

Financial Statements of

**RAELIPSKIE PARTNERS
FIXED INCOME FUND**

And Independent Auditor's Report thereon

Year ended December 31, 2025



Independent auditor's report

To the Unitholders and Trustee of RaeLipskie Partners Fixed Income Fund (the Fund)

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2025 and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Fund's financial statements comprise:

- the statement of financial position as at December 31, 2025;
- the statement of comprehensive income for the year then ended;
- the statement of changes in net assets attributable to holders of redeemable units for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Other matter

The financial statements of the Fund for the year ended December 31, 2024 were audited by another auditor who expressed an unmodified opinion on those financial statements on March 31, 2025.

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 Accounting Standards, 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 Fund'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 Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund'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 generally accepted auditing standards 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 generally accepted auditing standards, 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 Fund'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 Fund'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 Fund 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.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario

March 31, 2026

RAELIPSKIE PARTNERS FIXED INCOME FUND

Statement of Financial Position

December 31, 2025, with comparative information for 2024

	2025	2024
ASSETS		
Current assets		
Cash and cash equivalents	\$ 9,466,072	\$ 2,438,523
Financial assets at fair value through profit or loss (note 6)	161,279,480	114,201,768
Interest and dividends receivable	1,004,186	676,014
	<u>171,749,738</u>	<u>117,316,305</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	330,603	175,896
Distributions payable	175,617	93,661
	<u>506,220</u>	<u>269,557</u>
Net assets attributable to holders of redeemable units	\$ 171,243,518	\$ 117,046,748
Number of redeemable units outstanding (note 5)	17,376,250	12,068,514
Net assets attributable to holders of redeemable units, per unit	\$ 9.86	\$ 9.70

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

Approved on behalf of the Fund:


Trustee
Rae & Lipskie Investment Counsel Inc.

RAELIPSKIE PARTNERS FIXED INCOME FUND

Statement of Comprehensive Income

Year ended December 31, 2025, with comparative information for 2024

	2025	2024
Income		
Interest income for distribution purposes	\$ 4,330,211	\$ 3,126,820
Dividends	429,320	431,725
Net realized loss on sale of investments	(262,153)	(645,243)
Net change in unrealized appreciation in value of investments	2,038,065	4,935,625
	<u>6,535,443</u>	<u>7,848,927</u>
Expenses		
Operating costs	325,330	271,340
Commissions and other portfolio transaction costs	—	30
	<u>325,330</u>	<u>271,370</u>
Net increase in net assets attributable to holders of redeemable units	<u>\$ 6,210,113</u>	<u>\$ 7,577,557</u>
Net increase in net assets attributable to holders of redeemable units, per unit (note 8)	\$ 0.43	\$ 0.71

RAELIPSKIE PARTNERS FIXED INCOME FUND

Statement of Changes in Net Assets Attributable to Holders of Redeemable Units Year ended December 31, 2025, with comparative information for 2024

	Net assets attributable to holders of redeemable units, beginning of year	Proceeds from redeemable units issued	Redemption of redeemable units	Net increase in net assets from operations attributable to holders of redeemable units	Distributions to holders of redeemable units *	Reinvestment of distributions to holders of redeemable units	Net assets attributable to holders of redeemable units, end of year
2025	\$ 117,046,748	\$ 58,521,199	\$ (10,195,831)	\$ 6,210,113	\$ (4,434,273)	\$ 4,095,562	\$ 171,243,518

*Distributions from net investment income are \$4,434,273 and capital gains are \$nil.

	Net assets attributable to holders of redeemable units, beginning of year	Proceeds from redeemable units issued	Redemption of redeemable units	Net increase in net assets from operations attributable to holders of redeemable units	Distributions to holders of redeemable units **	Reinvestment of distributions to holders of redeemable units	Net assets attributable to holders of redeemable units, end of year
2024	\$ 88,185,843	\$ 27,148,236	\$ (5,622,119)	\$ 7,577,557	\$ (3,295,135)	\$ 3,052,366	\$ 117,046,748

**Distributions from net investment income are \$3,295,135 and capital gains are \$nil

RAELIPSKIE PARTNERS FIXED INCOME FUND

Statement of Cash Flows

Year ended December 31, 2025, with comparative information for 2024

	2025	2024
Cash provided by (used in):		
Operating Activities		
Net increase in net assets attributable to holders of redeemable units	\$ 6,210,113	\$ 7,577,557
Adjustments for non-cash items		
Net realized loss on sale of investments	262,153	645,243
Net change in unrealized appreciation in value of investments	(2,038,065)	(4,935,625)
Change in non-cash balances		
(Increase) decrease in interest and dividends receivable	(328,172)	5,121
Increase in accounts payable and accrued liabilities	154,707	81,057
Decrease in redemptions payable	–	(9,037)
Proceeds from sale of investments	12,200,053	18,243,827
Purchase of investments	<u>(57,501,853)</u>	<u>(45,244,829)</u>
Cash used in operating activities	<u>(41,041,064)</u>	<u>(23,636,686)</u>
Financing Activities		
Proceeds from issuances of redeemable units	58,521,199	27,148,236
Amount paid on redemption of redeemable units	(10,195,831)	(5,622,119)
Distributions to holders of redeemable units, net of reinvestments	<u>(256,755)</u>	<u>(249,856)</u>
Cash provided by financing activities	<u>48,068,613</u>	<u>21,276,261</u>
Increase (decrease) in cash and cash equivalents during the year	7,027,549	(2,360,425)
Cash and cash equivalents, beginning of year	<u>2,438,523</u>	<u>4,798,948</u>
Cash and cash equivalents, end of year	\$ <u>9,466,072</u>	\$ <u>2,438,523</u>
Supplemental information*		
Interest received	\$ 4,129,331	\$ 2,949,118
Dividends received, net of withholding taxes	302,028	614,547

*Included as a part of cash flows from operating activities

RAELIPSKIE PARTNERS FIXED INCOME FUND

Schedule of Investment Portfolio

As at December 31, 2025

Number of shares/units	Investments owned	Average cost	Fair value	% of net asset value
Canadian fixed income				
500,000	AIMCo Realty Investors LP 3.367% 01JUN27	480,950	503,350	0.29
42,000	Alectra Inc. 5.264% 06DEC30	47,896	44,632	0.03
1,000,000	Alimentation Couche-Tard Inc. 5.592% 25SEP30	1,044,100	1,080,390	0.63
1,500,000	AltaGas Ltd. 2.075% 30MAY28	1,316,250	1,461,600	0.85
1,000,000	AltaGas Ltd. 3.98% 04OCT27	965,700	1,012,990	0.59
2,000,000	AltaGas Ltd. 4.12% 07APR26	2,037,200	2,000,360	1.17
750,000	Bank of America Corp. 3.615% 16MAR28	703,500	755,310	0.44
500,000	Bank of Montreal 1.758% 10MAR26	506,850	499,390	0.29
500,000	Bank of Montreal 3.19% 01MAR28	480,000	501,620	0.29
750,000	BCI QuadReal Realty 1.747% 24JUL30	640,725	701,993	0.41
2,000,000	Bell Canada Inc. 2.50% 14MAY30	1,814,900	1,924,540	1.12
500,000	Bell Canada Inc. 2.90% 12AUG26	467,950	500,220	0.29
750,000	Bell Canada Inc. 3.60% 29SEP27	788,925	755,805	0.44
1,000,000	Bell Canada Inc. 3.80% 21AUG28	955,700	1,011,250	0.59
100,000	Bridgewater Bank - Annual Pay 06/11/2026 2.05%	100,000	100,000	0.06
2,000,000	Brookfield Asset Management Inc. 3.80% 16MAR27	1,955,700	2,018,140	1.18
1,000,000	Brookfield Infrastructure Finance ULC 3.41% 09OCT29	954,750	995,370	0.58
2,750,000	Brookfield Infrastructure Finance ULC 4.193% 11SEP28	2,648,000	2,807,118	1.64
500,000	Brookfield Renewable Partners ULC 3.38% 15JAN30	487,773	497,205	0.29
500,000	Brookfield Renewable Partners ULC 4.25% 15JAN29	497,100	511,700	0.30
350,000	Bruce Power LP 4.132% 21JUN33	336,665	350,004	0.20
1,500,000	Canada Housing Trust No 1 1.60% 15DEC31	1,356,900	1,369,740	0.80
1,000,000	Canada Housing Trust No 1 2.10% 15SEP29	978,650	971,660	0.57
1,000,000	Canada Housing Trust No 1 3.55% 15SEP32	1,009,000	1,014,830	0.59
2,000,000	Canadian Government Bond 0.50% 01DEC30	1,749,875	1,774,380	1.04
1,500,000	Canadian Government Bond 1% 01JUN27	1,436,550	1,468,950	0.86
1,000,000	Canadian Government Bond 1% 01SEP26	976,900	991,450	0.58
2,000,000	Canadian Government Bond 1.25% 01JUN30	1,799,020	1,862,060	1.09
1,500,000	Canadian Government Bond 1.25% 01MAR27	1,457,700	1,479,360	0.86
1,000,000	Canadian Government Bond 1.50% 01JUN26	986,800	996,850	0.58
7,100,000	Canadian Government Bond 1.50% 01JUN31	6,552,140	6,556,282	3.83
1,500,000	Canadian Government Bond 2% 01JUN28	1,457,550	1,477,575	0.86
3,500,000	Canadian Government Bond 2% 01JUN32	3,227,170	3,267,775	1.91
1,500,000	Canadian Government Bond 2.25% 01DEC29	1,461,500	1,468,065	0.86
1,500,000	Canadian Government Bond 2.25% 01JUN29	1,474,575	1,474,530	0.86
1,500,000	Canadian Government Bond 2.50% 01DEC32	1,429,525	1,436,460	0.84
1,500,000	Canadian Government Bond 2.75% 01JUN33	1,425,020	1,453,050	0.85
1,500,000	Canadian Government Bond 4% 01MAR29	1,571,170	1,555,425	0.91
2,000,000	Canadian Government Bond 4.50% 01FEB26	2,032,300	2,003,260	1.17
500,000	Canadian Imperial Bank of Commerce 4.95% 29JUN27	517,800	513,840	0.30
500,000	Canadian National Railway Co. 4.15% 10MAY30	514,750	514,495	0.30
1,000,000	Canadian National Railway Co. 4.60% 02MAY29	1,046,750	1,042,860	0.61
500,000	Canadian Pacific Railway Co. 3.15% 13MAR29	471,450	499,870	0.29

RAELIPSKIE PARTNERS FIXED INCOME FUND

Schedule of Investment Portfolio (continued)

As at December 31, 2025

Number of shares/units	Investments owned	Average cost	Fair value	% of net asset value
Canadian fixed income (continued)				
1,000,000	Canadian Tire Corp Ltd. 5.372% 16SEP30	\$ 1,079,200	\$ 1,066,530	0.62
1,000,000	Capital Power Corp. 4.424% 08FEB30	977,500	1,026,720	0.60
500,000	Capital Power Corp. 4.831% 16SEP31	521,150	518,335	0.30
250,000	Choice Properties Real Estate Investment Trust 2.981%	227,325	244,200	0.14
500,000	Choice Properties Real Estate Investment Trust 5.03% 28FEB31	525,700	525,580	0.31
1,000,000	Choice Properties Real Estate Investment Trust 6.003% 24JUN32	1,096,800	1,100,570	0.64
75,006	City of Regina Saskatchewan 4.102% 26JUN44	80,189	72,457	0.04
500,000	CT Real Estate Investment Trust 2.371% 06JAN31	433,450	463,020	0.27
1,000,000	Dollarama Inc. 2.443% 09JUL29	890,350	972,180	0.57
1,000,000	Dollarama Inc. 3.85% 16DEC30	1,019,000	1,007,380	0.59
500,000	Dream Industrial Real Estate Investment Trust 2.539%	478,823	498,285	0.29
500,000	Enbridge Gas Distribution Inc. 2.50% 05AUG26	476,150	499,665	0.29
400,000	Enbridge Gas Inc. 2.37% 09AUG29	354,280	389,872	0.23
500,000	Enbridge Inc. 2.99% 03OCT29	444,700	493,980	0.29
500,000	Enbridge Inc. 3.10% 21SEP33	428,300	467,440	0.27
1,000,000	Enbridge Inc. 3.20% 08JUN27	958,173	1,001,880	0.59
1,000,000	Enbridge Inc. 6.10% 09NOV32	1,115,700	1,112,970	0.65
500,000	Enbridge Pipelines Inc. 3% 10AUG26	475,925	500,520	0.29
3,000,000	Equitable Bank GIC 3.360% 14NOV2029	3,000,000	3,000,000	1.75
300,000	Fairfax Financial Holdings Ltd. 3.95% 03MAR31	261,330	302,007	0.18
1,000,000	First Capital Real Estate Investment Trust 5.455%	1,048,500	1,056,880	0.62
1,000,000	Fortis Inc. 2.18% 15MAY28	913,900	983,400	0.57
1,000,000	Gibson Energy Inc. 3.60% 17SEP29	959,650	998,440	0.58
1,000,000	Gibson Energy Inc. 4.45% 12NOV31	1,029,200	1,016,100	0.59
2,000,000	Gildan Activewear Inc. 4.362% 22NOV29	2,025,200	2,049,160	1.20
500,000	Granite REIT Holdings LP 3.062% 04JUN27	485,786	499,730	0.29
1,500,000	Granite REIT Holdings LP 6.074% 12APR29	1,604,750	1,609,125	0.94
500,000	Greater Toronto Airports Authority 6.98% 15OCT32	586,600	589,280	0.34
250,000	Hydro One Inc. 2.23% 17SEP31	219,800	236,183	0.14
750,000	iA Financial Corp Inc. 6.611% 30JUN82	745,125	776,588	0.45
500,000	IGM Financial Inc. 3.44% 26JAN27	474,725	502,440	0.29
1,000,000	Intact Financial Corp. 2.85% 07JUN27	937,550	1,000,190	0.58
500,000	JPMorgan Chase & Co. 1.896% 05MAR28	446,168	494,070	0.29
500,000	Loblaw Cos Ltd. 2.284% 07MAY30	427,650	481,415	0.28
250,000	Loblaw Cos Ltd. 4.488% 11DEC28	243,250	258,133	0.15
500,000	Manulife Bank of Canada 2.864% 16FEB27	474,308	500,790	0.29
500,000	Manulife Bank of Canada 4.546% 08MAR29	497,150	519,125	0.30
500,000	Manulife Financial Corp. 4.10% 19MAR82	495,981	473,885	0.28
250,000	Metro Inc. 3.39% 06DEC27	233,625	251,535	0.15
500,000	Municipal Finance Authority of British Columbia 4.95%	511,500	520,725	0.30

RAELIPSKIE PARTNERS FIXED INCOME FUND

Schedule of Investment Portfolio (continued)

As at December 31, 2025

Number of shares/units	Investments owned	Average cost	Fair value	% of net asset value
Canadian fixed income (continued)				
400,000	OMERS Realty Corp. 3.244% 04OCT27	\$ 383,200	\$ 402,204	0.23
250,000	OMERS Realty Corp. 3.628% 05JUN30	238,625	252,240	0.15
400,000	Pembina Pipeline Corp. 3.53% 10DEC31	367,160	391,640	0.23
1,600,000	Pembina Pipeline Corp. 3.62% 03APR29	1,514,800	1,609,904	0.94
1,100,000	Pembina Pipeline Corp. 3.71% 11AUG26	1,094,500	1,103,410	0.64
1,000,000	Pembina Pipeline Corp. 4.02% 27MAR28	957,100	1,015,210	0.59
2,000,000	Province of Alberta Canada 1.65% 01JUN31	1,798,950	1,846,800	1.08
2,000,000	Province of Alberta Canada 2.90% 01DEC28	2,009,800	2,005,880	1.17
2,000,000	Province of British Columbia Canada 1.55% 18JUN31	1,824,200	1,834,080	1.07
2,000,000	Province of British Columbia Canada 2.20% 18JUN30	1,884,400	1,928,860	1.13
2,000,000	Province of Manitoba Canada 2.75% 02JUN29	1,889,900	1,989,600	1.16
1,000,000	Province of Manitoba Canada 3.75% 05SEP33	998,600	1,010,340	0.59
1,000,000	Province of Newfoundland and Labrador Canada 1.75% 02JUN30	938,275	944,160	0.55
500,000	Province of Nova Scotia Canada 4.90% 01JUN35	534,950	541,595	0.32
2,000,000	Province of Ontario Canada 2.40% 02JUN26	2,086,200	2,000,980	1.17
1,000,000	Province of Ontario Canada 2.60% 02JUN27	961,800	1,000,880	0.58
1,000,000	Province of Ontario Canada 2.90% 02JUN28	960,100	1,003,290	0.59
1,000,000	Province of Ontario Canada 3.60% 08MAR28	969,200	1,018,540	0.59
2,000,000	Province of Quebec Canada 1.50% 01SEP31	1,825,800	1,817,280	1.06
1,000,000	Province of Quebec Canada 6% 01OCT29	1,119,400	1,105,510	0.65
2,000,000	Province of Saskatchewan Canada 3.05% 02DEC28	1,946,300	2,014,200	1.18
2,000,000	PSP Capital Inc. 2.05% 15JAN30	1,814,600	1,926,500	1.13
500,000	Regional Municipality of York 2.15% 22JUN31	476,500	471,875	0.28
500,000	RioCan Real Estate Investment Trust 5.455% 01MAR31	512,500	528,400	0.31
1,500,000	Rogers Communications Inc. 3.65% 31MAR27	1,450,400	1,509,405	0.88
1,000,000	Rogers Communications Inc. 4.25% 15APR32	1,000,100	1,011,460	0.59
500,000	Royal Bank of Canada 2.328% 28JAN27	421,823	498,060	0.29
500,000	Royal Bank of Canada 3.65% 24NOV81	446,000	480,460	0.28
1,000,000	Royal Bank of Canada 3.985% 22JUL31	1,023,800	1,016,910	0.59
2,750,000	Saputo Inc. 2.242% 16JUN27	2,511,000	2,722,390	1.59
2,750,000	Saputo Inc. 2.297% 22JUN28	2,462,925	2,699,290	1.58
1,000,000	Saputo Inc. 5.25% 29NOV29	1,039,700	1,061,930	0.62
1,500,000	SmartCentres Real Estate Investment Trust 5.162% 01AUG30	1,561,500	1,566,630	0.91
500,000	Sun Life Financial Inc. 2.58% 10MAY32	478,700	497,060	0.29
1,000,000	Suncor Energy Inc. 5% 09APR30	1,000,300	1,033,200	0.60
750,000	TELUS Corp. 2.85% 13NOV31	660,550	716,288	0.42
2,000,000	TELUS Corp. 3.625% 01MAR28	1,937,975	2,017,280	1.18
1,500,000	TELUS Corp. 3.75% 10MAR26	1,443,000	1,500,660	0.88
1,000,000	The Bank of Nova Scotia 2.62% 02DEC26	935,250	1,000,650	0.58
2,000,000	The Bank of Nova Scotia 2.95% 08MAR27	1,979,200	2,001,580	1.17
500,000	The Bell Telephone Co of Canada or Bell Canada 5.85% 10NOV32	527,550	549,635	0.32
400,000	The Goldman Sachs Group Inc. 2.013% 28FEB29	344,656	390,368	0.23
250,000	The Goldman Sachs Group Inc. 2.599% 30NOV27	226,425	249,545	0.15
350,000	The Regional Municipality of Waterloo 3.30% 06NOV28	374,850	353,693	0.21

RAELIPSKIE PARTNERS FIXED INCOME FUND

Schedule of Investment Portfolio (continued)

As at December 31, 2025

Number of shares/units	Investments owned	Average cost	Fair value	% of net asset value
Canadian fixed income (continued)				
350,000	The Regional Municipality of Waterloo 3.50% 02MAY31	\$ 330,575	\$ 352,534	0.21
800,000	The Toronto-Dominion Bank 3.60% 31OCT81	780,350	769,744	0.45
1,000,000	The Toronto-Dominion Bank 4.133% 09JAN33	1,010,800	1,014,780	0.59
500,000	The Toronto-Dominion Bank 4.859% 04MAR31	502,600	501,820	0.29
500,000	The Toronto-Dominion Bank 5.491% 08SEP28	515,300	528,965	0.31
500,000	TMX Group Ltd. 3.779% 05JUN28	505,250	507,455	0.30
500,000	Toronto Hydro Corp. 1.50% 15OCT30	472,915	465,950	0.27
500,000	Tourmaline Oil Corp. 4.856% 30MAY27	516,450	512,265	0.30
250,000	TransCanada PipeLines Ltd. 2.97% 09JUN31	224,200	242,318	0.14
400,000	TransCanada PipeLines Ltd. 3% 18SEP29	354,120	395,076	0.23
500,000	TransCanada PipeLines Ltd. 3.39% 15MAR28	462,250	501,830	0.29
500,000	TransCanada PipeLines Ltd. 5.277% 15JUL30	513,300	532,930	0.31
500,000	Verizon Communications Inc. 2.375% 22MAR28	442,000	491,830	0.29
1,500,000	VW Credit Canada Inc. 5.86% 15NOV27	1,583,400	1,571,490	0.92
4,300,000	Wells Fargo & Co. 2.975% 19MAY26	4,332,640	4,306,579	2.51
1,000,000	Whitecap Resources Inc. 4.382% 01NOV29	1,030,100	1,023,010	0.60
2,000,000	WSP Global Inc. 5.548% 22NOV30	2,145,200	2,143,180	1.25
		<u>150,022,206</u>	<u>153,808,167</u>	<u>89.79</u>
Canadian preferred shares				
12,000	Bank of Montreal Preferred Shares 6.816%	306,618	324,000	0.19
10,500	Brookfield Corp. Preferred Shares 3.237%	217,027	224,804	0.13
13,105	Brookfield Corp. Preferred Shares 5.185%	299,940	304,821	0.18
7,100	Brookfield Corp. Preferred Shares 5.658%	157,194	173,807	0.10
7,000	Brookfield Corp. Preferred Shares 6.744%	151,618	180,950	0.11
13,200	Brookfield Office Properties Inc. Preferred Shares 4.85%	283,476	266,140	0.16
3,400	Brookfield Office Properties Inc. Preferred Shares 6.12%	91,378	84,082	0.05
15,950	Canadian Imperial Bank of Commerce Preferred Shares 5.878%	386,943	413,903	0.24
11,000	Capital Power Corp. Preferred Shares 6.631%	266,210	286,000	0.17
3,100	Emera Inc. Preferred Shares 6.434%	75,244	78,647	0.05
3,800	Enbridge Inc. Preferred Shares 4%	71,980	82,080	0.05
14,850	Enbridge Inc. Preferred Shares 4.90%	359,439	377,042	0.22
3,100	Fortis Inc. Preferred Shares 4.25%	48,766	58,962	0.03
10,000	Great-West Lifeco Inc. Preferred Shares 1.749%	156,975	187,000	0.11
9,000	Manulife Financial Corp. Preferred Shares 3.80%	202,976	218,610	0.13
16,000	Manulife Financial Corp. Preferred Shares 4.20%	299,380	304,800	0.18
15,000	National Bank of Canada Preferred Shares 5.818%	376,781	390,150	0.23
12,000	National Bank of Canada Preferred Shares 7.027%	302,313	322,320	0.19
11,400	National Bank of Canada Preferred Shares 7.651%	310,650	321,366	0.19
16,700	Pembina Pipeline Corp. Preferred Shares 4.90%	396,712	431,862	0.25
12,000	Power Financial Corp. Preferred Shares 4.40%	198,379	242,160	0.14
25,000	Royal Bank of Canada Preferred Shares 5.885%	581,430	672,250	0.39
13,300	TC Energy Corp. Preferred Shares 1.949%	202,950	258,286	0.15
19,400	TC Energy Corp. Preferred Shares 3.479%	366,570	414,966	0.24

RAELIPSKIE PARTNERS FIXED INCOME FUND

Schedule of Investment Portfolio (continued)

As at December 31, 2025

Number of shares/units	Investments owned	Average cost	Fair value	% of net asset value
Canadian preferred shares (continued)				
17,500	TC Energy Corp. Preferred Shares 5.985%	\$ 366,067	\$ 426,825	0.25
12,000	The Toronto-Dominion Bank Preferred Shares 5.747%	296,562	318,120	0.19
4,000	The Toronto-Dominion Bank Preferred Shares 6.301%	100,810	107,360	0.06
		<u>6,874,388</u>	<u>7,471,313</u>	<u>4.38</u>
	Total investments owned	156,896,594	161,279,480	94.17
	Commissions and other portfolio transaction costs	<u>(37)</u>	<u>—</u>	<u>—</u>
	Net investments owned	\$ <u>156,896,557</u>	161,279,480	94.17
	Other assets, net		<u>9,964,038</u>	<u>5.83</u>
	Net Assets Attributable to Holders of Redeemable Units		\$ <u>171,243,518</u>	<u>100.00</u>

RAELIPSKIE PARTNERS FIXED INCOME FUND

Notes to Financial Statements

Year ended December 31, 2025

1. Establishment of the investment trust and nature of operation:

RaeLipskie Partners Fixed Income Fund (the "Fund") is an open-ended investment trust created under the laws of the Province of Ontario by a Trust Indenture dated January 1, 2003 and amended October 31, 2016. The Fund commenced operations on January 1, 2003.

Rae & Lipskie Investment Counsel Inc. (the "Trustee" or "Manager" or "RaeLipskie") is the trustee, manager, investment manager and principal distributor of the Fund. As Trustee, RaeLipskie is responsible for the day-to-day administrative activities of the Fund. As Manager, RaeLipskie is responsible for formulating the investment strategies of the Fund and managing the Fund's investment portfolio.

Guardian Capital Group Limited ("Guardian") holds a majority interest in RaeLipskie.

Guardian announced on March 23, 2026, the completion of the previously announced acquisition of Guardian by Desjardins Global Asset Management Inc. ("Desjardins"), an affiliate of Desjardins Group (the "Transaction"). The Transaction was completed by way of a statutory plan of arrangement under the Business Corporations Act (Ontario), pursuant to which Desjardins purchased all of the issued and outstanding Common Shares and Class A Shares of Guardian. The completion of the Transaction resulted in an indirect change of control of the Manager.

The Manager does not anticipate that the Transaction will result in any material change to the business, operations, or affairs of the Fund, or to the management of the Fund. No immediate material changes to the Fund's investment objectives, strategies, fees, or to the Manager's role as investment fund manager are expected.

The investment objective of the Fund is to achieve favourable returns while emphasizing stability of capital, the generation of current income and, to a lesser extent, providing opportunities for capital appreciation. This is achieved by investing primarily in a diversified portfolio of bonds from Canadian government, corporate and other issuers, along with Exchange Traded Funds and other fixed income alternatives that may contribute to achieving the objective of the Fund.

The custodian for the Fund is National Bank Independent Network (NBIN).

The Fund's registered office is located in 20 Erb Street West, Suite 201, Waterloo, Ontario N2L 1T2.

RAELIPSKIE PARTNERS FIXED INCOME FUND

Notes to Financial Statements (continued)

Year ended December 31, 2025

2. Basis of presentation:

(a) Statement of compliance:

These financial statements have been prepared in accordance with IFRS Accounting Standards.

The financial statements were authorized for issue by the Manager on March 31, 2026.

(b) Basis of measurement:

The financial statements have been prepared on the historical cost basis, except for financial assets at fair value through profit or loss ("FVTPL") which are presented at fair value. The methods used to measure fair values are described in note 3(a).

(c) Functional and presentation currency:

These financial statements are presented in Canadian dollars, which is the Fund's functional currency.

(d) Use of estimates and judgments:

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in note 3(a), related to the determination of fair value of investments at FVTPL.

RAELIPSKIE PARTNERS FIXED INCOME FUND

Notes to Financial Statements (continued)

Year ended December 31, 2025

2. Basis of presentation (continued):

(e) Future accounting policy changes

Presentation and disclosure in financial statements (IFRS 18)

IFRS 18 will replace IAS 1 *Presentation and disclosure in financial statements* and applies for annual reporting periods beginning on or after January 1, 2027. The new standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the statement of income (loss) and comprehensive income (loss), namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Fund is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Fund's statement of income (loss) and comprehensive income (loss), the statement of cash flows and the additional disclosures required for MPM. The Fund is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as "other".

Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

The IASB has issued amendments to IFRS 9 and IFRS 7 in May 2024. These amendments relate to classification of financial assets and accounting for settlement by electronic payments in the context of the classification and measurement requirements in IFRS 9. The potential impact may include, but is not limited to, a change in timing of recognition and derecognition of financial instruments in certain situations in which settlement of a financial instruments with another takes more than a day. Similarly, a change may be required for entities that derecognize both trade payable and cash on the payment initiation date even if the creditor has not yet received the cash. However, an accounting policy choice is available for derecognizing certain financial liabilities that are settled using an electronic payment system subject to certain criteria being met.

The amendments will be effective from January 1, 2026. Management is currently assessing the impact of the new standard, but it is not expected to have a significant impact on the Fund's financial statements.

RAELIPSKIE PARTNERS FIXED INCOME FUND

Notes to Financial Statements (continued)

Year ended December 31, 2025

3. Material accounting policy information:

The material accounting policy information used in the preparation of these financial statements are summarized below. The Fund has consistently applied the following accounting policies to all periods presented in these financial statements.

(a) Financial assets:

(i) Classification:

The fund classifies financial assets in the following measurement categories: those to be measured subsequently at fair value through profit and loss (FVTPL) and those to be measured at amortized cost. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

A financial asset is measured at amortized cost if it meets both the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI).

The Fund classified financial assets into the following categories:

- Financial assets held at FVTPL: investments at fair value;
- Financial assets at amortized cost: cash and cash equivalents and interest and dividends receivable.

(ii) Recognition and derecognition:

Financial assets at FVTPL are initially recognized on the trade date, which is the date on which the Fund becomes a party to the contractual provisions of the instrument. Other financial assets are recognised on the date on which they are originated.

RAELIPSKIE PARTNERS FIXED INCOME FUND

Notes to Financial Statements (continued)

Year ended December 31, 2025

3. Material accounting policy information (continued):

(iii) Measurement:

Financial assets at FVTPL are initially recognized at fair value, with transaction costs recognized in profit or loss. Financial assets not at FVTPL are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When available, the Fund measures the fair value of an instrument using the quoted market price in an active market for the instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an on-going basis. The Fund measures instruments quoted in an active market at the last traded market price where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

If there is no quoted price in an active market, then the Fund uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The Fund's accounting policies for measuring the fair value of its investments and derivatives are identical to those used in measuring its net asset value (Trading NAV) for transactions with unitholders.

The Fund's obligation for net assets attributable to holders of redeemable units is presented at the redemption amount.

RAELIPSKIE PARTNERS FIXED INCOME FUND

Notes to Financial Statements (continued)

Year ended December 31, 2025

3. Material accounting policy information (continued):

(b) Financial liabilities:

Financial liabilities are recognised on the date on which they are originated and are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue.

The Fund derecognizes financial liabilities when, and only when, the Fund's obligations are discharged, cancelled or they expire.

Financial liabilities comprise amounts accounts payable and accrued liabilities and distributions payable. Due to the short-term nature of payables, carrying value is considered to approximate fair value.

(c) Dividend income, interest income, and capital gains:

Dividend and interest income is recognized in the profit or loss on the date on which the right to receive payment is established. Interest income is accrued daily and dividend income is recognized on the ex-dividend date.

Distributions from income funds and limited partnerships are recognized on the ex-distribution date and is shown on the Statement of Comprehensive Income.

Realized gains or losses on sale of investments and unrealized appreciation/depreciation on investments are determined on an average cost basis.

(d) Foreign currency:

The functional and presentation currency of the Fund is the Canadian dollar. The fair value of foreign investments and other assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rates prevailing at 4:00pm Eastern Standard Time (the "closing rate") on each valuation day. Purchases and sales of foreign securities denominated in foreign currencies and the related income are translated into Canadian dollars at rates of exchange prevailing on the respective dates of such transactions.

RAELIPSKIE PARTNERS FIXED INCOME FUND

Notes to Financial Statements (continued)

Year ended December 31, 2025

3. Material accounting policy information (continued):

- (e) Net assets attributable to holders of redeemable units per unit:

The net assets attributable to holders of redeemable units per unit is calculated by dividing the net assets attributable to holders of redeemable units of a particular class of redeemable units by the total number of redeemable units of that particular class outstanding at the end of the year.

- (f) Net increase in net assets from operations attributable to holders of redeemable units per unit:

The net increase in net assets from operations attributable to holders of redeemable units per unit is based on the net increase in net assets to holders of redeemable units attributable to each class of redeemable units divided by the weighted average number of redeemable units outstanding of that class during the year. Refer to note 8 for the calculation.

- (g) Income tax:

The Fund is taxed as a unit trust under the Income Tax Act (Canada). The Fund is required to make distributions each year of its net income and net realized capital gains, and therefore, will not generally be liable for income tax. It is the intention of the Manager to distribute all of its net income and net realized capital gains on an annual basis. Accordingly, no tax provision has been recorded.

4. Related party transactions:

- (a) Management fees:

As compensation for its services as Manager of the Fund, the Manager shall be entitled to receive a management fee. This fee is agreed to by the Manager and the Fund's unitholder and are calculated and charged outside of the Fund.

- (b) Performance fees:

There is no performance fee for the Class F units.

Administrative fees:

The Fund is responsible for payment of all operating and administrative expenses of the Fund to a maximum of 25 bps of the NAV. As the fund has more than one class, the unitholders of each class bear their pro rata share of those expenses which are common of all classes, as well as those expenses which are attributed solely to that class.

RAELIPSKIE PARTNERS FIXED INCOME FUND

Notes to Financial Statements (continued)

Year ended December 31, 2025

5. Redeemable units of the Fund:

The Fund is authorized to issue an unlimited number of redeemable units, issuable in one or more classes, each of which represents an equal, undivided, beneficial interest in the net assets attributable to holders of redeemable units of the Fund.

The Units of the Fund have the following attributes:

- (i) each Unit is without nominal or par value and is issued as fully paid and non-assessable in accordance with the provisions hereof;
- (ii) each whole Unit entitles the holder thereof to one vote at all meetings of holders of redeemable units of the Fund;
- (iii) each Unit represents an undivided beneficial interest in the net assets of the Fund;
- (iv) each Unit entitles the holder thereof to participate equally, in accordance with the provisions hereof, in the crediting of cumulative net income and cumulative net capital gains and, on liquidation, to participate equally in the net assets of the Fund remaining after satisfaction of outstanding liabilities; and,
- (v) each redeemable Unit of a class may be re-designated by the Manager.

A unitholder of the Fund may redeem all or a portion of their redeemable units of the Fund on the last business day of each week on which the Toronto Stock Exchange is open for business or such other business day as RaeLipskie may determine (each a "Valuation Date") upon providing a written request to RaeLipskie prior to 12:00pm on that Valuation Date. The redemption proceeds will equal the net asset value per unit of the Fund on that Valuation Date.

The unit transactions for the Fund were as follows:

	Redeemable units, beginning of year	Redeemable units issued	Redeemable units redeemed	Reinvestment of units	Redeemable units, end of year
2025	12,068,514	5,924,243	(1,032,232)	415,725	17,376,250
2024	9,489,799	2,847,447	(588,145)	319,413	12,068,514

RAELIPSKIE PARTNERS FIXED INCOME FUND

Notes to Financial Statements (continued)

Year ended December 31, 2025

6. Determination of fair values and fair value hierarchy:

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1 – inputs that are quoted market prices (unadjusted) in active markets for identical instruments;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable either directly (as prices) or indirectly (derived from prices); and,
- Level 3 – inputs that are unobservable.

The table below sets out fair value measurements using the fair value hierarchy:

2025	Level 1	Level 2	Level 3	Total
Assets				
Fixed income	–	153,808,167	–	153,808,167
Preferred shares	7,471,313	–	–	7,471,313
	\$ 7,471,313	\$ 153,808,167	\$ –	\$ 161,279,480

2024	Level 1	Level 2	Level 3	Total
Assets				
Fixed income	\$ –	\$ 106,697,549	\$ –	\$ 106,697,549
Preferred shares	7,504,219	–	–	7,504,219
	\$ 7,504,219	\$ 106,697,549	\$ –	\$ 114,201,768

During the years ended December 31, 2025 and 2024, there were no change in levels of securities.

7. Financial instruments and associated risks:

In the normal course of business, the Fund is exposed to a variety of financial risks, including credit risk, liquidity risk and market risk (interest rate risk, currency risk and other price risk). The value of the Fund investments can fluctuate on a daily basis as a result of changes in interest rates, economic conditions and market or company news related to specific securities within the Fund.

(a) Risk management:

Material market disruptions, such as those caused by war, natural or environmental disaster, a widespread health crisis or pandemic, trade restrictions and protectionism, including the imposition of or increase in tariffs, terrorism, and related geopolitical risks may lead to increased market volatility in the short term and may have adverse long-term effects on local and world economies and markets, including U.S., Canadian and other economies and securities markets.

RAELIPSKIE PARTNERS FIXED INCOME FUND

Notes to Financial Statements (continued)

Year ended December 31, 2025

7. Financial instruments and associated risks (continued):

(a) Risk management (continued):

The Manager seeks to minimize potential adverse effects of risk on the Funds' performance by employing professional, experienced portfolio advisors; by daily monitoring of the Funds' positions and market events; by diversifying the investment portfolio within the constraints of the investment objectives; and by periodically using derivatives to economically hedge certain risk exposures.

The Fund employs active investment strategies whereby investments in the Fund is based on target weightings for market capitalization, industry and/or issuer weightings. These target weightings are based on several factors, including impact to the Fund's volatility and asset diversification.

Significant changes to the selection of the target asset weightings attributed to the Fund require notification of the holders of redeemable units. To assist with managing risk, the Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations.

(b) Credit risk:

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. Credit risk is managed by dealing with counterparties the Manager believes to be creditworthy and by daily monitoring of credit exposures and collateral. The greatest concentration of credit risk may arise from debt securities, such as bonds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

The Statement of Investment Portfolio indicates the extent of exposure to credit risk. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The carrying amount of investments represents the maximum credit risk exposure at December 31, 2025 and 2024. The carrying amount of other assets of the Fund also represents the maximum credit risk exposure, as they will be settled in the short-term.

As at December 31, 2025 and 2024, debt securities by credit rating for the Fund are as follows:

	2025	2024
	%	%
AAA	23.62	10.62
AA	17.64	22.82
A	17.57	18.04
BBB	39.15	43.36
BB	–	0.71
Not Rated	2.02	4.45
	100.00	100.00

RAELIPSKIE PARTNERS FIXED INCOME FUND

Notes to Financial Statements (continued)

Year ended December 31, 2025

7. Financial instruments and associated risks (continued):

(c) Liquidity risk:

Liquidity risk is defined as the risk that the Fund may not be able to settle or meet its obligation on time or at a reasonable price. The Fund's exposure to the liquidity risk is concentrated in the weekly cash redemptions of redeemable units. All investments in the fund are redeemable upon demand. The Fund primarily invests in securities that are traded in active markets and can be readily disposed. In addition, the Fund retains sufficient cash and cash equivalent positions to maintain liquidity. All financial liabilities are due between one and three months.

(d) Interest rate risk:

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial instruments.

Cash and cash equivalents and other money market instruments are short-term in nature and are not generally subject to significant amounts of interest rate risk.

The Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. The Fund's exposure to interest rate risks by remaining term to maturity is as follows:

					2025
Within 1 year	1 - 5 years	5 - 10 years	Over 10 years	Total	
\$ 18,502,279	\$ 95,551,433	\$ 37,181,321	\$ 2,573,134	\$ 153,808,167	

					2024
Within 1 year	1 - 5 years	5 - 10 years	Over 10 years	Total	
\$ 8,548,441	\$ 71,947,049	\$ 22,449,904	\$ 3,752,155	\$ 106,697,549	

As of December 31, 2025, had prevailing interest rates increased or decreased by 1%, assuming a parallel shift in the yield curve, with all other variables held constant, net assets would have decreased or increased, respectively, by approximately \$5,409,644 (2024 - \$3,899,807). The Funds' sensitivity to interest rate changes was estimated using the weighted average duration of the bond portfolio. In practice, the actual trading results may differ and the difference could be material.

RAELIPSKIE PARTNERS FIXED INCOME FUND

Notes to Financial Statements (continued)

Year ended December 31, 2025

7. Financial instruments and associated risks (continued):

(e) Currency risk:

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Fund may invest in financial instruments denominated in currencies other than its functional currency and the Fund is exposed to fluctuations in those currencies. The Fund may enter into foreign exchange contracts for hedging purposes to reduce its foreign currency exposure, or to establish exposure to foreign currencies.

As at December 31, 2025 and 2024, the Fund did not hold any financial instruments denominated in currencies other than its measurement currency.

(f) Other price risk:

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

All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is the fair value. The Manager moderates this risk through a careful selection and diversification of securities and other financial instruments within the parameters of the Fund's investment objectives and strategy. The Fund's overall market positions are monitored on a regular basis by the portfolio manager. Financial instruments held by the Fund are susceptible to market price risk arising from uncertainties about future prices of the instruments.

As at December 31, 2025, 94% (2024 – 98%) of the Fund's net assets attributable to holders of redeemable units were invested in securities traded on North American stock exchanges.

As of December 31, 2025 and 2024, had the prices on the respective stock exchanges for the securities increased or decreased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units would have increased or decreased, respectively, \$16,127,948 (2024 - \$11,420,177).

In practice, the actual trading results may differ and the difference could be material.

RAELIPSKIE PARTNERS FIXED INCOME FUND

Notes to Financial Statements (continued)

Year ended December 31, 2025

7. Financial instruments and associated risks (continued):

(g) Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, an example of which would be investments in the same industry or investments by geography.

As at December 31, 2025 and 2024, the Fund's investment portfolio concentration can be summarized as follows:

	Percentage of net assets attributable to holders of redeemable units	
	December 31, 2025	December 31, 2024
Investments owned		
Canadian fixed income	89.79	91.19
Canadian preferred shares	4.38	6.41
Total investments	94.17	97.60
Other assets and liabilities	5.83	2.40
	100.00	100.00

8. Net increase in net assets from operations attributable to holders of redeemable units per unit:

The net increase in net assets from operations attributable to holders of redeemable units per unit for the years ended December 31, 2025 and 2024 is calculated as follows:

	Net increase in net assets attributable to holders of redeemable units	Weighted Average of Redeemable Units Outstanding During the Year	Net increase in net assets attributable to holders of redeemable units, per unit
2025	\$ 6,210,113	14,331,912	\$ 0.43
2024	\$ 7,577,557	10,681,679	\$ 0.71

RAELIPSKIE PARTNERS FIXED INCOME FUND

Notes to Financial Statements (continued)

Year ended December 31, 2025

9. Income taxes:

The Fund qualifies as a unit trust under the provisions of the Income Tax Act (Canada), and accordingly, is not subject to tax on its net taxable income for the tax year which ends in December, including net realized capital gains, which is paid or payable to its unitholders as at the end of the tax year. However, such part of the Fund's net income and net realized capital gains as is not so paid or payable, is subject to income tax. It is the intention of the Fund to distribute all of its income and sufficient net realized capital gains so that the Fund will not be subject to income tax. The Fund may be subject to alternative minimum tax, potentially recoverable.

10. Capital disclosure:

The capital of the Fund is represented by issued and redeemable units. The redeemable units are entitled to distributions, if any, and to payment of a proportionate share based on the Fund's net asset value per unit upon redemption. The Fund has no restrictions or specific capital requirements on the subscriptions and redemptions of redeemable units. The relevant movements are shown on the Statement of Changes in Net Assets Attributable to Holders of Redeemable Units. In accordance with its investment objectives and strategies, and the risk management practices outlined in Note 7, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by short-term borrowings or disposal of investments where necessary.

11. Indemnification of the Manager/Trustee:

The Fund, according to the terms of the Trust Indenture, indemnifies the Manager, its principals and their respective affiliates from all claims that may arise for (i) mistakes of judgment or for action or inaction or for losses due to such mistakes, action or inaction so long as they acted honestly and not in bad faith and reasonably believed that their conduct was in the best interests of the Fund and (ii) losses due to mistakes of judgment or the action or omission of any broker or agent of the Manager, selected, engaged or retained by the Manager, its principals or their respective affiliates.

12. Filing exemption:

The Fund is relying on the exemption pursuant to Section 2.11 of National Instrument 81-106.