

As at June 30, 2018

This semi-annual management report of fund performance contains financial highlights but does not contain the semi-annual or annual financial statements of the investment fund. You can get a copy of the semi-annual financial statements upon request at no charge, by calling 1-855-386-2282, by emailing us at atbimservice@atb.com, by contacting your dealer or by visiting SEDAR at www.sedar.com.

Security holders may also contact us using these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure records or quarterly Portfolio disclosure.

Management Discussion of Fund Performance

Investment Objectives and Strategies

The U.S. Equity Income Pool ("the Pool") objective is to seek to achieve long-term capital growth primarily by investing, or gaining exposure to, equity securities of issuers in the United States.

To achieve the Pool's objectives, the Pool advisor will allocate the Pool's exposure to U.S. equity securities based upon its view of the market and the suitability of the investment for the Pool, and by taking into account factors such as market sector, investment style, volatility, and market capitalization.

Risk

There were no significant changes to the investment objective and strategies that affected the Pool's overall level of risk during the reporting period. The risks of investing in the Pool and the suitability of the Pool for investors remain as discussed in the Simplified Prospectus.

Result from Operations

The US economy continued to fire on virtually all cylinders, with the unemployment rate hovering around 4% for most of the first half of the year, and near-record low initial applications for unemployment insurance. Despite the heady economic situation, inflation remained slightly above the 2% target set for it by the US central bank (the Federal Reserve, or "Fed"). On the ongoing strength of the US economy, the Fed raised its target short-term interest rate a quarter percent in both March and June, and is generally expected to increase it once or twice again before the year is over.

US stock prices raced upwards by nearly 8% in the first three weeks of January before collapsing by the same amount in just a few days in early February, as share prices became very volatile. Over the rest of the year's first half, the heightened volatility gradually dissipated and stock prices stabilized. Measured in US dollars, the US large-cap stocks that represent about 80% of the portfolio had a gross return of about 2.5% for the period, but a rising US dollar added nearly 5% to this if measured in Canadian dollars.

US small-cap stock returns easily outpaced the large-cap peers, with a gross return of about 9.5% in US dollars and 14.5% if measured in Canadian dollars.

Recent Developments

The Pool adopted IFRS 9 commencing with the period beginning January 1, 2018. IFRS 9 replaces IAS 39 *Financial Instruments: Recognition and Measurement*. The adoption of IFRS 9 has been applied retrospectively and did not result in a change to the classification or measurement of financial instruments, in either the current or prior period.

Chris Webster is no longer a member of the IRC effective May 1, 2018.

There are no changes at this time to the strategic positioning of the Pool, the manager, or to the policies of the IRC.

Related Party Transactions

The Pool is managed by ATB Investment Management Inc. ATB Investment Management Inc. is a wholly owned subsidiary of ATB Financial.

Semi-Annual Management Report of Fund Performance

ATBIS U.S. Equity Pool (continued)

Throughout the year, the Pool used the services of ATB Financial and its subsidiaries for administration of the Pool. The total value of services rendered by ATB Financial, and its subsidiaries to the Pool, was \$11,412.

ATB Investment Management Inc. has established an independent review committee ("IRC") which acts as an impartial and independent committee to review and provide recommendations or, if appropriate, approvals with respect to any conflict of interest matters. IRC oversight ensures that there are no conflicts of interest that would be harmful to unit holders.

Financial Highlights

The following tables show selected key financial information about the Pool and are intended to help you understand the Pool's financial performance for the six months ended June 30, 2018 and the fiscal years indicated. The information on the following tables is based on prescribed regulations and as a result, is not expected to reconcile because the increase (decrease) in net assets from operations is based on average units outstanding during the period and all other numbers are based on actual units outstanding at the relevant point in time.

ATBIS U.S. Equity Pool - Series A			
PERIOD	2018	2017	2016
Net assets, beginning of period¹	\$11.24	\$10.42	\$10.00
Increase (decrease) from operations;			
Total revenue	0.05	0.21	0.09
Total expenses	(0.15)	(0.29)	(0.03)
Net investment income (loss)	(0.10)	(0.08)	0.06
Realized gains (losses) for the period	0.08	0.08	0.10
Unrealized gains (losses) for the period	0.90	0.53	0.45
Net gain (loss) on investment for the period	0.98	0.61	0.55
Total increase (decrease) from operations²	0.88	0.53	0.61
Distributions;			
From income (excluding dividends)	-	-	(0.09)
From dividends	-	-	-
	-	-	(0.09)
From capital gains	-	-	(0.10)
Return of capital	-	-	-
Total annual distributions³	-	-	(0.19)
Net assets, end of period⁴	\$12.06	\$11.24	\$10.42

(1) This information is derived from the Pool's audited annual financial statements as at December 31 of the years shown, except 2018, which is derived from the Pool's unaudited interim financial statements for the six months ended June 30, 2018.

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

(3) Distributions were paid in cash, reinvested in additional units of the Pool, or both.

Ratios and Supplemental Data

PERIOD	2018	2017	2016
Total net asset value (000's) ⁴	\$6	\$21	\$5
Number of units outstanding ⁴	509	1,868	509
Management expense ratio ⁵	2.67%	2.72%	1.10%
Management expense ratio before waivers or absorptions	3.24%	3.51%	67.76%
Trading expense ratio ⁶	0.02%	0.03%	0.15%
Portfolio turnover rate ⁷	8.01%	8.79%	0.47%
Net asset value per unit	\$12.06	\$11.24	\$10.42

(4) This information is provided at June 30, 2018 and December 31 of prior years shown.

(5) Management expense ratio (MER) is based on total expenses (excluding commissions and other Pool transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

(6) The trading expense ratio represents total commissions and other Pool transaction costs expressed as an annualized percentage of daily average net asset value during the period.

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

Financial Highlights (continued)

ATBIS U.S. Equity Pool - Series O			
PERIOD	2018	2017	2016
Net assets, beginning of period¹	\$11.45	\$10.45	\$10.00
Increase (decrease) from operations;			
Total revenue	0.09	0.21	0.19
Total expenses	-	(0.01)	-
Net investment income (loss)	0.09	0.20	0.19
Realized gains (losses) for the period	0.09	0.08	0.23
Unrealized gains (losses) for the period	0.84	1.00	0.16
Net gain (loss) on investment for the period	0.93	1.08	0.39
Total increase (decrease) from operations²	1.02	1.28	0.58
Distributions;			
From income (excluding dividends)	-	(0.15)	(0.08)
From dividends	-	-	-
	-	(0.15)	(0.08)
From capital gains	-	-	(0.10)
Return of capital	-	-	-
Total annual distributions³	-	(0.15)	(0.18)
Net assets, end of period⁴	\$12.44	\$11.45	\$10.45

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

(3) Distributions were paid in cash, reinvested in additional units of the Pool, or both.

Ratios and Supplemental Data

PERIOD	2018	2017	2016
Total net asset value (000's) ⁴	\$32,081	\$22,822	\$1,912
Number of units outstanding ⁴	2,578,466	1,992,902	182,862
Management expense ratio ⁵	0.04%	0.07%	0.10%
Management expense ratio before waivers or absorptions	0.40%	0.82%	23.10%
Trading expense ratio ⁶	0.02%	0.03%	0.15%
Portfolio turnover rate ⁷	8.01%	8.79%	0.47%
Net asset value per unit	\$12.44	\$11.45	\$10.45

(4) This information is provided at June 30, 2018 and December 31 of prior years shown.

(5) Management expense ratio (MER) is based on total expenses (excluding commissions and other Pool transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

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Financial Highlights (continued)

ATBIS U.S. Equity Pool - Series F1			
PERIOD	2018	2017	2016
Net assets, beginning of period¹	\$11.38	\$10.43	\$10.00
Increase (decrease) from operations;			
Total revenue	0.10	0.24	0.09
Total expenses	(0.05)	(0.09)	(0.02)
Net investment income (loss)	0.05	0.15	0.07
Realized gains (losses) for the period	0.09	0.09	0.10
Unrealized gains (losses) for the period	0.78	0.80	0.45
Net gain (loss) on investment for the period	0.87	0.89	0.55
Total increase (decrease) from operations²	0.92	1.04	0.62
Distributions;			
From income (excluding dividends)	-	(0.08)	(0.09)
From dividends	-	-	-
	-	(0.08)	(0.09)
From capital gains	-	-	(0.10)
Return of capital	-	-	-
Total annual distributions³	-	(0.08)	(0.19)
Net assets, end of period⁴	\$12.31	\$11.38	\$10.43

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

(3) Distributions were paid in cash, reinvested in additional units of the Pool, or both.

Ratios and Supplemental Data

PERIOD	2018	2017	2016
Total net asset value (000's) ⁴	\$3,749	\$2,088	\$5
Number of units outstanding ⁴	304,442	183,519	509
Management expense ratio ⁵	0.82%	0.85%	0.74%
Management expense ratio before waivers or absorptions	1.22%	1.52%	67.40%
Trading expense ratio ⁶	0.02%	0.03%	0.15%
Portfolio turnover rate ⁷	8.01%	8.79%	0.47%
Net asset value per unit	\$12.31	\$11.38	\$10.43

(4) This information is provided at June 30, 2018 and December 31 of prior years shown.

(5) Management expense ratio (MER) is based on total expenses (excluding commissions and other Pool transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

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Management Fees

ATB Investment Management Inc. receives management fees of 1.75% per annum for Series A and 0.75% per annum for Series F1, the management fees for Series A and Series F1 are calculated as a percentage of their net asset value as of the close of business on each business day. Management fees for Series O are payable directly to the Manager by Series O investors and not by the Pool.

For the period ended June 30, 2018, the Pool paid ATB Investment Management Inc. management fees of \$12,576. The Pool's management fees were used by ATB Investment Management Inc. to pay costs for managing the investment portfolio, to provide investment analysis and recommendations, to make investment decisions, to purchase and sell investments and to provide other services.

Past Performance

The performance information shown assumes all distributions made by the Pool were reinvested into additional units of the Pool. The performance information does not take into account sales, redemptions, distributions or other optional charges that would have reduced returns or performance. Past performance of the Pool does not necessarily indicate how it will perform in the future.

Year by Year Returns

The following information shows the Pool's performance for the six months ended June 30, 2018 and for each of the previous years shown. The bar charts illustrate how the Pool's performance has changed from period to period and also indicates in percentage terms, how much an investment made on the first day of each financial period would have increased or decreased in value by the last day of each period.

Series A



Year by Year Returns (continued)

Series O



Series F1



The inception date of Series A, O and F1 was September 22, 2016.
* For the period January 1, 2018 to June 30, 2018

Semi-Annual Management Report of Fund Performance
 ATBIS U.S. Equity Pool (continued)

Summary of Investment Pool

As at June 30, 2018

ATBIS US Equity Pool	% Weight
Equities	98.2%
Consumer Discretionary	12.3%
Consumer Staples	7.0%
Energy	5.8%
Financials	17.9%
Health Care	13.1%
Industrials	12.2%
Info Technology	20.3%
Materials	3.3%
Real Estate	2.3%
Telecommunications	2.4%
Utilities	1.6%
Private Equity	0.0%
Fixed Income	0.0%
Cash & Other	1.8%
Total	100.0%

ATBIS US Equity Pool	% Weight
Equities	
US	98.2%
Cash & Other	1.8%
Total	100.0%

Top 25 Holdings	% Weight
BlackRock CDN US Equity Index Fund	39.7%
Mawer U.S. Equity Fund	23.7%
iShares Core S&P Small-Cap ETF	19.6%
Cash and Cash Equivalent	1.2%
AT&T Inc.	0.9%
Berkshire Hathaway Inc. Cl. B	0.9%
Wells Fargo & Company	0.9%
PepsiCo, Inc.	0.8%
Microsoft Corporation	0.8%
AFLAC Incorporated	0.7%
Exxon Mobil Corporation	0.7%
American Express Company	0.7%
Johnson & Johnson	0.7%
National-Oilwell Varco Inc.	0.7%
Intel Corporation	0.6%
Chevron Corporation	0.6%
Walmart Inc.	0.6%
Molson Coors Brewing Company Cl. B	0.6%
Citigroup Inc.	0.6%
AutoZone, Inc.	0.5%
Casey's General Stores, Inc.	0.5%
Wabtec Corporation	0.5%
Williams-Sonoma, Inc.	0.5%
JPMorgan Chase & Co.	0.5%
Macy's, Inc.	0.5%

Total Fund Net Asset Value \$ 35,835,904

The summary of investment Portfolio may change due to ongoing Portfolio transactions in the investment fund. The most recent annual reports are available at no cost by calling 1-855-386-2282, by e-mailing atbimservice@atb.com. Prospectus and other information about underlying investment funds is available on the internet at www.sedar.com.

Caution Regarding Forward-Looking Statements

This report may include forward-looking statements about the Pool. These statements “Results from Operations” and “Recent Developments” may involve, but are not limited to, forward-looking statements about the Pool and may make references relating to strategy, risks, expected performance and condition. Forward-looking statements typically use words like “anticipate”, “believe”, “estimate”, “expect”, “intend”, “may”, “plan” or other similar expressions or future or conditional verbs such as “could”, “should”, “would” or “will.”

By their very nature, forward-looking statements require numerous assumptions and are subject to inherent risks and uncertainties, both general and specific, concerning future performance, strategies or prospects and possible future Pool action. A number of factors could cause actual future results, conditions, actions or events to differ materially from the current expectations, estimates, intentions or projections about future general economic, political and other relevant market factors in North America and internationally including, but not limited to, interest rates, foreign exchange rates, equity and capital markets, business competition, technological changes, catastrophic events and the general business economy. Such factors assume no changes to applicable tax, other laws, government regulation or legislation.

The Pool cautions readers that the aforementioned list is not exhaustive. Anyone reading and relying on forward-looking statements should carefully consider these and other factors that could potentially have an adverse affect on the Pool’s future results as there is a significant risk that forward-looking statements will not prove to be accurate.

Readers should not place undue reliance on forward-looking statements, as actual results may differ materially from plans, objectives, and expectations. The Pool does not undertake to update any forward-looking statement contained in this report.

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