

Annual Management Report of Fund Performance

Harmony Yield Portfolio

SEPTEMBER 30, 2018

Management Discussion of Fund Performance

This management discussion of fund performance represents the portfolio management team's view of the significant factors and developments affecting the portfolio's performance and outlook.

Investment Objective and Strategies

Pursuant to the Declaration of Trust, the investment objective of Harmony Yield Portfolio (the "Portfolio") is to provide moderate growth combined with income by investing in a diversified mix of equity and income Harmony pools (the "Underlying Pools"). AGF Investments Inc. ("AGFI"), as portfolio manager, in consultation with a third party consultant, determines from time to time the target weighting and allocation of the Portfolio's assets that will be invested in the Underlying Pools. In periods of unusual market conditions, a portion of the Portfolio's assets may be held in cash or money market instruments.

Risk

The risks of investing in the Portfolio remain as disclosed in the current prospectus. The Portfolio continues to be suitable for income-oriented investors who have medium investment time horizon, require regular monthly cash flow and have low to medium tolerance for risk.

Results of Operations

For the year ended September 30, 2018, the Wrap Series Units of the Portfolio returned 3.2% (net of expenses) while the FTSE TMX Canada Universe Bond Index ("FTSE TMX Universe Bond Index"), the S&P/TSX 60 Index and the Blended Benchmark returned 1.7%, 6.5% and 3.2%, respectively. The Blended Benchmark is composed of 60% FTSE TMX Universe Bond Index/30% S&P/TSX 60 Index/10% Bloomberg Barclays Global Aggregate Index. The performance of the other series of the Portfolio is substantially similar to that of the Wrap Series Units, save for differences in expense structure. Refer to "Past Performance" section for performance information of such series.

The Portfolio out-performed the FTSE TMX Universe Bond Index due to out-performance of approximately 91.0% of the Underlying Pools. The Portfolio under-performed the S&P/TSX 60 Index as all the Underlying Pools under-performed the index. The Portfolio performed in-line with the Blended Benchmark.

During the period under review, the Portfolio's exposure amongst the Underlying Pools remained relatively the same.

The following illustrates significant factors and developments affecting the Underlying Pools' performance and outlook.

As the Portfolio holds Wrap Series Units of the Underlying Pools, reference to performance figures below are for Wrap Series Units only.

During the period under review, Harmony Canadian Fixed Income Pool out-performed the FTSE TMX Universe Bond Index by 0.3%. The pool's exposure to convertible bonds supported returns, which were aided by growth in equity markets during the reporting period. Exposure to high yield bonds also contributed, which out-performed the category as

spreads tightened and corporate fundamentals remained strong. An underweight allocation to Canadian government bonds and Canadian provincial bonds was additive, as these categories lagged investment-grade corporate bonds, which the pool held an overweight position. As yields generally moved higher, the pool's defensive positioning in maintaining a lower duration relative to the benchmark also added to returns. Duration exposure is the sensitivity of the portfolio due to changes in interest rates. Within the pool, Baker Gilmore & Associates Inc. ("Baker Gilmore") out-performed relative to the FTSE TMX Universe Bond Index, benefiting from being underweight duration most of the reporting period. Baker Gilmore also added value through strong security selection. Conversely, AGFI under-performed the FTSE TMX Universe Bond Index. The exchange traded fund ("ETF") portion of the pool also detracted due to exposure to U.S. fixed income, which was negatively impacted by rising U.S. interest rates. During the third calendar quarter of 2018, the pool added exposure to iShares Core 1-5 Year USD Bond ETF, while exposure to Vanguard Total Bond Market ETF was removed.

During the period under review, Harmony Diversified Income Pool under-performed S&P/TSX 60 Index by 1.2%. The dividend income portion of the pool, managed by Highstreet Asset Management Inc. ("Highstreet"), added value on an absolute basis during the reporting period, returning 8.4% versus a gain of 6.5% for the S&P/TSX 60 Index. The ETF portion of the pool detracted from performance, returning 0.2% relative to the FTSE TMX Universe Bond Index, which returned 1.7%. Equity performance benefited from a material allocation to dividend paying U.S. equities, which substantially out-performed the S&P/TSX 60 Index during the reporting period. During the third calendar quarter of 2018, the pool's exposure to traditional income was eliminated and reallocated to ETFs.

During the period under review, Harmony Canadian Equity Pool performed in-line with the S&P/TSX Composite Index, both returning 5.9%. Strong stock selection in the consumer discretionary and materials sectors along with an overweight allocation to the information technology sector contributed to performance. This was partially offset by stock selection in the health care sector, which detracted. Connor, Clark & Lunn Investment Management Ltd. out-performed the S&P/TSX Composite Index during the reporting period due to strong stock selection in the consumer discretionary and energy sectors along with an overweight allocation to the information technology sector. This was partially offset by stock selection in the utilities sector, which dragged on performance. Highstreet out-performed the S&P/TSX Small Cap Index due to strong stock selection in the consumer discretionary and information technology sectors. Stock selection in the energy and industrials sector detracted from performance. The ETF portion of the pool slightly detracted, returning 5.4%. The pool remained unchanged in its exposure to domestic equity ETFs during the reporting period.

During the period under review, Harmony Global Fixed Income Pool under-performed the Bloomberg Barclays Global Aggregate Index by 2.4%. Performance was negatively impacted by being overweight

This annual management report of fund performance contains financial highlights, but does not contain the complete annual financial statements of the investment fund. You can get a copy of the annual financial statements at your request, and at no cost, by calling 1 800 387-2563, by writing to us at AGF Investments Inc., 55 Standish Court, Suite 1050, Mississauga, Ontario, Canada L5R 0G3 attention: Harmony Client Services, or by visiting our website at www.agf.com or SEDAR at www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

emerging markets debt as well as being underweight U.S. exposure. The pool was primarily invested in ETFs during the reporting period. Exposure to iShares Core Total USD Bond Market ETF was removed while exposure to iShares Core US Aggregate Bond ETF and Vanguard Total Bond Market ETF was increased in order to increase the credit quality and exposure to government issues.

Certain series of the Portfolio, as applicable, make monthly distributions at a rate determined by AGFI from time to time. If the aggregate amount of the monthly distributions made to a series in a year exceeds the portion of the net income and net realized capital gains allocated to such series, the excess will constitute a return of capital. The portfolio manager does not believe that the distributions made by the Portfolio had a meaningful impact on the Portfolio's ability to implement its investment strategy or to fulfill its investment objectives.

The Portfolio had net redemptions of approximately \$5 million for the current period, as compared to net redemptions of approximately \$10 million in the prior period. The portfolio manager does not believe that redemption activity had a meaningful impact on the ability of AGFI as investment (portfolio) manager, to implement its investment strategy.

Total expenses vary period over period mainly as a result of changes in average Net Asset Values (see Explanatory Note (1) a)) and investor activity, such as number of investor accounts and transactions. The decrease in management fees accounted for most of the decrease in expenses during the period when compared to the previous period due to a decrease in average Net Asset Values. On the contrary, the increase in independent review committee fees was due to variances between the accrued amounts versus the actual expenses incurred in the previous period. All other expenses remained fairly consistent throughout the periods.

Recent Developments

AGFI, as portfolio manager, and the third party investment consultant hired to provide advice and recommendations to AGFI, monitor and review the Portfolio and the strategic asset allocation on a quarterly basis, as needed. Rebalancing of the allocations to the Underlying Pools within the Portfolio occurs in the event that actual allocations deviate from the most recently determined strategic targets by a predetermined percentage.

Moving into the third calendar quarter of 2018, the portfolio management team remains cautiously optimistic regarding global economies and global equities. Strong earnings growth has helped to bring equity valuations closer to historical averages, while economic growth remains resilient. The portfolio management team continues to expect a moderate economic growth environment in the near future, and therefore believes that the current economic landscape warrants low (relative to historical averages) interest rates in longer dated issues and lower expected returns across risk asset classes. Within the U.S., the portfolio management team is maintaining an underweight stance as it relates to growth stocks relative to their value counterparts. The portfolio management team is maintaining an underweight view in non-U.S. versus U.S. fixed income, due to relatively more attractive fixed income yields available within the U.S. when compared to the Eurozone and Japan.

The Canadian equity market, as measured by the S&P/TSX Composite Index, returned -0.6% in the third calendar quarter of 2018. Canada's gross domestic product ("GDP") increased 2.9% year-over-year in the

second calendar quarter of 2018, the strongest growth since the second calendar quarter of 2014. The Canadian dollar appreciated 1.8% relative to the U.S. dollar during the third calendar quarter of 2018.

The U.S. equity market was positive in the third calendar quarter of 2018, with the S&P 500 Index returning 5.3%. Real GDP rose during the second calendar quarter of 2018, expanding 4.2% on an annualized basis. The 10-year U.S. Treasury yield increased, starting the third calendar quarter at 2.85% and ending September 2018 at 3.05%.

Developed foreign markets posted negative performance for the third calendar quarter of 2018, with the MSCI EAFE Index falling 0.4% and the MSCI Emerging Markets Index returning -2.8%.

Fixed income returns were negative in the third calendar quarter of 2018, with the FTSE TMX Universe Bond Index returning -1.0% and the Citi World Government Bond Index returning -3.3%.

There have been no material changes in regards to the strategic position of the Portfolio. Additionally, there were no known material trends, commitments, events or uncertainties that might reasonably be expected to affect the Portfolio.

Effective October 1, 2018, certain operating expenses relating to registrar and transfer agency services are paid directly by AGFI and in exchange, a fixed rate administration fee was introduced for all series of the Portfolio. The administration fee was approved by the unitholders of the Portfolio on June 14, 2018. The administration fee for each series is calculated daily and payable monthly, based on the average Net Asset Value of the respective series of the Portfolio at a fixed annual rate, as disclosed in the current prospectus. The Portfolio continues to pay for all other operating expenses.

Related Party Transactions

AGFI is the manager ("Manager") and trustee of the Portfolio. The Portfolio is designed to offer strategic asset allocation and diversification through direct investments in units of Underlying Pools. Unitholders of the Embedded Series, Series F, Series T and Series V Units agree to pay management fees, calculated based on the Net Asset Value of the respective series of the Portfolio. Unitholders of the Wrap Series Units pay service fees directly to their dealers and do not pay management fees. A portion of such service fee is retained by AGFI.

AGFI also acts as the investment (portfolio) manager of the Portfolio and certain of the Underlying Pools which the Portfolio invests in. As portfolio manager of the Portfolio, AGFI does not charge any direct investment management fees to the Portfolio in order to avoid duplication of investment management fees. Management fees of approximately \$349,000 were incurred by the Portfolio during the period ended September 30, 2018.

AGF CustomerFirst Inc. ("AGFC") provides transfer agency services to the Portfolio pursuant to a services agreement with AGFI. Unitholder servicing and administrative fees of approximately \$26,000 incurred by the Portfolio were paid to AGFC during the period ended September 30, 2018.

AGFI and AGFC are indirect wholly-owned subsidiaries of AGF Management Limited.

Caution Regarding Forward-looking Statements

This report may contain forward-looking statements about the Portfolio, including its strategy, 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” or negative versions thereof and similar expressions.

In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Portfolio 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 Portfolio and economic factors.

The forward-looking statements are by their nature based on numerous assumptions, which include, amongst other things, that (i) the Portfolio can attract and maintain investors and has sufficient capital under management to effect its investment strategies, (ii) the investment strategies will produce the results intended by the portfolio manager, and (iii) the markets will react and perform in a manner consistent with the investment strategies. Although the forward-looking statements contained herein are based upon what the portfolio manager believes to be reasonable assumptions, the portfolio manager cannot assure that actual results will be consistent with these forward-looking statements.

Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by the Portfolio. 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 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. Further, you should be aware of the fact that the Portfolio has no specific intention of updating any 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.

Financial Highlights

The following tables show selected key financial information about the Portfolio and are intended to help you understand the Portfolio’s financial performance for the past five years as applicable. The Portfolio adopted International Financial Reporting Standards (“IFRS”) on October 1, 2014. All per unit information presented for the period ended September 30, 2014, including opening net assets, reflects retrospective adjustments in accordance with IFRS. Previously, financial statements were prepared in accordance with Canadian generally accepted accounting principles (“Canadian GAAP”).

Wrap Series Units - Net Assets per Unit⁽¹⁾

For the periods ended	Sept 30, 2018 (\$)	Sept 30, 2017 (\$)	Sept 30, 2016 (\$)	Sept 30, 2015 (\$)	Sept 30, 2014 (\$)
Net Assets, beginning of period⁽¹⁾	8.16	8.52	8.32	8.57	8.25
Increase (decrease) from operations:					
Total revenue	0.25	0.37	0.45	0.49	0.45
Total expenses	(0.01)	(0.01)	(0.01)	(0.02)	(0.02)
Realized gains (losses)	(0.02)	0.00	0.04	0.10	0.12
Unrealized gains (losses)	0.04	(0.30)	0.12	(0.41)	0.24
Total increase (decrease) from operations⁽²⁾	0.26	0.06	0.60	0.16	0.79
Distributions:					
From income (excluding dividends)	–	(0.15)	–	–	(0.01)
From dividends	(0.06)	(0.16)	(0.37)	(0.24)	(0.24)
From capital gains	–	(0.06)	–	–	–
Return of capital	(0.35)	(0.05)	(0.05)	(0.19)	(0.18)
Total annual distributions⁽³⁾	(0.41)	(0.42)	(0.42)	(0.43)	(0.43)
Net Assets, end of period⁽⁴⁾	8.01	8.16	8.52	8.32	8.57

Wrap Series Units - Ratios/Supplemental Data⁽¹⁾

For the periods ended	Sept 30, 2018	Sept 30, 2017	Sept 30, 2016	Sept 30, 2015	Sept 30, 2014
Total Net Asset Value (\$000's)	4,062	5,074	6,471	7,442	7,518
Number of units outstanding (000's)	507	622	760	895	877
Management expense ratio ⁽⁵⁾	0.56%	0.57%	0.57%	0.55%	0.54%
Management expense ratio before waivers or absorptions ⁽⁶⁾	1.03%	0.90%	0.91%	0.74%	0.67%
Trading expense ratio ⁽⁷⁾	0.06%	0.10%	0.09%	0.08%	0.08%
Portfolio turnover rate ⁽⁸⁾	5.41%	13.79%	19.52%	9.38%	2.25%
Net Asset Value per unit	8.01	8.16	8.52	8.32	8.57

Embedded Series Units - Net Assets per Unit⁽¹⁾

For the periods ended	Sept 30, 2018 (\$)	Sept 30, 2017 (\$)	Sept 30, 2016 (\$)	Sept 30, 2015 (\$)	Sept 30, 2014 (\$)
Net Assets, beginning of period⁽¹⁾	6.28	6.71	6.71	7.07	6.96
Increase (decrease) from operations:					
Total revenue	0.20	0.28	0.36	0.41	0.35
Total expenses	(0.15)	(0.16)	(0.16)	(0.17)	(0.17)
Realized gains (losses)	(0.03)	0.00	0.03	0.08	0.10
Unrealized gains (losses)	0.03	(0.23)	0.10	(0.33)	0.21
Total increase (decrease) from operations⁽²⁾	0.05	(0.11)	0.33	(0.01)	0.49
Distributions:					
From income (excluding dividends)	–	(0.12)	–	–	(0.00)
From dividends	(0.01)	(0.08)	(0.25)	(0.01)	(0.03)
From capital gains	–	(0.05)	–	–	–
Return of capital	(0.30)	(0.08)	(0.08)	(0.34)	(0.33)
Total annual distributions⁽³⁾	(0.31)	(0.33)	(0.33)	(0.35)	(0.36)
Net Assets, end of period⁽⁴⁾	6.02	6.28	6.71	6.71	7.07

Embedded Series Units - Ratios/Supplemental Data⁽¹⁾

For the periods ended	Sept 30, 2018	Sept 30, 2017	Sept 30, 2016	Sept 30, 2015	Sept 30, 2014
Total Net Asset Value (\$000's)	12,595	16,635	24,782	29,422	35,873
Number of units outstanding (000's)	2,093	2,648	3,694	4,387	5,074
Management expense ratio ⁽⁵⁾	2.91%	2.91%	2.90%	2.88%	2.86%
Management expense ratio before waivers or absorptions ⁽⁶⁾	3.28%	3.14%	3.11%	2.99%	2.89%
Trading expense ratio ⁽⁷⁾	0.06%	0.10%	0.09%	0.08%	0.08%
Portfolio turnover rate ⁽⁸⁾	5.41%	13.79%	19.52%	9.38%	2.25%
Net Asset Value per unit	6.02	6.28	6.71	6.71	7.07

(1), (2), (3), (4), (5), (6), (7) and (8) see Explanatory Notes

Series F Units - Net Assets per Unit⁽¹⁾

For the periods ended	Sept 30, 2018 (\$)	Sept 30, 2017 (\$)	Sept 30, 2016 (\$)	Sept 30, 2015 (\$)	Sept 30, 2014 (\$)
Net Assets, beginning of period⁽¹⁾	9.04	9.54	9.41	9.82	9.58
Increase (decrease) from operations:					
Total revenue	0.27	0.32	0.43	0.61	0.37
Total expenses	(0.11)	(0.11)	(0.11)	(0.13)	(0.14)
Realized gains (losses)	(0.03)	(0.02)	0.04	0.10	0.15
Unrealized gains (losses)	0.05	(0.31)	0.27	(0.53)	0.17
Total increase (decrease) from operations⁽²⁾	0.18	(0.12)	0.63	0.05	0.55
Distributions:					
From income (excluding dividends)	—	(0.16)	—	—	(0.00)
From dividends	(0.04)	(0.22)	(0.40)	(0.22)	(0.39)
From capital gains	—	(0.07)	—	—	—
Return of capital	(0.41)	(0.01)	(0.07)	(0.27)	(0.10)
Total annual distributions⁽³⁾	(0.45)	(0.46)	(0.47)	(0.49)	(0.49)
Net Assets, end of period⁽⁴⁾	8.77	9.04	9.54	9.41	9.82

Series F Units - Ratios/Supplemental Data⁽¹⁾

For the periods ended	Sept 30, 2018	Sept 30, 2017	Sept 30, 2016	Sept 30, 2015	Sept 30, 2014
Total Net Asset Value (\$000's)	1,944	2,064	1,028	162	90
Number of units outstanding (000's)	222	228	108	17	9
Management expense ratio ⁽⁵⁾	1.69%	1.72%	1.69%	1.66%	1.75%
Management expense ratio before waivers or absorptions ⁽⁶⁾	2.02%	2.30%	2.73%	3.91%	8.90%
Trading expense ratio ⁽⁷⁾	0.06%	0.10%	0.09%	0.08%	0.08%
Portfolio turnover rate ⁽⁸⁾	5.41%	13.79%	19.52%	9.38%	2.25%
Net Asset Value per unit	8.77	9.04	9.54	9.41	9.82

Series T Units - Net Assets per Unit⁽¹⁾

For the periods ended	Sept 30, 2018 (\$)	Sept 30, 2017 (\$)	Sept 30, 2016 (\$)	Sept 30, 2015 (\$)	Sept 30, 2014 (\$)
Net Assets, beginning of period⁽¹⁾	6.50	7.17	7.40	8.06	8.18
Increase (decrease) from operations:					
Total revenue	0.20	0.31	0.38	0.45	0.42
Total expenses	(0.16)	(0.17)	(0.18)	(0.19)	(0.21)
Realized gains (losses)	(0.02)	0.00	0.03	0.09	0.12
Unrealized gains (losses)	0.03	(0.26)	0.13	(0.36)	0.24
Total increase (decrease) from operations⁽²⁾	0.05	(0.12)	0.36	(0.01)	0.57
Distributions:					
From income (excluding dividends)	—	—	—	—	(0.00)
From dividends	—	(0.00)	(0.01)	—	(0.03)
From capital gains	—	—	—	—	—
Return of capital	(0.53)	(0.56)	(0.59)	(0.64)	(0.63)
Total annual distributions⁽³⁾	(0.53)	(0.56)	(0.60)	(0.64)	(0.66)
Net Assets, end of period⁽⁴⁾	6.02	6.50	7.17	7.40	8.06

Series T Units - Ratios/Supplemental Data⁽¹⁾

For the periods ended	Sept 30, 2018	Sept 30, 2017	Sept 30, 2016	Sept 30, 2015	Sept 30, 2014
Total Net Asset Value (\$000's)	1,995	2,514	6,292	6,924	8,265
Number of units outstanding (000's)	331	387	877	935	1,026
Management expense ratio ⁽⁵⁾	2.98%	2.91%	2.91%	2.89%	2.87%
Management expense ratio before waivers or absorptions ⁽⁶⁾	3.46%	3.15%	3.12%	2.96%	2.87%
Trading expense ratio ⁽⁷⁾	0.06%	0.10%	0.09%	0.08%	0.08%
Portfolio turnover rate ⁽⁸⁾	5.41%	13.79%	19.52%	9.38%	2.25%
Net Asset Value per unit	6.02	6.50	7.17	7.40	8.06

Series V Units - Net Assets per Unit⁽¹⁾

For the periods ended	Sept 30, 2018 (\$)	Sept 30, 2017 (\$)	Sept 30, 2016 (\$)	Sept 30, 2015 (\$)	Sept 30, 2014 (\$)
Net Assets, beginning of period⁽¹⁾	6.24	6.68	6.69	7.07	6.96
Increase (decrease) from operations:					
Total revenue	0.21	0.27	0.35	0.41	0.42
Total expenses	(0.16)	(0.17)	(0.17)	(0.18)	(0.18)
Realized gains (losses)	(0.02)	(0.00)	0.03	0.08	0.10
Unrealized gains (losses)	0.03	(0.21)	0.11	(0.33)	0.15
Total increase (decrease) from operations⁽²⁾	0.06	(0.11)	0.32	(0.02)	0.49
Distributions:					
From income (excluding dividends)	—	—	—	—	(0.00)
From dividends	(0.00)	(0.00)	(0.00)	—	(0.01)
From capital gains	—	—	—	—	—
Return of capital	(0.32)	(0.33)	(0.34)	(0.35)	(0.34)
Total annual distributions⁽³⁾	(0.32)	(0.33)	(0.34)	(0.35)	(0.35)
Net Assets, end of period⁽⁴⁾	5.95	6.24	6.68	6.69	7.07

Series V Units - Ratios/Supplemental Data⁽¹⁾

For the periods ended	Sept 30, 2018	Sept 30, 2017	Sept 30, 2016	Sept 30, 2015	Sept 30, 2014
Total Net Asset Value (\$000's)	36	49	52	53	55
Number of units outstanding (000's)	6	8	8	8	8
Management expense ratio ⁽⁵⁾	3.15%	3.09%	3.08%	3.04%	2.98%
Management expense ratio before waivers or absorptions ⁽⁶⁾	13.62%	11.36%	10.98%	10.38%	8.23%
Trading expense ratio ⁽⁷⁾	0.06%	0.10%	0.09%	0.08%	0.08%
Portfolio turnover rate ⁽⁸⁾	5.41%	13.79%	19.52%	9.38%	2.25%
Net Asset Value per unit	5.95	6.24	6.68	6.69	7.07

Explanatory Notes

(1) a) This information is derived from the Portfolio's audited annual financial statements. Under IFRS, investments that are traded in an active market are generally valued at closing price, which is determined to be within the bid-ask spread and most representative of fair value. As a result, there is no difference between the net assets per unit presented in the financial statements ("Net Assets") and the net asset value per unit calculated for fund pricing purposes ("Net Asset Value").

Total Net Asset Value and number of units outstanding presented as at September 30, 2015 may have been adjusted to include certain transactions, if applicable, for the purpose of comparability with subsequent reporting periods. These adjustments have no effect on the Net Asset Value per unit.

b) The following series of the Portfolio commenced operations on the following dates, which represents the date upon which securities of a series were first made available for purchase by investors.

Wrap Series Units	January 2005
Embedded Series Units	January 2005
Series F Units	May 2012
Series T Units	December 2006
Series V Units	November 2011

(2) Net Assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.

(1), (2), (3), (4), (5), (6), (7) and (8) see Explanatory Notes

- (3) Distributions were paid in cash/reinvested in additional units of the Portfolio, or both. The characterization of the distributions is based on management's estimate of the actual income for the year.
- (4) This is not a reconciliation of the beginning and ending Net Assets per unit.
- (5) The management expense ratio ("MER") of a particular series is calculated in accordance with National Instrument 81-106, based on all the expenses of the Portfolio (including Harmonized Sales Tax, Goods and Services Tax and interest, but excluding commissions and other portfolio transaction costs) allocated to that series, expressed as an annualized percentage of average daily Net Asset Value of that series during the period.

As a result of the Portfolio's investment in the Underlying Pools, the MER is calculated based on the expenses of the Portfolio allocated to that series, including expenses indirectly incurred by the Portfolio attributable to its investment in the Underlying Pools, divided by the average daily Net Asset Value of that series of the Portfolio during the period.

- (6) AGFI waived certain fees or absorbed certain expenses otherwise payable by the Portfolio. The amount of expenses waived or absorbed is determined annually on a series by series basis at the discretion of AGFI and AGFI can terminate the waiver or absorption at any time.
- (7) The trading expense ratio ("TER") represents total commissions and other portfolio transaction costs expressed as an annualized percentage of average daily Net Asset Value during the period.

As a result of the Portfolio's investment in the Underlying Pools, the TER is calculated based on commissions and other portfolio transaction costs of the Portfolio, including such costs that are indirectly incurred by the Portfolio attributable to its investment in the Underlying Pools, divided by the average daily Net Asset Value of the Portfolio during the period.

- (8) The Portfolio's portfolio turnover rate ("PTR") indicates how actively the Portfolio's portfolio advisor manages its portfolio investments. A PTR of 100% is equivalent to the Portfolio buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's PTR in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

PTR is calculated based on the lesser of the cumulative cost of purchases or cumulative proceeds of sales divided by the average market value of the portfolio, excluding short-term investments.

Management Fees

The Portfolio is managed by AGFI. As a result of providing management services, AGFI receives a monthly management fee, based on the Net Asset Value of the Embedded Series, Series F, Series T and Series V Units, calculated daily and payable monthly. Unitholders of Wrap Series Units pay service fees directly to their dealers and do not pay management fees. These service fees are not expenses of the Portfolio. Since the Underlying Pools held by the Portfolio invest in ETFs, the Portfolio will bear indirectly the management fees (which includes investment management fees) of the ETFs indirectly borne by the Underlying Pools, after giving effect to any rebates and waivers, as

applicable. AGFI uses these management fees to pay for sales and trailing commissions to registered dealers on the distribution of the Portfolio's units, investment advice, as well as for general administrative expenses such as overhead, salaries, rent, legal and accounting fees relating to AGFI's role as manager.

	As a percentage of management fees		
	Annual rates	Dealer compensation	General administration and investment advice
Embedded Series Units	2.01%	67.12%	32.88%
Series F Units	0.51%	–	100.00%
Series T Units	2.01%	57.07%	42.93%
Series V Units	2.01%	75.25%	24.75%

Past Performance*

The performance information shown assumes that all distributions made by the Portfolio in the periods shown were reinvested in additional securities of the Portfolio. Note that the performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. How the Portfolio has performed in the past does not necessarily indicate how it will perform in the future.

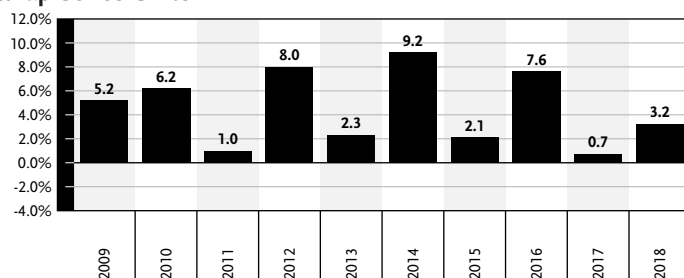
It is AGFI's policy to report rates of return for series in existence greater than one year. The performance start date for each series represents the date of the first purchase of such series, excluding seed money.

All rates of return are calculated based on the Net Asset Value.

Year-By-Year Returns

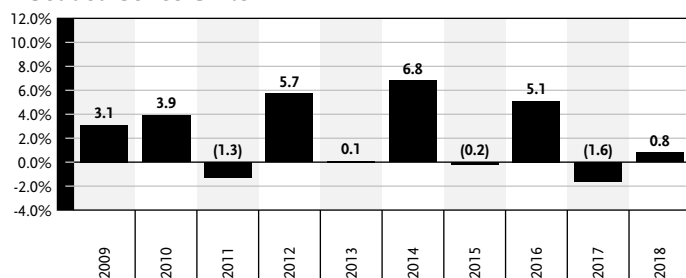
The following bar charts show the Portfolio's annual performance for each of the past 10 years to September 30, 2018 as applicable, and illustrate how the Portfolio's performance has changed from year to year. The charts show, in percentage terms, how much an investment made on the first day of each financial period would have grown or decreased by the last day of each financial period.

Wrap Series Units

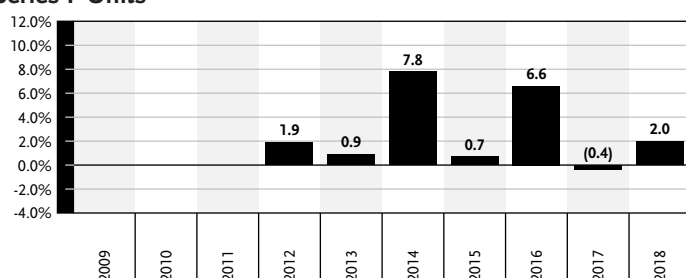


* The indicated rates of return shown here are the historical annual compounded total returns including changes in security value and reinvestment of all distributions and do not take into account sales, redemption, distribution or other optional charges by any securityholder that would have reduced returns or performance. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

Embedded Series Units

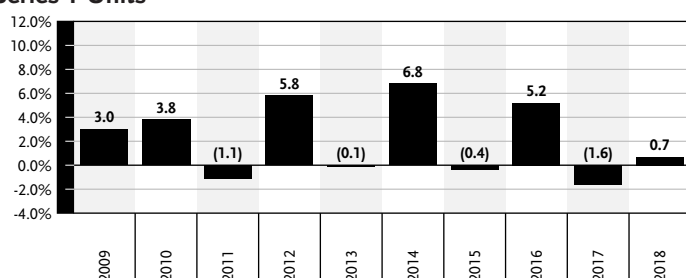


Series F Units

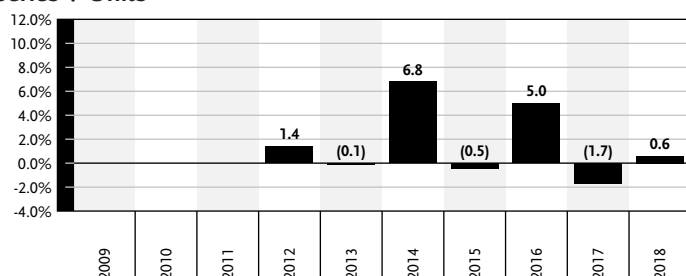


Performance for 2012 represents returns for the period from May 28, 2012 to September 30, 2012.

Series T Units



Series V Units



Performance for 2012 represents returns for the period from January 17, 2012 to September 30, 2012.

Annual Compound Returns

The following table compares the historical annual compound returns for each series with the indices, for each of the periods ended September 30, 2018.

Percentage Return:	1 Year	3 Years	5 Years	10 Years	Since Inception
Wrap Series Units	3.2	3.8	4.5	4.5	N/A
FTSE TMX Canada Universe Bond Index	1.7	1.6	3.3	4.4	N/A
S&P/TSX 60 Index	6.5	9.9	8.6	6.1	N/A
Blended Benchmark	3.2	4.2	5.2	5.3	N/A
Embedded Series Units	0.8	1.4	2.1	2.2	N/A
FTSE TMX Canada Universe Bond Index	1.7	1.6	3.3	4.4	N/A
S&P/TSX 60 Index	6.5	9.9	8.6	6.1	N/A
Blended Benchmark	3.2	4.2	5.2	5.3	N/A
Series F Units	2.0	2.7	3.3	N/A	3.0
FTSE TMX Canada Universe Bond Index	1.7	1.6	3.3	N/A	2.6
S&P/TSX 60 Index	6.5	9.9	8.6	N/A	9.3
Blended Benchmark	3.2	4.2	5.2	N/A	5.0
Series T Units	0.7	1.4	2.1	2.2	N/A
FTSE TMX Canada Universe Bond Index	1.7	1.6	3.3	4.4	N/A
S&P/TSX 60 Index	6.5	9.9	8.6	6.1	N/A
Blended Benchmark	3.2	4.2	5.2	5.3	N/A
Series V Units	0.6	1.3	2.0	N/A	1.7
FTSE TMX Canada Universe Bond Index	1.7	1.6	3.3	N/A	2.7
S&P/TSX 60 Index	6.5	9.9	8.6	N/A	7.9
Blended Benchmark	3.2	4.2	5.2	N/A	4.6

The FTSE TMX Canada Universe Bond Index is a market capitalization-weighted index designed to be a broad measure of the Canadian investment grade fixed income market.

The S&P/TSX 60 Index is a capitalization-weighted index. It consists of 60 of the largest and most liquid (heavily traded) stocks listed on the Toronto Stock Exchange, which are usually domestic or multinational industry leaders.

The Bloomberg Barclays Global Aggregate Index provides a broad-based measure of the global investment grade fixed income markets.

For a discussion of the relative performance of the Portfolio as compared to the indices, see Results of Operations in the Management Discussion of Fund Performance.

Summary of Investment Portfolio

As at September 30, 2018

The major portfolio categories and top holdings (up to 25) of the Portfolio at the end of the period are indicated in the following tables. The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Portfolio and the next quarterly update will be in the Quarterly Portfolio Disclosure as at December 31, 2018.

The prospectus and other information about the Underlying Pools are available on the internet at www.sedar.com.

Portfolio by Sector	Percentage of Net Asset Value (%)
Fixed Income Funds	59.8
Equity Funds	38.1
Cash & Cash Equivalents	2.4

Top Holdings	Percentage of Net Asset Value (%)
Harmony Canadian Fixed Income Pool	53.0
Harmony Diversified Income Pool	30.3
Harmony Canadian Equity Pool	7.8
Harmony Global Fixed Income Pool	6.8
Total Net Asset Value (thousands of dollars)	\$ 20,632



For more information contact your investment advisor or:

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Web: AGF.com

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