1,250	1,507	1,583	Royal Bank of Canada	2.88	23 Dec 2029	4,470	4,712	4,521
MCAP Commercial L.P.	3.74	25 Aug 2025	414	418	414	Royal Bank of Canada	2.09	30 Jun 2030	3,065	3,129	3,065
Metro Inc.	4.27	4 Dec 2047	1,777	2,036	2,213	Shaw Communications Inc.	3.30	10 Dec 2029	1,160	1,252	1,176
Metropolitan Life Insurance Company	1.01	27 Sep 2022	3,900	3,922	3,783	Shaw Communications Inc.	2.90	9 Dec 2030	570	591	569
Metropolitan Life Insurance Company	3.39	9 Apr 2030	3,156	3,506	3,301	SmartCentres Real Estate Investment Trust	2.76	23 Jun 2021	1,500	1,513	1,510
Montreal Airport	3.03	21 Apr 2050	1,133	1,141	1,203	SmartCentres Real Estate Investment Trust	3.44	28 Aug 2026	1,387	1,459	1,433
National Australia Bank	3.52	12 Jun 2030	1,257	1,311	1,257	SmartCentres Real Estate Investment Trust	3.19	11 Jun 2027	3,412	3,529	3,512
National Bank of Canada	2.11	18 Mar 2022	1,000	1,003	1,003	SmartCentres Real Estate Investment Trust	3.53	20 Dec 2029	1,011	1,048	1,071
National Bank of Canada	2.98	4 Mar 2024	1,250	1,330	1,287	SNC-Lavalin Innisfree McGill Finance Inc.	6.63	30 Jun 2044	166	236	241
National Bank of Canada	1.57	18 Aug 2026	2,190	2,212	2,190	Sobeys Inc.	4.70	8 Aug 2023	1,000	1,089	1,089
National Bank of Canada	3.18	1 Feb 2028	6,285	6,545	6,320	South Coast Transportation Authority	3.25	23 Nov 2028	1,500	1,726	1,498
NAV Canada	3.53	23 Feb 2046	1,210	1,390	1,436	Summit Industrial Income REIT	2.15	17 Sep 2025	218	218	218
North West Redwater Partnership	2.10	23 Feb 2022	4,841	4,906	4,917	Sun Life Financial Inc.	3.10	19 Feb 2026	3,000	3,022	3,031
North West Redwater Partnership	2.80	1 Jun 2027	450	473	471	Sun Life Financial Inc.	2.06	1 Oct 2035	1,455	1,431	1,454
North West Redwater Partnership	4.25	1 Jun 2029	10,253	11,785	11,430	Sun Life Financial Inc.	5.40	29 May 2042	200	256	257
North West Redwater Partnership	4.35	10 Jan 2039	3,267	3,657	3,822	Suncor Energy Inc.	3.10	26 Nov 2021	4,430	4,519	4,526
North West Redwater Partnership	3.70	23 Feb 2043	2,278	2,350	2,290	Suncor Energy Inc.	5.00	9 Apr 2030	700	808	698
Nova Scotia Power Inc.	5.61	15 Jun 2040	210	291	307	Sunlife Financial Inc.	4.57	23 Aug 2021	2,000	2,063	2,072
Omers Realty Corporation	3.63	5 Jun 2030	1,033	1,204	1,141	Sunlife Financial Inc.	2.58	10 May 2032	3,707	3,895	3,758
Ontario Electricity Financial Corporation	–	11 Apr 2022	889	877	877	Sysco Canada, Inc.	3.65	25 Apr 2025	250	266	252
Pembina Pipeline Corporation	2.56	1 Jun 2023	1,610	1,660	1,642	TELUS Corporation	3.35	15 Mar 2023	6,195	6,506	6,389
Pembina Pipeline Corporation	3.71	11 Aug 2026	1,290	1,399	1,379	TELUS Corporation	2.75	8 Jul 2026	3,032	3,221	3,074
Pembina Pipeline Corporation	3.31	1 Feb 2030	3,850	4,031	3,862	TELUS Corporation	2.35	27 Jan 2028	440	454	439
Pembina Pipeline Corporation	4.74	21 Jan 2047	1,432	1,528	1,701	TELUS Corporation	3.63	1 Mar 2028	5,575	6,211	5,869
Pembina Pipeline Corporation	4.67	28 May 2050	1,876	1,990	1,879	TELUS Corporation	3.30	2 May 2029	2,396	2,624	2,446
Penske Truck Leasing Canada	2.85	7 Dec 2022	2,000	2,066	2,070	TELUS Corporation	4.40	29 Jan 2046	1,889	2,105	2,307
Power Corporation of Canada	8.57	22 Apr 2039	2,442	4,135	4,040	TELUS Corporation	4.70	6 Mar 2048	4,112	4,824	4,775
						TELUS Corporation	3.95	16 Feb 2050	2,380	2,498	2,599
						Teranet Holdings L.P.	4.81	16 Dec 2020	429	431	441
						Thomson Reuters Corporation	2.24	14 May 2025	5,202	5,377	5,202

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

Schedule II – Subscribers’ Deposits and Accumulated Income

As at October 31, 2020 and 2019

(in thousands of Canadian dollars)

The following is a summary of CST Advantage Plan Units, Subscribers’ Deposits and Accumulated Income by year of eligibility:

Year of Eligibility	Opening Units	Inflow Units ¹	Outflow Units ²	Closing Units	Subscribers’ Deposits	Accumulated Income ³
2019 and prior to 2019	356,736	3,152	43,813	316,075	\$ 60,318	\$ 117,186
2020	178,716	2,045	10,768	169,993	89,241	90,236
2021	185,424	808	2,696	183,536	230,882	100,433
2022	192,191	847	1,713	191,325	281,123	112,468
2023	188,674	638	1,919	187,393	263,693	99,385
2024	193,346	995	1,950	192,391	246,959	88,394
2025	184,687	1,190	2,288	183,589	220,838	74,039
2026	178,324	1,561	2,551	177,334	192,313	59,367
2027	169,749	1,764	3,317	168,196	168,653	48,625
2028	163,010	1,865	3,674	161,201	142,560	37,661
2029	156,955	2,812	4,767	155,000	122,353	29,062
2030	157,631	3,320	4,986	155,965	106,544	22,798
2031	143,161	3,332	4,921	141,572	84,568	16,183
2032	139,590	3,950	5,896	137,644	64,354	10,687
2033	117,244	5,169	5,822	116,591	49,318	6,841
2034 and thereafter	438,558	152,328	28,069	562,817	66,266	6,070
TOTAL	3,143,996	185,776	129,150	3,200,622	\$ 2,389,983	\$ 919,435

1. Inflow units are comprised of new units, additional units and transfers in.

2. Outflow units are comprised of terminations, transfers out and education assistance payments.

3. Accumulated income represents both incomes allocated to subscribers’ accounts and income held for future education assistance payments.

The changes in Subscribers’ deposits are as follows:

	Oct 31, 2020	Oct 31, 2019
Payments from subscribers ¹	\$ 274,872	\$ 280,334
Inter-plan principal transfers	(44,471)	(44,382)
Account maintenance fees	(3,233)	(3,024)
Return of principal	(209,773)	(200,685)
Net increase in Subscribers’ deposits	17,395	32,243
Balance, Beginning of the Year	2,372,588	2,340,345
Balance, End of the Year	\$ 2,389,983	\$ 2,372,588

1. Net of Sales charges collected of \$32,461 (2019 – \$34,350).

Schedule III – Education Assistance Payments

For the years ended October 31, 2020 and 2019

(in thousands of Canadian dollars, except for per unit amounts)

The following tables provide the total dollar payments by fiscal year, as well as number of eligible units paid, and education assistance payment amounts by year of eligibility.

Education Assistance Payments	2020	2019	Education Assistance Payments	2020	2019
Current year payments	\$37,081	\$25,705	Non-Discretionary	\$51,144	\$35,840
Deferred payments	13,531	9,727			
Advance payments	532	408			
	\$51,144	\$35,840			

	Number of education assistance payment units Year of Eligibility				Amount of education assistance payment per unit Year of Eligibility			
	2020	2019	2018	2017	2020	2019	2018	2017
First	73,466.3	139,970.5	59,517.7	35,754.5	\$ 177	\$ 141	\$ 133	\$ 121
Second	71,075.6	64,719.6	34,097.9		196	145	144	
Third		39,243.2	38,464.2			161	146	
Fourth			23,201.8				165	

Notes to the Financial Statements

As at October 31, 2020 and 2019

(in thousands of Canadian dollars)

Note 1. Nature of Operations

The Canadian Scholarship Trust CST Advantage Plan (the “Plan”), formerly the Canadian Scholarship Trust Group Savings Plan 2001, is a Pooled Education Savings Plan that was established on May 1, 2001. The objective of the Plan is to assist parents and others to save for the post-secondary education of children. The Plan is managed and distributed by C.S.T. Consultants Inc. (“C.S.T.C.”), a wholly-owned subsidiary of the Canadian Scholarship Trust Foundation (the “Foundation”). The Plan’s registered place of business is 1600-2235 Sheppard Avenue East, Toronto, Ontario, Canada.

Payments are made by a subscriber to an account maintained by the Plan’s trustee on behalf of a beneficiary. Deductions of sales charges and account maintenance fees are made from the subscriber’s contributions. The principal accumulated over the term of the subscriber’s education savings plan agreement (the “Agreement”) is returned to the subscriber when:

- i. the Agreement matures and the beneficiary is a qualified student eligible to receive the first education assistance payment (“EAP”),
- ii. the Agreement matures and the beneficiary is not yet a qualified student, in which case the beneficiary will forfeit all government grants (as described below), or
- iii. the Agreement is terminated.

The investment income earned on the subscribers’ principal balance is used to provide EAPs to qualified students. A beneficiary is deemed to be a qualified student upon receipt of evidence of enrolment in a qualifying educational program at an eligible institution.

There are a number of government grants that may be available to beneficiaries including the Canada Education Savings Grant Program (“CESG”), the Canada Learning Bond (“CLB”), the Quebec Education Savings Incentive (“QESI”) and the British Columbia Training and Education Savings Grant (“BCTESG”) (collectively, “Government Grants”).

The Plan collects Government Grants, which are credited directly into Agreements and invests these funds in accordance with the Plan’s investment policies. The Government Grants, along with investment income earned thereon, are paid to qualified students with their EAPs.

Agreements are registered with appropriate government authorities if all required information is provided, and once registered are subject to the rules for Registered Education Savings Plans (“RESP”) under the *Income Tax Act* (Canada). Current tax legislation provides that income credited on subscribers’ principal is not taxable income of the subscriber unless withdrawn as an Accumulated Income Payment subject to certain eligibility requirements. The deposits are not deductible for income tax purposes and are not taxable when returned to the subscriber. Payments made to a beneficiary, including EAPs, Government Grants and investment income earned on Government Grants are taxable income of that beneficiary in the year that the payments are made.

Note 2. Significant Accounting Policies

(a) Statement of Compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”).

These financial statements were approved by the Board of Directors of the Foundation on December 15, 2020.

(b) Basis of measurement

These financial statements have been prepared on the historical cost basis except for financial instruments classified as “at fair value through profit or loss” (“FVTPL”), which are measured at fair value.

(c) Financial instruments

The Plan recognizes financial assets and financial liabilities when it becomes a party to a contract. The Plan classifies its investments in debt and equity securities and financial liabilities based in its business model for managing those financial assets and financial liabilities and the contractual cash flow characteristics of the financial assets and financial liabilities.

Financial assets and financial liabilities classified as FVTPL are measured at fair value on initial recognition and transaction costs are expensed when incurred. Subsequent changes in fair value of financial assets and financial liabilities classified as FVTPL are recorded in “Change in unrealized gains (losses)” in the Statements of Comprehensive Income. When a financial asset and financial liability classified as FVTPL is sold, the difference between the sale proceeds and the fair value on initial recognition of the security is recorded as “Realized gains (losses) on sale of investments” in the Statements of Comprehensive Income.

Financial assets and financial liabilities that are held to collect contractual cash flows are measured at amortized cost using the effective interest method. Financial assets and financial liabilities measured at amortized cost are initially recorded at their fair value plus any directly attributable incremental costs of acquisition or issue. Financial assets at amortized cost are presented net of any allowance for impairment. Interest income, including the amortization of premiums and discounts on securities measured at amortized cost are recorded in interest income. Impairment gains or losses recognized on amortized cost securities are recorded in the Statements of Comprehensive Income. When a debt instrument measured at amortized cost is sold, the difference between the sale proceeds and the amortized cost of the security at the time of the sale is recorded as realized gains (losses) on sale of investments in the Statements of Comprehensive Income.

The effective interest method is a method of calculating the amortized cost of a financial instrument and allocating interest over the relevant period. The effective interest rate is the rate that discounts estimated future cash flows (including all transaction costs and other premiums or discounts) through the expected life of the financial instrument to the net carrying amount on initial recognition.

Notes to the Financial Statements (continued)

As at October 31, 2020 and 2019

(in thousands of Canadian dollars)

Note 2. Significant Accounting Policies (continued)

(c) Financial instruments (continued)

Measurement in subsequent periods depends on the classification of the financial instrument. The financial assets and financial liabilities of the Plan are classified as follows:

Financial asset or financial liability	Classification
Investments, at fair value	FVTPL ⁱ
Investments, at amortized cost	Amortized Cost ⁱⁱ
Cash and cash equivalents	Amortized Cost ⁱⁱ
Accrued income and other receivables	Amortized Cost ⁱⁱ
Receivables for securities sold	Amortized Cost ⁱⁱ
Accounts payable and accrued liabilities	Amortized Cost ⁱⁱⁱ
Payables for securities purchased	Amortized Cost ⁱⁱⁱ

ⁱ Financial assets are designated as FVTPL when acquired principally for the purpose of trading.

ⁱⁱ Financial assets classified as amortized cost, including debt instruments and non-derivative financial assets, are held to collect contractual cash flows and at the time of acquisition are not acquired principally for the purpose of trading. Subsequent to initial recognition, these financial assets are carried at amortized cost using the effective interest method.

ⁱⁱⁱ Financial liabilities classified as amortized cost are liabilities that are not derivative liabilities or classified as FVTPL. Subsequent to initial recognition, financial liabilities are carried at amortized cost using the effective interest method.

Impairment is based on expected credit losses for the investment securities, which are based on a range of possible outcomes and consider all available reasonable and supportable information including internal and external ratings, historical loss experience, and expectations about future cash flows.

(d) Investment valuation

Investments include investments values at fair value and amortized cost.

Investments at fair value include the following types of securities: bonds, money market securities, equities, exchange-traded funds ("ETF") and pooled funds.

The fair value of fixed income securities that are not publicly traded is measured by using either the average bid price from multiple dealers, or by the present value of contractual cash flows, discounted at current market rates. Interest accrued at the reporting date is included in Accrued income and other receivables on the Statements of Financial Position.

The fair value of securities that are publicly traded in an active market is measured using bid prices at the reporting date.

Investments in pooled funds used to pay the Sales Charge Refund ("SCR") Entitlements referred to in Note 8 are valued at net asset values of the pooled funds at the valuation date, as these represent the value that would be received by the Plan from redeeming its units held in the pooled funds.

Note 9 provides further guidance on fair value measurements.

(e) Investment transactions and income recognition

Investment transactions are accounted for on a trade-date basis. Interest represents the coupon interest received by the Plan accounted for on an accrual basis. The Plan does not amortize premiums paid or discounts received on the purchase of fixed income securities that are classified as FVTPL. Dividends and distributions are accrued as of the ex-dividend date and ex-distribution date, respectively. Realized gains (losses) on the sale of investments and Change in unrealized gains (losses) are calculated with reference to the average cost of the related investments and are recognized in the period that such gains (losses) occur.

(f) Subscribers' deposits, sales charges and account maintenance fees

Subscribers' deposits reflect amounts received from subscribers net of sales charges and account maintenance fees and do not include future amounts receivable on outstanding Agreements. Sales charges are deducted from subscribers' deposits and are collected over periods of up to 32 months from the date of initial deposit. Account maintenance fees are paid annually to the Foundation from subscribers' deposits and are accrued throughout the year.

(g) Income taxes

The Plan is exempt from income taxes under Section 146.1 of the *Income Tax Act* (Canada).

(h) Cash and cash equivalents

Cash and cash equivalents include deposit balances with banks and securities with a purchase date to maturity of 90 days or less and includes term deposits, treasury bills and bankers' acceptances.

(i) Foreign currency

The functional and presentation currency of the Plan is the Canadian Dollar.

To the extent applicable in any period, foreign currency purchases and sales of investments and foreign currency dividend and interest income are translated into Canadian dollars at the rate of exchange prevailing at the time of the transactions. Realized and unrealized foreign currency gains or losses on investments are included in the Statements of Comprehensive Income in Realized gains (losses) on sale of investments and Change in unrealized gains (losses), respectively.

(j) Critical accounting estimates and judgments

When preparing the financial statements, management makes estimates and judgments that affect the reported amounts recognized and disclosed in the financial statements. These estimates and judgments have a direct effect on the measurement of transactions and balances recognized in the financial statements. By their nature, these estimates and judgments are subject to measurement uncertainty and actual results could differ.

The estimates, assumptions and judgments that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities are those used in the valuation of

Notes to the Financial Statements (continued)

As at October 31, 2020 and 2019

(in thousands of Canadian dollars)

Note 2. Significant Accounting Policies (continued)

(j) Critical accounting estimates and judgments (continued)

the SCR Entitlements. Further information on the SCR Entitlement valuation can be found in Note 8(b).

Note 3. Related Party Transactions

Related party transactions are measured at the exchange amount, which is the amount agreed between the parties.

(a) Distribution and Administration of the Plan

The Foundation, as the Plan sponsor, has appointed C.S.T.C., as both the Scholarship Plan Dealer and Investment Fund Manager to distribute and administer the Plan. The agreements are renewable annually on November 1.

Administration and account maintenance fees are paid to the Foundation. Administration fees are annual fees of ½ of 1% of the total amount of principal, Government Grants and income earned thereon, as well as the investments used to pay the SCR Entitlements (“SCR Fund”).

During the year ended October 31, 2020, \$26,100 was recognized as an expense for Administration and account maintenance fees (2019 – \$23,777). Administration and account maintenance fees included in Accounts payable and accrued liabilities at October 31, 2019 was \$497 (2019 – \$399).

Sales charges are paid by subscribers and deducted from their contributions. In accordance with the distribution agreement, the Foundation agreed to set aside a portion of the sales charges collected from subscribers to the SCR Fund each year in order to pay SCR Entitlements when they become due. The balance of sales charges collected is paid to C.S.T.C. as compensation for the sale and distribution of savings plans.

During the year ended October 31, 2020, \$32,360 was paid to C.S.T.C. from sales charges collected as compensation for the sale and distribution of savings plans (2019 – \$34,350). Related amounts included in Accounts payable and accrued liabilities at October 31, 2020 was \$575 (2019 – \$473).

The Foundation is responsible to pay to beneficiaries of the Plan the refunds of sales charges as promised. Any shortfall in the assets to meet the SCR Entitlements will be funded by the Foundation (see Note 8).

(b) SCR Deficit Funding Payments from the Canadian Scholarship Trust Foundation

For the year ended October 31, 2020, the Foundation provided deficit funding payments of \$6,445 (2019 – \$3,900) to the SCR Funds (see Note 8(b)).

(c) Fees paid for services of an Independent Review Committee

The Independent Review Committee (“IRC”) provides independent review and oversight of conflicts of interest relating to the management of the Plans. For the year ended October 31, 2020, the Plan recognized an expense of \$68 (2019 – \$67) for the services of the IRC. IRC fees included in

Accounts payable and accrued liabilities at October 31, 2020 was \$nil (2019 – \$nil).

(d) Fees paid to monitor and manage the portfolio managers

Included in Portfolio management fees on the Statements of Comprehensive Income is \$700 (2019 – \$533) charged by C.S.T.C. for expenses incurred to monitor and manage the portfolio managers. Included in Accounts payable and accrued liabilities is \$206 owing from C.S.T.C. at October 31, 2020 (2019 – \$4) relating to these expenses.

Note 4. Investment Holdings

The investment holdings are disclosed in Schedule I – Statement of Investment Portfolio and the related Appendices I – III to the schedule, which are explained below.

The Government Grants are invested collectively in a separate fund with Government Grants of other RESP plans administered by C.S.T.C. The Government Grant principal received and income earned thereon are separately tracked for each subscriber’s Agreement. The portfolio holdings are allocated across all plans based on the proportion of principal and income attributable to Agreements within each plan (see Appendix I to Schedule I).

For Agreements purchased under prospectuses dated prior to October 2, 2007, investments used to fund the SCR Entitlements of CST Advantage Plan and the Group Savings Plan are managed in a separate SCR Fund (see Appendix II to Schedule I). The SCR Fund’s holdings and income are allocated to the Plan based on its proportionate share of the SCR Entitlements.

For Agreements purchased under prospectuses dated on or after October 2, 2007, investments used to fund the SCR Entitlements of the Plan are managed in a separate SCR Fund (see Appendix III to Schedule I).

The investment restrictions set out in National Policy 15 of the Canadian Securities Administrators do not apply to assets invested in the SCR Funds.

Note 5. Capital Risk Management

The Plan’s capital consists of the components of the net assets attributable to subscribers and beneficiaries as per the Statements of Financial Position. The Plan has obligations to return subscriber contributions upon maturity or termination as well as pay EAPs of investment income, grants and income on grants. The Plan invests subscriber contributions and government grants received in appropriate investments in accordance with its stated investment objectives while maintaining sufficient liquidity to meet subscribers’ obligations.

Notes to the Financial Statements (continued)

As at October 31, 2020 and 2019

(in thousands of Canadian dollars)

Note 6. Risks Associated with Financial Instruments

In the normal course of business the Plan may be exposed to a variety of risks arising from financial instruments. The Plan's exposures to such risks are concentrated in its investment holdings and are related to market risk (which includes interest rate risk and other price risk), credit risk, liquidity risk and currency risk.

The Plan's risk management process includes monitoring compliance with the Plan's investment policy. The Plan manages the effects of these financial risks to the Plan portfolio performance by retaining and overseeing professional external investment managers. The investment managers regularly monitor the Plan's positions and market events and manage the investment portfolio according to the investment policy and mandates.

(a) Market risk

i. Interest rate risk

Interest rate risk is the risk of a change in the fair value or cash flows of the Plan's investments in interest-bearing financial instruments as a result of fluctuations in market interest rates. There is an inverse relationship between changes in interest rates and changes in the fair value of bonds. This risk is actively managed using duration, yield curve analysis, sector and credit selection. There is reduced risk to interest rate changes for cash and cash equivalents due to their short-term nature.

The Plan's holdings of debt instruments by maturity are as follows:

Debt Instruments by Maturity Date	% of Total Investment Fund	
	Oct 31, 2020	Oct 31, 2019
Less than 1 year	5%	3%
1-3 years	7%	6%
3-5 years	6%	8%
Greater than 5 years	51%	47%
Total debt instruments	69%	64%

As at October 31, 2020, if prevailing interest rates had increased by 1%, the fair value of the Total Investment Fund of \$4,768,315 (2019 – \$4,596,076) as per Schedule I – Statement of Investment Portfolio would have decreased by approximately \$213,120 (2019 – \$225,400). If prevailing interest rates had decreased by 1% the fair value of the Total Investment Fund would have increased by approximately \$247,410 (2019 – \$194,470). This 1% change assumes a parallel shift in the yield curve with all other variables held constant. In practice, actual results may differ materially.

ii. Other price risk

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

market segment affect other price risk. The asset classes that are most impacted by other price risk are the equities and ETFs of the Plan, Government Grants asset pool, and the SCR Funds, which represent 31% (2019 – 36%) of the Total Investment Fund as at October 31, 2020. The risk associated with the equity component of the SCR Funds is managed by security selection and active management by external managers within approved investment policy and mandates.

As at October 31, 2020, if equity and underlying indices prices had increased or decreased by 1%, with all other variables held constant, the fair value of the Total Investment Fund as per Schedule I – Statement of Investment Portfolio would have increased or decreased by approximately \$14,850 (2019 – \$16,340). In practice, actual results may differ materially.

(b) Credit risk

Credit risk refers to the ability of the issuer of debt securities to make interest payments and repay principal. The Plan's portfolio is mainly comprised of bonds issued or guaranteed by federal or provincial governments along with corporate debt instruments with a minimum approved credit rating as set by Canadian Securities Administrators. The Plan has a concentration of investments in government and government guaranteed bonds, which are considered to be high credit quality investments thereby moderating credit risk.

The Plan's credit risk exposure is summarized below:

Credit rating	October 31, 2020		October 31, 2019	
	% of Total Investment Fund	Amount	% of Total Investment Fund	Amount
AAA	7%	\$ 314,668	6%	\$ 289,859
AA/AAH/AAL	34%	1,635,631	26%	1,206,448
A/AH/AL	15%	727,108	26%	1,208,712
BBB	9%	410,074	5%	210,964
R-1	4%	181,016	1%	30,786
Short-term unrated	0%	16,787	0%	15,427
Total debt instruments	69%	\$3,285,284	64%	\$2,962,196

The DBRS Morningstar was the primary source for obtaining credit ratings. Secondary sources used include Standard & Poor's Financial Services LLC and Moody's Investors Service, Inc.

(c) Liquidity risk

Liquidity risk is the risk that the Plan may not be able to meet its financial obligations as they come due. The Plan's exposure to liquidity risk is concentrated in principal repayments to subscribers and EAPs to beneficiaries including SCR Entitlements. The Plan primarily invests in securities that are traded in active markets and can be readily sold. The Plan retains sufficient cash and cash equivalent positions to meet liquidity requirements by utilizing cash forecasting models that reflect the maturity distribution of subscribers' deposits and accumulated

Notes to the Financial Statements (continued)

As at October 31, 2020 and 2019

(in thousands of Canadian dollars)

Note 6. Risks Associated with Financial Instruments (continued)

(c) Liquidity risk (continued)

income. All other financial liabilities are short term and due within one year. The Foundation directs a portion of the sales charges collected from subscribers to the SCR Funds each year in order to pay SCR Entitlements when they become due.

(d) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Plan holds foreign pooled equity funds and ETFs, which represent 29% (2019 – 25%) of the Total Investment Fund. The fair value of the Total Investment Fund would increase or decrease by approximately \$13,500 (2019 – \$11,430) in response to a 1% depreciation or appreciation of the Canadian dollar currency exchange rate. In practice the actual change may differ materially.

Note 7. General Fund and Donations from the Foundation

The Canadian Scholarship Group Savings Plan Trust (the “Group Trust”) is a legal trust which includes the Group Savings Plan and the CST Advantage Plan (the “Plans”). The Plans are registered with the Canada Revenue Agency as Education Savings Plans. The General Fund is a separate account within the Group Trust and derives its income from the following sources:

- i. income earned on subscribers’ accumulated income from the date of maturity of the Agreements to the date the funds are paid to qualified students as EAPs;
- ii. income earned on the income forfeited when a subscriber’s agreement is terminated prior to maturity;
- iii. income not collected by beneficiaries before the expiry of the Agreements; and
- iv. unclaimed principal and income payments.

According to the trust indenture of the Group Trust, the General Fund may be used to subsidize EAPs for qualified students of either of the Plans within the Group Trust.

Donations from the Foundation represent a discretionary pool of funds shared between the Plans. These funds are used to supplement EAPs when the General Fund is depleted. The amount is allocated annually between the Plans according to the payout forecast in each of the Plans.

Receipts and disbursements of the General Fund included in the financial statements of the Plan for the years ended October 31, 2020 and 2019 are as follows:

	2020	2019
Receipts		
Net investment income	\$ 2,920	\$ 7,845
Disbursements		
Education assistance payments	(1,623)	(1,495)
(Shortfall) Excess of Receipts over Disbursements	1,297	6,350
Balance, Beginning of the Year	6,350	-
Balance, End of the Year	\$ 7,647	\$ 6,350

Receipts and disbursements in the Donations from the Foundation included in the financial statements of the Plan for the years ended October 31, 2020 and 2019, are as follows:

	2020	2019
Receipts		
Contributions received from the Foundation	\$ -	\$ -
Disbursements		
Education assistance payments	-	(2)
(Shortfall) Excess of Receipts over Disbursements	-	(2)
Balance, Beginning of the Year	715	717
Balance, End of the Year	\$715	\$ 715

Note 8. Sales Charge Refund

(a) Sales Charge Refund Entitlements

The Plan refunds sales charges to qualified beneficiaries (“SCR Entitlements”) in four instalments during the EAP payout period. The total amount refunded for the year ended October 31, 2020, was \$14,710 (2019 – \$11,813).

As at October 31, 2020, the SCR Entitlements amount of \$174,240 (2019 – \$168,310) presented in the Statements of Financial Position represents the average cost of the Plan’s investments in the SCR Fund of \$175,243 (2019 – \$168,802), adjusted for funds to be transferred to the direct investment holdings of the plan of \$1,166 (2019 – \$657) for SCR payments made to beneficiaries during the year, plus accrued interest of \$163 (2019 – \$165). The fair value of the investments in the SCR Fund as at October 31, 2020, after adjusting for the above, amounted to \$171,738 (2019 – \$163,048). The SCR Fund comprises investments, at fair value, of \$171,204 and Cash and cash equivalents of \$537, which are reported in the Statements of Financial Position. The difference between the present value of SCR Entitlements and the fair value of the SCR Fund is not recorded in the financial statements of the Plan.

Notes to the Financial Statements (continued)

As at October 31, 2020 and 2019

(in thousands of Canadian dollars)

Note 8. Sales Charge Refund (continued)

(a) Sales Charge Refund Entitlements (continued)

(i) Agreements purchased under prospectuses dated prior to October 2, 2007

The Plan pays SCR Entitlements to the beneficiaries from the SCR Fund, which amount to 100% of sales charges paid for these Agreements.

As at October 31, 2020, the average cost and fair value of the Plan's investments in the SCR Fund available for the purpose of paying SCR Entitlements amounted to \$91,489 and \$89,689 respectively (2019 – \$91,557 and \$88,666, respectively).

(ii) Agreements purchased under prospectuses dated on or after October 2, 2007

The SCR Entitlements amount is comprised of a refund of 50% of the sales charges paid plus a potential additional amount not to exceed the amount of surplus (if any) in the SCR Fund. Any surplus in the SCR Fund will be calculated by the Foundation as the excess, if any, of the value of assets in the SCR Fund over the valuation of sales charge refund obligations based on 50% of sales charges.

For the year ended October 31, 2020, \$2,140 (2019 – \$2,121) was deposited in the SCR Fund from subscriber contributions, which is equivalent to the estimated present value of the future expected SCR Entitlements of \$100 per unit for all units sold during the period. The discount rate at October 31, 2018 of 5.7% (December 31, 2016 – 6.5%) used in determining the estimated present value was based on the expected long-term investment rates of return of the SCR Fund.

As at October 31, 2020 the average cost and fair value of the Plan's investments in the SCR Fund available for the purpose of paying SCR Entitlements amounted to \$83,754 and \$82,052, respectively (2019 – \$77,225 and, \$74,874, respectively).

(iv) Transfers to Family and Individual Savings Plan

As of January 20, 2020, if a subscribers' Agreement is transferred to Family Savings Plan or Individual Savings Plan, the subscriber may be eligible for a partial refund of the Plan sales charges paid. The percentage of sales charges to be refunded is dependent on the length of time the subscribers' Agreement was in the Plan and ranges from 0% to 25% of the total sales charges paid. The sales charge refund ("SCR Entitlement") is paid to qualified beneficiaries proportionate to the amount of EAP withdrawn. The total amount refunded for the year ended October 31, 2020 was \$456. At October 31, 2020, there is an amount owing relating to refunded sales charges of \$306 to Family Savings Plan and \$4 to Individual Savings Plan.

(b) Sales Charge Refund Entitlements Valuations

Two separate valuations are performed for SCR Entitlements. First, on an annual basis, a valuation of SCR Entitlements is

prepared based on management's best estimates. This valuation is used to estimate the current funded status for SCR Entitlements. The present value of the SCR Entitlements is determined using the expected long-term investment rates of return based on the investment policy for the SCR Fund as explained in (i) below.

Second, a funding valuation is performed at least every two years to assess the adequacy of the assets in the SCR Fund and the Foundation's funding requirements to meet SCR Entitlements in future years. This valuation uses expected long-term investment rates of return as determined by management to calculate the present value of the SCR Entitlements and to project the asset growth of the SCR Fund to ensure that future SCR Entitlements will be fully funded, as set out in (ii) below.

(i) Management's Best Estimates Valuation

The assumptions used in determining the valuation of SCR Entitlements reflect management's best estimate of future payments to beneficiaries and involve both economic and non-economic assumptions. The non-economic assumptions include considerations such as termination of Agreements prior to maturity and participation of eligible students in the collection of EAPs. The primary economic assumption is the discount rate, which is based on the investment policy approved by the Investment Committee of the Foundation. As underlying conditions change over time, assumptions may also change, which could cause a material change in the present value of the SCR Entitlements.

(A) Agreements purchased under prospectuses dated prior to October 2, 2007

The funded status of the SCR Entitlements at October 31 was:

	2020	2019
Present value of SCR Entitlements	\$144,813	\$150,227
Fair value of SCR Fund (Note 8 (a)(i))	89,689	88,666
Underfunded portion of SCR Entitlements	\$ 55,124	\$ 61,561

The discount rate, which is set at the expected long-term investment return of the SCR Fund as at October 31, 2020, was 5.1% (2019 – 5.4%). A 1% decrease or increase in the discount rate used will increase or decrease the present value of SCR Entitlements by \$5,519 or \$5,137 respectively (2019 – \$6,153 or \$5,751 respectively).

(B) Agreements purchased under prospectuses dated on or after October 2, 2007

The funded status of the SCR Entitlements at October 31 was:

	2020	2019
Present value of SCR Entitlements	\$85,890	\$79,564
Fair value of SCR Fund (Note 8 (a)(ii))	82,052	74,874
Underfunded portion of SCR Entitlements	\$ 3,838	\$ 4,690

Notes to the Financial Statements (continued)

As at October 31, 2020 and 2019

(in thousands of Canadian dollars)

Note 8. Sales Charge Refund (continued)

(b) Sales Charge Refund Entitlements Valuations (continued)

(B) *Agreements purchased under prospectuses dated on or after October 2, 2007 (continued)*

The discount rate, which is set at the expected long-term investment return of the SCR Fund as at October 31, 2020, was 5.6% (2019 – 5.7%). A 1% decrease or increase in the discount rate used will increase or decrease the present value of SCR Entitlements by \$8,976 or \$7,871, respectively (2019 – \$8,606 or \$7,553, respectively).

(C) *Agreements purchased and transferred to Family Savings Plan or Individual Savings Plan*

At October 31, 2020, no amount has been funded for the SCR Entitlements. The present value of the SCR Entitlements as of October 31, 2020 is \$2,184. The underfunded portion of SCR Entitlements is \$2,184.

The discount rate, which is set at the expected long-term investment return of the SCR Fund as at October 31, 2020, was 5.25%. A 1% decrease or increase in the discount rate used will increase or decrease the present value of SCR Entitlements by \$134 or \$119, respectively.

(ii) Funding Valuation

A funding valuation of the SCR Entitlements for the Plan was completed based on assets and obligations as at October 31, 2018. This valuation included assumptions regarding management's best estimate of termination of Agreements prior to maturity and participation of eligible students in the collection of EAPs. The discount rate used to determine the present value of SCR Entitlements was based on the expected long-term investment rate of return of 5.3%, which resulted in an unfunded liability of \$55,850 for Agreements purchased under prospectuses dated prior to October 2, 2007. The discount rate used for Agreements purchased under prospectuses after October 2, 2007 was 5.7%, which resulted in an underfunded amount of \$5,896. The Foundation has a responsibility to pay to beneficiaries of the Plan a refund sales charges as promised. Funding requirements were established by the Foundation to ensure assets are sufficient to meet future SCR Entitlements using expected long-term investment rates of return based on the investment policy approved by the Investment Committee of the Foundation to project the asset growth of the SCR Fund. Any shortfall in the assets to meet the SCR Entitlements will be funded by the Foundation.

The next actuarial funding valuation will be performed in 2021 based on assets and obligations as at October 31, 2020.

Note 9. Fair Value Measurements and Disclosure

Estimates of fair value used for measurement and disclosure are designed to approximate amounts that would be received to sell an asset, or paid to discharge a liability, in an orderly transaction between market participants.

The following table provides a comparison of the carrying amounts and fair values for each classification of financial instruments. For measurement purposes, they are carried at fair value when conditions requiring separation are met.

Carrying Amount and Fair Value of Financial Instruments as of October 31, 2020

	Carrying amount and fair value	Carrying Amount	Fair Value		
	Financial instruments classified as FVTPL	Financial instruments measured at amortized cost	Financial instruments measured at amortized cost	Total carrying amount	Total fair value
Financial Assets					
Cash					
Equivalents ¹	\$ -	\$ 109,213	\$ 109,213	\$ 109,213	\$ 109,213
Investments	4,538,992	113,560	114,369	4,652,552	4,653,361
Other Assets ²	-	39,962	39,962	39,962	39,962
Financial Liabilities					
Other Liabilities ³	\$ -	\$ 50,230	\$ 50,230	\$ 50,230	\$ 50,230

Carrying Amount and Fair Value of Financial Instruments as of October 31, 2019

	Carrying amount and fair value	Carrying Amount	Fair Value		
	Financial instruments classified as FVTPL	Financial instruments measured at amortized cost	Financial instruments measured at amortized cost	Total carrying amount	Total fair value
Financial Assets					
Cash					
Equivalents ¹	\$ -	\$ 60,213	\$ 60,213	\$ 60,213	\$ 60,213
Investments	4,413,014	117,979	117,941	4,530,993	4,530,955
Other Assets ²	-	42,052	42,052	42,052	42,052
Financial Liabilities					
Other Liabilities ³	\$ -	\$ 14,968	\$ 14,968	\$ 14,968	\$ 14,968

1. Cash and bank balances of \$6,553 (2019 – \$4,870) have been excluded.

2. Other assets consist of Receivables for securities sold, Accrued income and other receivables and Government grants receivable.

3. Other liabilities consist of Payable for securities purchased and Accounts Payable and accrued liabilities.

Notes to the Financial Statements (continued)

As at October 31, 2020 and 2019

(in thousands of Canadian dollars)

Note 9. Fair Value Measurements and Disclosure (continued)

The following table presents the level, in the fair value hierarchy, into which the Plan's financial instruments are categorized:

- i. Level 1 financial instruments are valued using quoted market prices.
- ii. Level 2 financial instruments are valued using directly or indirectly observable inputs.
- iii. Level 3 financial instruments are valued using unobservable inputs (including the use of assumptions based on the best information available).

Assets Measured at Fair Value as of October 31, 2020

	Level 1	Level 2	Level 3	Total
Fixed income securities	\$ -	\$ 3,055,958	\$ -	\$3,055,958
Equity securities, ETFs and Pooled equity funds	1,483,034	-	-	1,483,034
Total Investments, at fair value	\$1,483,034	\$3,055,958	\$ -	\$4,538,992

Assets Measured at Fair Value as of October 31, 2019

	Level 1	Level 2	Level 3	Total
Fixed income securities	\$ -	\$ 2,780,834	\$ -	\$2,780,834
Equity securities, ETFs and Pooled equity funds	1,632,180	-	-	1,632,180
Total Investments, at fair value	\$1,632,180	\$2,780,834	\$ -	\$4,413,014

For the years ended October 31, 2020 and 2019, there were no transfers between Levels 1 or 2.

Government Grants (continued)

Appendix I to Schedule I Statement of Investment Portfolio As at October 31, 2020

(in thousands of Canadian dollars)

Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)	Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
Bonds (continued)						Bonds (continued)					
Provincial – 34.1% (continued)						Provincial – 34.1% (continued)					
Province of Manitoba	6.30	5 Mar 2031	500	725	688	Province of Ontario	2.05	2 Jun 2030	22,799	24,157	24,303
Province of Manitoba	4.10	5 Mar 2041	1,800	2,360	2,005	Province of Ontario	1.35	2 Dec 2030	1,863	1,848	1,861
Province of Manitoba	4.40	5 Mar 2042	500	685	590	Province of Ontario	6.20	2 Jun 2031	175	256	243
Province of Manitoba	3.35	5 Mar 2043	100	119	100	Province of Ontario	5.85	8 Mar 2033	2,375	3,499	3,245
Province of Manitoba	4.05	5 Sep 2045	350	465	414	Province of Ontario	5.60	2 Jun 2035	775	1,155	1,073
Province of Manitoba	2.85	5 Sep 2046	396	437	393	Province of Ontario	4.70	2 Jun 2037	1,060	1,483	1,257
Province of Manitoba	3.40	5 Sep 2048	157	192	159	Province of Ontario	4.60	2 Jun 2039	1,815	2,556	2,198
Province of Manitoba	3.20	5 Mar 2050	438	522	507	Province of Ontario	4.65	2 Jun 2041	625	898	771
Province of Manitoba	2.05	5 Sep 2052	47	44	47	Province of Ontario	3.50	2 Jun 2043	550	687	604
Province of New Brunswick	2.60	14 Aug 2026	1,167	1,273	1,217	Province of Ontario	3.45	2 Jun 2045	2,125	2,652	2,205
Province of New Brunswick	2.35	14 Aug 2027	1,859	2,007	1,977	Province of Ontario	2.90	2 Dec 2046	4,213	4,837	4,319
Province of New Brunswick	3.10	14 Aug 2028	970	1,102	1,041	Province of Ontario	2.80	2 Jun 2048	897	1,018	893
Province of New Brunswick	5.65	27 Dec 2028	1,645	2,187	2,102	Province of Ontario	2.90	2 Jun 2049	3,313	3,838	3,565
Province of New Brunswick	5.50	27 Jan 2034	125	178	147	Province of Ontario	2.65	2 Dec 2050	1,772	1,972	1,952
Province of New Brunswick	4.65	26 Sep 2035	110	147	114	Province of Ontario	1.90	2 Dec 2051	1,407	1,334	1,404
Province of New Brunswick	4.55	26 Mar 2037	1,000	1,337	1,183	Province of PEI	2.65	1 Dec 2051	101	107	101
Province of New Brunswick	4.80	26 Sep 2039	250	350	311	Province of Québec	5.35	1 Jun 2025	1,000	1,204	1,164
Province of New Brunswick	3.55	3 Jun 2043	1,150	1,390	1,159	Province of Québec	2.75	1 Sep 2025	5,000	5,470	5,238
Province of New Brunswick	3.80	14 Aug 2045	200	252	215	Province of Québec	2.50	1 Sep 2026	7,579	8,276	7,925
Province of New Brunswick	3.10	14 Aug 2048	237	271	231	Province of Québec	2.75	1 Sep 2027	13,789	15,369	14,695
Province of New Brunswick	3.05	14 Aug 2050	95	108	108	Province of Québec	2.75	1 Sep 2028	24,425	27,381	25,814
Province of Newfoundland and Labrador	3.00	2 Jun 2026	3,324	3,645	3,443	Province of Québec	2.30	1 Sep 2029	13,027	14,167	13,356
Province of Newfoundland and Labrador	6.15	17 Apr 2028	350	463	466	Province of Québec	6.00	1 Oct 2029	2,400	3,348	3,190
Province of Newfoundland and Labrador	2.85	2 Jun 2028	1,969	2,155	2,040	Province of Québec	1.90	1 Sep 2030	20,952	21,975	22,182
Province of Newfoundland and Labrador	2.85	2 Jun 2029	2,326	2,546	2,428	Province of Québec	6.25	1 Jun 2032	325	486	455
Province of Newfoundland and Labrador	1.75	2 Jun 2030	264	263	263	Province of Québec	5.25	1 Jun 2034	2,000	2,820	2,533
Province of Newfoundland and Labrador	6.55	17 Oct 2030	1,750	2,492	2,377	Province of Québec	5.75	1 Dec 2036	4,915	7,582	6,832
Province of Newfoundland and Labrador	4.65	17 Oct 2040	150	196	177	Province of Québec	5.00	1 Dec 2038	1,265	1,854	1,600
Province of Newfoundland and Labrador	3.70	17 Oct 2048	1,409	1,650	1,471	Province of Québec	5.00	1 Dec 2041	1,350	2,033	1,746
Province of Newfoundland and Labrador	2.65	17 Oct 2050	388	376	383	Province of Québec	4.25	1 Dec 2043	400	556	473
Province of Nova Scotia	2.10	1 Jun 2027	1,762	1,878	1,759	Province of Québec	3.50	1 Dec 2045	700	884	929
Province of Nova Scotia	2.00	1 Sep 2030	2,370	2,487	2,416	Province of Québec	3.50	1 Dec 2048	1,038	1,332	1,174
Province of Nova Scotia	5.80	1 Jun 2033	1,275	1,859	1,656	Province of Québec	3.10	1 Dec 2051	1,285	1,569	1,598
Province of Nova Scotia	4.40	1 Jun 2042	2,100	2,890	2,442	Province of Saskatchewan	2.55	2 Jun 2026	2,393	2,602	2,468
Province of Nova Scotia	3.45	1 Jun 2045	500	608	548	Province of Saskatchewan	2.65	2 Jun 2027	1,577	1,734	1,646
Province of Nova Scotia	3.15	1 Dec 2051	171	204	204	Province of Saskatchewan	3.05	2 Dec 2028	2,334	2,654	2,521
Province of Nova Scotia	3.50	2 Jun 2062	600	795	599	Province of Saskatchewan	2.20	2 Jun 2030	485	517	500
Province of Ontario	1.75	8 Sep 2025	9,256	9,675	9,624	Province of Saskatchewan	6.40	5 Sep 2031	3,900	5,764	5,487
Province of Ontario	8.50	2 Dec 2025	3,300	4,546	4,537	Province of Saskatchewan	4.75	1 Jun 2040	350	494	443
Province of Ontario	2.40	2 Jun 2026	26,278	28,432	27,093	Province of Saskatchewan	3.90	2 Jun 2045	300	389	332
Province of Ontario	1.85	1 Feb 2027	475	501	474	Province of Saskatchewan	2.75	2 Dec 2046	2,056	2,227	1,814
Province of Ontario	2.60	2 Jun 2027	32,427	35,673	33,943	Province of Saskatchewan	3.30	2 Jun 2048	334	400	342
Province of Ontario	7.60	2 Jun 2027	1,120	1,587	1,605	Province of Saskatchewan	3.10	2 Jun 2050	180	210	199
Province of Ontario	1.05	8 Sep 2027	3,232	3,232	3,241	Province of Saskatchewan	3.75	5 Mar 2054	84	112	94
Province of Ontario	2.90	2 Jun 2028	27,327	30,791	29,841	Province of Saskatchewan	2.95	2 Jun 2058	80	93	76
Province of Ontario	6.50	8 Mar 2029	16,025	22,609	22,128					510,391	488,063
Province of Ontario	2.70	2 Jun 2029	23,886	26,654	25,776						
						Municipal – 1.3%					
						City of Montreal	3.00	1 Sep 2025	831	914	837
						City of Montreal	2.75	1 Sep 2026	223	245	223
						City of Montreal	4.25	1 Dec 2032	350	442	384
						City of Montreal	4.10	1 Dec 2034	375	471	399
						City of Montreal	3.15	1 Dec 2036	900	1,025	898
						City of Montreal	3.50	1 Dec 2038	1,300	1,546	1,437

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

Government Grants (continued)

Appendix I to Schedule I Statement of Investment Portfolio As at October 31, 2020

(in thousands of Canadian dollars)

Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)	Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
Bonds (continued)						Bonds (continued)					
Municipal – 1.3% (continued)						Corporate – 24.6% (continued)					
City of Montreal	6.00	1 Jun 2043	550	894	782	AltaLink, L.P.	5.38	26 Mar 2040	1,905	2,652	2,620
City of Ottawa	4.60	14 Jul 2042	500	691	590	AltaLink, L.P.	3.99	30 Jun 2042	1,347	1,616	1,637
City of Ottawa	3.10	27 Jul 2048	683	775	644	AltaLink, L.P.	4.05	21 Nov 2044	626	765	768
City of Toronto	2.40	24 Jun 2026	225	243	225	Bank of America Corporation	3.30	24 Apr 2024	5,555	5,860	5,716
City of Toronto	2.95	28 Apr 2035	300	335	277	Bank of Montreal	2.27	11 Jul 2022	175	180	180
City of Toronto	3.50	2 Jun 2036	1,509	1,792	1,504	Bank of Montreal	2.85	6 Mar 2024	1,070	1,135	1,088
City of Toronto	5.20	1 Jun 2040	350	513	446	Bank of Montreal	2.70	11 Sep 2024	1,460	1,561	1,448
City of Toronto	4.70	10 Jun 2041	325	451	383	Bank of Montreal	2.37	3 Feb 2025	925	971	920
City of Toronto	3.80	13 Dec 2042	550	687	578	Bank of Montreal	2.88	17 Sep 2029	5,515	5,793	5,505
City of Toronto	4.15	10 Mar 2044	225	293	246	Bank of Montreal	2.08	17 Jun 2030	750	765	750
City of Toronto	3.25	24 Jun 2046	109	126	109	Bank of Nova Scotia	1.83	27 Apr 2022	123	125	120
City of Vancouver	3.10	21 Sep 2028	600	683	600	Bank of Nova Scotia	2.36	8 Nov 2022	250	259	259
City of Vancouver	3.70	18 Oct 2052	1,145	1,478	1,227	Bank of Nova Scotia	2.38	1 May 2023	1,268	1,316	1,288
City of Winnipeg	4.10	1 Jun 2045	42	54	48	Bank of Nova Scotia	2.49	23 Sep 2024	356	375	362
City of Winnipeg	4.30	15 Nov 2051	450	628	512	Bank of Nova Scotia	3.89	18 Jan 2029	4,554	4,911	4,614
Municipal Finance Authority of British Columbia	2.50	19 Apr 2026	822	891	823	Bank of Nova Scotia	2.84	3 Jul 2029	6,010	6,300	6,049
Region of Peel	2.30	2 Nov 2026	77	83	77	Bell Canada	3.00	3 Oct 2022	2,576	2,679	2,642
Region of Peel	5.10	29 Jun 2040	550	795	694	Bell Canada	3.35	22 Mar 2023	595	625	628
Region of Peel	3.85	30 Oct 2042	900	1,129	989	Bell Canada	3.35	12 Mar 2025	666	720	656
Regional Municipality of Halton	4.05	11 Oct 2041	300	385	336	Bell Canada	2.90	10 Sep 2029	425	451	443
Regional Municipality of York	2.60	15 Dec 2025	950	1,031	927	Bell Canada	2.50	14 May 2030	650	665	649
Regional Municipality of York	2.50	2 Jun 2026	77	83	79	Bell Canada	6.10	16 Mar 2035	192	254	267
Regional Municipality of York	4.00	31 May 2032	300	371	329	Bell Canada	4.75	29 Sep 2044	441	523	575
Regional Municipality of York	4.05	1 May 2034	625	783	688	Bell Canada	4.35	18 Dec 2045	2,248	2,540	2,488
				19,837	17,291	Bell Canada	3.50	30 Sep 2050	1,350	1,333	1,412
						BMW Canada Inc.	2.22	20 Dec 2021	125	126	127
Corporate – 24.6%						Brookfield Infrastructure Finance ULC	2.86	1 Sep 2032	1,360	1,371	1,360
407 International Inc.	2.59	25 May 2032	850	897	915	Brookfield Renewable Partners L.P.	4.25	15 Jan 2029	982	1,138	1,146
407 International Inc.	5.96	3 Dec 2035	935	1,315	1,345	Brookfield Renewable Partners L.P.	3.33	13 Aug 2050	222	217	222
407 International Inc.	5.75	14 Feb 2036	1,247	1,608	1,669	Caisse Centrale Desjardins	2.39	25 Aug 2022	1,195	1,234	1,236
407 International Inc.	3.65	8 Sep 2044	1,767	1,999	2,023	Caisse Centrale Desjardins	3.06	11 Sep 2023	1,002	1,067	1,068
407 International Inc.	3.72	11 May 2048	325	376	381	Caisse Centrale Desjardins	2.42	4 Oct 2024	1,401	1,469	1,401
407 International Inc.	2.84	7 Mar 2050	640	634	648	Calloway REIT Inc.	3.99	30 May 2023	1,385	1,460	1,456
Access Justice Durham Ltd.	5.02	31 Aug 2039	217	275	278	Canadian Imperial Bank of Commerce	2.30	11 Jul 2022	8,190	8,428	8,169
Aéroports de Montréal	5.67	16 Oct 2037	299	409	430	Canadian Imperial Bank of Commerce	2.00	17 Apr 2025	1,582	1,635	1,581
AIMCo Realty Investors L.P.	3.04	1 Jun 2028	805	881	843	Canadian Imperial Bank of Commerce	3.45	4 Apr 2028	1,570	1,653	1,609
AIMCo Realty Investors L.P.	2.71	1 Jun 2029	1,964	2,104	1,998	Canadian Imperial Bank of Commerce	2.95	19 Jun 2029	605	636	606
Alectra Inc.	5.30	29 Apr 2041	936	1,311	1,319	Canadian Imperial Bank of Commerce	2.01	21 Jul 2030	680	689	680
Alimentation Couche-Tard Inc.	3.06	26 Jul 2024	4,310	4,586	4,398	Canadian Natural Resources Limited	3.55	3 Jun 2024	2,000	2,106	2,069
Alimentation Couche-Tard Inc.	3.60	2 Jun 2025	601	657	625	Canadian Pacific Railway Ltd.	3.05	9 Mar 2050	350	351	347
Allied Properties REIT	3.11	8 Apr 2027	370	386	370	Canadian Western Bank	1.57	14 Sep 2023	1,828	1,839	1,829
Allied Properties REIT	3.13	15 May 2028	300	311	300	Central 1 Credit Union	3.06	14 Oct 2026	871	881	881
Allied Properties REIT	3.12	21 Feb 2030	490	499	490	Centre Hospitalier de l'Université de Montréal	6.72	30 Sep 2049	139	201	205
AltaGas Ltd.	3.72	28 Sep 2021	1,410	1,447	1,454	Choice Properties REIT	4.90	5 Jul 2023	697	758	761
AltaGas Ltd.	2.16	10 Jun 2025	510	520	510	Choice Properties REIT	3.56	9 Sep 2024	500	537	501
AltaGas Ltd.	4.99	4 Oct 2047	423	498	534						
AltaLink, L.P.	2.98	28 Nov 2022	575	602	605						

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

Government Grants (continued)

Appendix I to Schedule I Statement of Investment Portfolio As at October 31, 2020

(in thousands of Canadian dollars)

Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)	Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
Bonds (continued)						Bonds (continued)					
Corporate – 24.6% (continued)						Corporate – 24.6% (continued)					
Choice Properties REIT	3.55	10 Jan 2025	1,870	2,012	1,932	Glacier Credit Card Trust	1.39	22 Sep 2025	590	590	590
Choice Properties REIT	2.85	21 May 2027	1,666	1,750	1,666	Goldman Sachs Group, Inc.	2.43	26 Apr 2023	1,410	1,442	1,441
Choice Properties REIT	4.18	8 Mar 2028	380	430	399	Granite REIT Holdings Limited Partnership	3.06	4 Jun 2027	410	438	410
Choice Properties REIT	3.53	11 Jun 2029	2,368	2,571	2,414	Greater Toronto Airports Authority	2.73	3 Apr 2029	550	591	595
Choice Properties REIT	2.98	4 Mar 2030	1,013	1,053	1,047	Greater Toronto Airports Authority	7.10	4 Jun 2031	575	818	841
Choice Properties REIT	5.27	7 Mar 2046	468	566	550	Greater Toronto Airports Authority	6.98	15 Oct 2032	124	179	185
Coast Capital Savings Credit Union	5.00	3 May 2028	804	848	850	Greater Toronto Airports Authority	6.47	2 Feb 2034	335	472	485
Co-operators Financial Services	3.33	13 May 2030	550	550	564	Greater Toronto Airports Authority	2.75	17 Oct 2039	975	957	974
Crombie Real Estate Investment Trust	2.69	31 Mar 2028	551	551	551	Greater Toronto Airports Authority	4.53	2 Dec 2041	840	1,048	1,111
CU Inc.	5.56	26 May 2028	758	969	949	Great-West Lifeco Inc.	2.38	14 May 2030	610	632	610
CU Inc.	4.54	24 Oct 2041	429	545	532	Great-West Lifeco Inc.	6.67	21 Mar 2033	1,577	2,205	2,086
CU Inc.	4.72	9 Sep 2043	4,466	5,848	5,776	Great-West Lifeco Inc.	2.98	8 Jul 2050	833	812	828
CU Inc.	2.96	7 Sep 2049	955	975	964	H&R REIT	2.92	6 May 2022	229	230	231
Daimler Canada Finance Inc.	2.57	22 Nov 2022	300	309	300	H&R REIT	3.37	30 Jan 2024	141	143	143
Daimler Canada Finance Inc.	2.54	21 Aug 2023	1,397	1,446	1,389	HCN Canadian Holdings L.P.	2.95	15 Jan 2027	1,110	1,123	1,132
Daimler Canada Finance Inc.	2.97	13 Mar 2024	1,192	1,253	1,205	Heathrow Funding Ltd.	3.25	21 May 2027	936	963	979
Eagle Credit Card Trust	1.27	17 Jul 2025	187	187	187	Heathrow Funding Ltd.	3.78	4 Sep 2030	935	954	1,019
Enbridge Gas Distribution Inc.	4.00	22 Aug 2044	1,725	2,069	2,045	Heathrow Funding Ltd.	3.66	13 Jan 2031	180	181	180
Enbridge Inc.	3.19	5 Dec 2022	3,729	3,891	3,871	Honda Canada Finance Inc.	3.18	28 Aug 2023	2,183	2,314	2,262
Enbridge Inc.	2.44	2 Jun 2025	2,291	2,369	2,331	Honda Canada Finance Inc.	1.34	17 Mar 2026	650	647	650
Enbridge Inc.	2.99	3 Oct 2029	565	592	565	Hospital Infrastructure Partner Inc.	5.44	31 Jan 2045	129	170	173
Enbridge Inc.	5.75	2 Sep 2039	245	301	310	HSBC Bank Canada	2.17	29 Jun 2022	2,892	2,960	2,917
Enbridge Inc.	4.57	11 Mar 2044	2,065	2,259	2,375	HSBC Bank Canada	2.54	31 Jan 2023	7,467	7,746	7,441
Enbridge Inc.	5.38	27 Sep 2077	624	618	627	HSBC Bank Canada	3.25	15 Sep 2023	260	277	277
Enbridge Inc.	6.63	12 Apr 2078	1,883	2,004	2,030	Husky Energy Inc.	3.55	12 Mar 2025	1,000	810	834
Enbridge Pipelines Inc.	4.55	17 Aug 2043	1,310	1,475	1,507	Husky Energy Inc.	3.50	7 Feb 2028	621	595	603
Enbridge Pipelines Inc.	4.13	9 Aug 2046	1,882	2,012	2,085	Hydro One Inc.	0.71	16 Jan 2023	21	21	21
Enmax Corporation	3.88	18 Oct 2029	598	665	670	Hydro One Inc.	2.54	5 Apr 2024	40	42	41
Epcor Utilities Inc.	1.30	19 May 2023	287	291	287	Hydro One Inc.	8.25	22 Jun 2026	2,950	4,114	4,397
Epcor Utilities Inc.	3.55	27 Nov 2047	1,733	1,965	1,949	Hydro One Inc.	6.93	1 Jun 2032	1,403	2,090	2,135
Epcor Utilities Inc.	3.95	26 Nov 2048	840	1,019	1,055	Hydro One Inc.	5.36	20 May 2036	936	1,260	1,245
Federated Co-operatives Ltd.	3.92	17 Jun 2025	1,479	1,571	1,538	Hydro One Inc.	6.59	22 Apr 2043	260	421	407
Federation des caisses Desjardins du Quebec	2.86	26 May 2030	1,013	1,063	1,013	Hydro One Inc.	3.63	25 Jun 2049	1,519	1,762	1,687
Finning International Inc.	2.63	14 Aug 2026	935	963	940	Hydro One Inc.	3.64	5 Apr 2050	950	1,105	1,048
Ford Credit Canada Limited	0.89	15 Apr 2023	303	303	303	Hydro-Québec	6.00	15 Aug 2031	2,750	3,984	3,788
Ford Credit Canada Limited	1.15	15 Jun 2024	515	515	515	Hydro-Québec	6.50	15 Feb 2035	450	715	658
Foresters Life Insurance Company	2.89	15 Oct 2035	494	493	494	Hydro-Québec	6.00	15 Feb 2040	250	407	360
FortisAlberta Inc.	5.40	21 Apr 2036	1,559	2,073	2,095	Hydro-Québec	5.00	15 Feb 2045	450	689	590
FortisAlberta Inc.	5.37	30 Oct 2039	2,455	3,366	3,314	Hydro-Québec	5.00	15 Feb 2050	1,500	2,408	2,061
FortisBC Energy Inc.	5.90	26 Feb 2035	328	453	459	Hydro-Québec	4.00	15 Feb 2055	1,566	2,252	2,041
FortisBC Energy Inc.	6.00	2 Oct 2037	623	896	891	IA Financial Group	2.40	21 Feb 2030	450	463	450
FortisBC Energy Inc.	3.85	7 Dec 2048	624	752	753	IGM Financial Inc.	4.56	25 Jan 2047	624	735	716
General Motors Financial of Canada Ltd.	3.25	7 Nov 2023	290	299	290	Intact Financial Corporation	2.85	7 Jun 2027	549	588	544
Gibson Energy Inc.	2.45	14 Jul 2025	110	112	110	Inter Pipeline Ltd.	2.61	13 Sep 2023	1,559	1,596	1,549
Gibson Energy Inc.	2.85	14 Jul 2027	140	144	140	Inter Pipeline Ltd.	3.48	16 Dec 2026	1,560	1,635	1,632
Gibson Energy Inc.	3.60	17 Sep 2029	449	478	485	Inter Pipeline Ltd.	4.64	30 May 2044	312	317	345
						John Deere Financial Inc.	2.99	14 Jan 2022	360	370	371

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

Government Grants (continued)

Appendix I to Schedule I Statement of Investment Portfolio As at October 31, 2020

(in thousands of Canadian dollars)

Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)	Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
Bonds (continued)						Bonds (continued)					
Corporate – 24.6% (continued)						Corporate – 24.6% (continued)					
John Deere Financial Inc.	1.34	8 Sep 2027	520	517	520	Real Estate Asset Liquidity Trust	2.38	12 Dec 2028	260	255	253
Laurentian Bank of Canada	3.00	12 Sep 2022	536	552	551	Real Estate Asset Liquidity Trust	2.87	12 Jan 2030	240	240	240
Laurentian Bank of Canada	3.45	27 Jun 2023	398	417	418	Reliance L.P.	2.68	1 Dec 2027	225	230	225
Liberty Utilities Canada L.P.	3.32	14 Feb 2050	1,840	1,817	1,843	Riocan Real Estate Investment Trust	3.21	29 Sep 2023	1,235	1,275	1,260
Loblaw Companies Limited	4.86	12 Sep 2023	1,558	1,714	1,701	Riocan Real Estate Investment Trust	3.29	12 Feb 2024	390	404	399
Loblaw Companies Limited	3.92	10 Jun 2024	1,558	1,705	1,667	Riocan Real Estate Investment Trust	2.36	10 Mar 2027	790	774	791
Loblaw Companies Limited	4.49	11 Dec 2028	380	454	461	Rogers Communications Inc.	4.00	13 Mar 2024	451	491	493
Loblaw Companies Limited	6.50	22 Jan 2029	1,598	2,109	2,035	Rogers Communications Inc.	3.65	31 Mar 2027	301	334	300
Loblaw Companies Limited	6.54	17 Feb 2033	483	646	675	Rogers Communications Inc.	3.25	1 May 2029	747	815	777
Loblaw Companies Limited	6.15	29 Jan 2035	566	756	789	Rogers Communications Inc.	6.56	22 Mar 2041	400	572	604
Loblaw Companies Limited	5.90	18 Jan 2036	999	1,303	1,297	Royal Bank of Canada	2.36	5 Dec 2022	58	60	60
Manufacturers Life Insurance Company	3.18	22 Nov 2027	2,592	2,702	2,686	Royal Bank of Canada	2.61	1 Nov 2024	490	519	491
Manulife Bank of Canada	1.50	25 Jun 2025	1,096	1,113	1,096	Royal Bank of Canada	2.33	28 Jan 2027	3,680	3,882	3,615
Manulife Financial Corporation	3.32	9 May 2028	2,187	2,298	2,201	Royal Bank of Canada	2.74	25 Jul 2029	7,195	7,532	7,234
Manulife Financial Corporation	2.24	12 May 2030	1,929	1,983	1,928	Royal Bank of Canada	2.88	23 Dec 2029	2,120	2,235	2,145
Manulife Financial Corporation	2.82	13 May 2035	1,000	1,039	1,019	Royal Bank of Canada	2.09	30 Jun 2030	1,440	1,470	1,440
Manulife Financial Corporation	5.06	15 Dec 2041	600	723	760	Shaw Communications Inc.	3.30	10 Dec 2029	615	664	624
MCAP Commercial L.P.	3.74	25 Aug 2025	197	199	197	Shaw Communications Inc.	2.90	9 Dec 2030	220	228	220
Metro Inc.	4.27	4 Dec 2047	848	971	1,056	SmartCentres Real Estate Investment Trust	3.44	28 Aug 2026	613	645	634
Metropolitan Life Insurance Company	1.01	27 Sep 2022	1,953	1,964	1,894	SmartCentres Real Estate Investment Trust	3.19	11 Jun 2027	1,621	1,677	1,668
Metropolitan Life Insurance Company	3.39	9 Apr 2030	1,560	1,733	1,631	SmartCentres Real Estate Investment Trust	3.53	20 Dec 2029	482	500	510
Montreal Airport	3.03	21 Apr 2050	539	543	572	SNC-Lavalin Innisfree McGill Finance Inc.	6.63	30 Jun 2044	79	113	115
National Australia Bank	3.52	12 Jun 2030	598	624	598	South Coast Transportation Authority	3.25	23 Nov 2028	700	806	699
National Bank of Canada	2.98	4 Mar 2024	576	613	593	Summit Industrial Income REIT	2.15	17 Sep 2025	104	104	104
National Bank of Canada	1.57	18 Aug 2026	1,050	1,061	1,050	Sun Life Financial Inc.	2.06	1 Oct 2035	693	681	692
National Bank of Canada	3.18	1 Feb 2028	2,465	2,567	2,457	Sun Life Financial Inc.	5.40	29 May 2042	95	121	122
NAV Canada	3.53	23 Feb 2046	576	662	684	Suncor Energy Inc.	3.10	26 Nov 2021	898	916	920
North West Redwater Partnership	2.10	23 Feb 2022	1,351	1,369	1,373	Suncor Energy Inc.	5.00	9 Apr 2030	350	404	349
North West Redwater Partnership	2.80	1 Jun 2027	200	210	209	Sunlife Financial Inc.	2.58	10 May 2032	1,773	1,863	1,798
North West Redwater Partnership	4.25	1 Jun 2029	5,052	5,807	5,632	Sysco Canada, Inc.	3.65	25 Apr 2025	125	133	126
North West Redwater Partnership	4.35	10 Jan 2039	1,558	1,744	1,822	TELUS Corporation	3.35	15 Mar 2023	3,013	3,164	3,106
North West Redwater Partnership	3.70	23 Feb 2043	1,040	1,073	1,045	TELUS Corporation	2.75	8 Jul 2026	1,486	1,579	1,507
Nova Scotia Power Inc.	5.61	15 Jun 2040	100	138	146	TELUS Corporation	2.35	27 Jan 2028	250	258	249
Omers Realty Corporation	3.63	5 Jun 2030	407	475	449	TELUS Corporation	3.63	1 Mar 2028	2,630	2,930	2,768
Pembina Pipeline Corporation	2.56	1 Jun 2023	285	294	286	TELUS Corporation	3.30	2 May 2029	1,134	1,242	1,158
Pembina Pipeline Corporation	3.71	11 Aug 2026	785	852	841	TELUS Corporation	4.40	29 Jan 2046	899	1,002	1,098
Pembina Pipeline Corporation	3.31	1 Feb 2030	1,810	1,895	1,817	TELUS Corporation	4.70	6 Mar 2048	2,103	2,476	2,435
Pembina Pipeline Corporation	4.74	21 Jan 2047	642	685	763	TELUS Corporation	3.95	16 Feb 2050	1,110	1,165	1,214
Pembina Pipeline Corporation	4.67	28 May 2050	886	940	887	Thomson Reuters Corporation	2.24	14 May 2025	2,473	2,556	2,473
Power Corporation of Canada	8.57	22 Apr 2039	1,107	1,874	1,831	Toronto Dominion Bank	0.82	28 Jun 2023	532	536	524
						Toronto Dominion Bank	1.91	18 Jul 2023	5,270	5,440	5,096
						Toronto Dominion Bank	2.85	8 Mar 2024	3,213	3,413	3,209

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

Government Grants (continued)

Appendix I to Schedule I Statement of Investment Portfolio As at October 31, 2020

(in thousands of Canadian dollars)

Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)	Security	Number of Securities	Fair Value (\$)	Average Cost (\$)
Bonds (continued)						Equities – 4.5% (continued)			
Corporate – 24.6% (continued)						Metro Inc.	26,610	1,651	1,427
Toronto Dominion Bank	1.94	13 Mar 2025	1,040	1,076	1,040	National Bank of Canada	18,925	1,208	1,028
Toronto Dominion Bank	3.22	25 Jul 2029	1,551	1,653	1,530	OpenText Corporation	23,500	1,148	1,315
Toronto Dominion Bank	3.11	22 Apr 2030	1,913	2,041	1,913	Quebecor Inc.	32,300	997	939
Toronto Dominion Bank	4.86	4 Mar 2031	2,732	3,184	2,971	Restaurant Brands International Inc.	13,300	920	1,030
Toronto Dominion Bank	3.06	26 Jan 2032	2,030	2,188	2,008	Ritchie Brothers Auctioneers	6,559	529	277
Toronto Hydro Corporation	3.49	28 Feb 2048	1,248	1,424	1,396	Rogers Communications Inc.	11,200	605	625
Toyota Credit Canada Inc.	2.31	23 Oct 2024	923	965	923	Royal Bank of Canada	17,400	1,619	1,476
TransCanada PipeLines Limited	3.69	19 Jul 2023	2,182	2,317	2,303	Saputo Inc.	9,771	317	397
TransCanada PipeLines Limited	3.80	5 Apr 2027	3,916	4,320	3,978	Shaw Communications Inc.	26,600	583	601
TransCanada PipeLines Limited	3.39	15 Mar 2028	815	882	869	TELUS Corporation	29,446	670	675
TransCanada PipeLines Limited	3.00	18 Sep 2029	510	538	515	Thomson Reuters Corporation	12,300	1,272	1,171
TransCanada PipeLines Limited	4.55	15 Nov 2041	6,246	6,808	6,936	TMX Group Limited	10,500	1,357	1,378
TransCanada Trust	4.65	18 May 2077	935	911	911	Toromont Industries Ltd.	20,896	1,731	1,094
Union Gas Limited	5.20	23 Jul 2040	2,095	2,840	2,794	Toronto Dominion Bank	24,694	1,450	1,507
Union Gas Limited	4.20	2 Jun 2044	1,370	1,686	1,646	Waste Connections, Inc.	7,100	937	913
Vancouver International Airport	1.76	20 Sep 2030	225	223	225	Winpak Ltd.	22,600	929	1,019
Vancouver International Airport	2.80	21 Sep 2050	480	465	480			67,727	65,521
Ventas Canada Finance Limited	2.80	12 Apr 2024	1,155	1,171	1,171	Exchanged-traded Funds – 25.8%			
Verizon Communications Inc.	2.50	16 May 2030	2,107	2,187	2,103	BMO MSCI EAFE Index ETF	3,521,840	60,855	63,402
VW Credit Canada Inc.	3.70	14 Nov 2022	2,935	3,090	3,021	BMO MSCI Emerging Markets Index ETF	730,690	15,688	13,805
VW Credit Canada Inc.	3.25	29 Mar 2023	1,305	1,370	1,331	BMO S&P 500 Index ETF	1,307,200	62,667	48,444
VW Credit Canada Inc.	1.50	23 Sep 2025	530	527	525	iShares Core MSCI Emerging Markets IMI Index ETF	599,646	16,466	15,118
Wells Fargo & Company	3.18	8 Feb 2024	2,050	2,168	2,103	iShares Core S&P U.S. ETF	3,840,601	125,700	97,395
Wells Fargo & Company	2.57	1 May 2026	2,578	2,677	2,578	iShares Global Infrastructure Index ETF	939,723	22,591	25,148
Wells Fargo & Company	2.98	19 May 2026	4,935	5,230	5,036	iShares Global Real Estate Index ETF	808,019	20,831	25,641
Wells Fargo & Company	2.49	18 Feb 2027	2,805	2,897	2,778	iShares Core MSCI EAFE IMI Index ETF	2,123,581	61,053	62,436
				367,313	359,187			385,851	351,389
Total Fixed Income – 69.6%						Total Equities – 30.3%		453,578	416,910
			1,040,766	1,005,036		Total Investments – 99.9%			
						Cash and cash equivalents – 0.1%		1,734	1,734
						Total Portfolio Assets – 100.0%			
						Total Investments Allocation			
						Plan II	858	816	
						Founders' Plan	9,855	9,377	
						Group Savings Plan	66,555	63,331	
						CST Advantage Plan	1,268,089	1,206,653	
						Family Savings Plan	145,450	138,403	
						Individual Savings Plan	3,537	3,366	
							1,494,344	1,421,946	
						Cash and cash equivalents Allocation			
						Plan II	1	1	
						Founders' Plan	11	11	
						Group Savings Plan	77	77	
						CST Advantage Plan	1,472	1,472	
						Family Savings Plan	169	169	
						Individual Savings Plan	4	4	
							1,734	1,734	

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

Sales Charge Refund Entitlements (continued)

Appendix III to Schedule I

Statement of Investment Portfolio

As at October 31, 2020

(in thousands of Canadian dollars)

Agreements Purchased on or after October 2, 2007 (continued)

Security	Number of Securities	Fair Value (\$)	Average Cost (\$)
Pooled Equity Funds – 79.9%			
CCL Global Equity Fund	2,959,345	65,592	68,312
Total Equities – 79.9%		65,592	68,312
Total Investments – 99.6%		81,723	83,425
Cash and cash equivalents – 0.4%		329	329
Total Portfolio Assets – 100.0%		82,052	83,754
Total Investments Allocation			
CST Advantage Plan		81,723	83,425
		81,723	83,425
Cash and cash equivalents Allocation			
CST Advantage Plan		329	329
		329	329

Canadian Scholarship Trust Plan

Sponsor

Canadian Scholarship Trust Foundation
2235 Sheppard Avenue East, Suite 1600
Toronto, Ontario M2J 5B8
1.877.333.RESP (7377)

Investment Fund Manager and Distributor

C.S.T. Consultants Inc.
2235 Sheppard Avenue East, Suite 1600
Toronto, Ontario M2J 5B8

Trustee

RBC Investor Services Trust
155 Wellington Street West, 2nd Floor
Toronto, ON M5V 3L3

Auditor

Deloitte LLP
Bay Adelaide East
8 Adelaide Street West, Suite 200
Toronto, Ontario M5H 0A9

Bank

Royal Bank of Canada
Royal Bank Plaza
South Tower
200 Bay Street, 10th Floor
Toronto, Ontario M5J 2J5

For updates on your Plan account, login to Online Services at www.cst.org
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