

ATBIS Fixed Income Pool

As at June 30, 2019

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 1-888-ATB-FUND, 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 ATBIS Fixed Income Pool's ("the Pool") objective is to seek to earn interest income primarily by investing in, or gaining exposure to, Canadian dollar-denominated fixed income securities, including debt obligations of, or guaranteed by, Canadian federal, provincial or municipal governments, Canadian corporations, or foreign issuers (Maple bonds).

To achieve the Pool's objectives, the Pool advisor will allocate the Pool's exposure to fixed income 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 economic indicators (including growth, inflation and monetary policy), as well as its interest rate outlook.

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.

Results from Operations

The Pool's net asset value increased to \$100 million as at June 30, 2019, from \$91 million at the end of 2018. The change in asset value was due to a combination of net inflows and investment returns.

Year to date, the Pool's Series O units returned 4.21%, underperforming the blended benchmark return of 6.52%. The Pool's return is after the deduction of fees and expenses, while broad-based index and blended benchmark returns do not include any costs of investing. See the Financial Highlights section for the management expense ratios ("MER") and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

The following provides an asset class specific commentary for the Pool, returns are inclusive of the Pool's pro-rata share, where applicable, of any investment in an underlying fund i.e. provided on a look-through basis:

The conventional bond component that represents about 10% of the portfolio experienced a gross return of 6.5% for the first six months. The Bank of Canada held its short-term interest rate target constant at 1.75%. However, due largely to the belief that the American central bank (the Federal Reserve) would reduce its interest-rate target before the year is out, and that the Bank of Canada might follow, interest rates of longer-maturity bonds fell considerably and imparted a significant price gain to those bonds and also to the broad bond index.

The investment grade corporate bonds that represent about 40% of the portfolio didn't fully participate in the bond rally because it holds fewer long-maturity bonds. This component of the portfolio generated a gross return of 5% for the first half of the year.

The high-yield corporate bond component that represents about 50% of the portfolio experienced a 3.4% gross return in the first half of the year. This portion of the portfolio currently consists of higher-quality short-term bonds, and therefore its performance was barely affected by the long-bond rally.

Changes

The Pool began to make investments in securities backed by commercial mortgages. As of June 30, 2019, these investments accounted for approximately 0.3% of portfolio weight.

Recent Developments

As of May 15, 2019, QV Investors Inc. ("QV") ceased to act as sub-advisor to ATB Investment Management Inc. ("ATBIM") for the ATBIS U.S. Equity Pool and ATBIS International Equity Pool as well as for the foreign equity portion of Compass Conservative Portfolio, Compass Conservative Balanced Portfolio, Compass Balanced Portfolio, Compass Balanced Growth Portfolio, Compass Growth Portfolio, and Compass Maximum Growth Portfolio. Mawer Investment Management Ltd. continues to act as a sub-advisor to ATBIM in respect of the foreign equity component of the Compass Portfolios and were subject to an increase in allocation of some or all of the foreign equity assets previously managed by QV. Mawer was also appointed as a sub-advisor to ATBIM for the ATBIS Pools.

There are no other developments to report at this time related 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.

Throughout the period, 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 \$29,798.

As of June 30, 2019, ATB Investment Management Inc. has absorbed \$132,062 of operating expenses in the Pool.

ATB Investment Management Inc. is the sole investor in Series A of the Pool. As at June 30, 2019, ATBIM held 526 redeemable units, valued at \$5,221 representing 0.01% of the total net asset value of the Pool.

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.

Semi-Annual Management Report of Fund Performance
 ATBIS Fixed Income Pool (continued)

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, 2019 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 Fixed Income Pool - Series A				
PERIOD	2019	2018	2017	2016
Net assets, beginning of period¹	\$9.59	\$9.72	\$9.71	\$10.00
Increase (decrease) from operations;				
Total revenue	0.16	0.27	0.31	0.25
Total expenses	(0.07)	(0.14)	(0.20)	(0.02)
Net investment income (loss)	0.09	0.13	0.11	0.23
Realized gains (losses) for the period	-	(0.02)	(0.06)	0.01
Unrealized gains (losses) for the period	0.25	(0.11)	0.05	(0.26)
Net gain (loss) on investment for the period	0.25	(0.13)	(0.01)	(0.25)
Total increase (decrease) from operations²	0.34	-	0.10	(0.02)
Distributions;				
From income (excluding dividends)	-	(0.14)	(0.09)	(0.27)
From dividends	-	-	-	-
	-	(0.14)	(0.09)	(0.27)
From capital gains	-	-	-	(0.01)
Return of capital	-	-	-	-
Total annual distributions³	-	(0.14)	(0.09)	(0.28)
Net assets, end of period⁴	\$9.92	\$9.59	\$9.72	\$9.71

(1) This information is derived from the Pool's unaudited interim financial statements

(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	2019	2018	2017	2016
Total net asset value (000's) ⁴	\$5	\$5	\$5	\$5
Number of units outstanding ⁴	526	526	519	514
Management expense ratio ⁵	1.40%	1.42%	2.09%	0.93%
Management expense ratio before waivers or absorptions	2.30%	2.33%	3.01%	67.39%
Trading expense ratio ⁶	0.00%	0.00%	0.00%	0.00%
Portfolio turnover rate ⁷	22.54%	42.12%	87.70%	0.00%
Net asset value per unit	\$9.92	\$9.59	\$9.72	\$9.71

(4) This information is provided at June 30, 2019 and December 31 of prior years shown

(5) The management expense ratio (MER) is based on total expenses (excluding commissions and other portfolio transaction costs), and the Pool's proportionate share of the MER, if applicable, of any underlying funds and exchange-traded funds in which the Pool has invested, allocated to that series for the stated period and is expressed as an annualized percentage of daily average net asset values during the period. The Manager, at its sole discretion, waives management fees or absorbs expenses. Such waivers and absorptions can be terminated at any time. The MERs of the Pool are shown both with and without the waivers and absorptions.

(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 Pool's 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.

Semi-Annual Management Report of Fund Performance
 ATBIS Fixed Income Pool (continued)

Financial Highlights (continued)

ATBIS Fixed Income Pool - Series O				
PERIOD	2019	2018	2017	2016
Net assets, beginning of period¹	\$9.70	\$9.82	\$9.76	\$10.00
Increase (decrease) from operations;				
Total revenue	0.16	0.28	0.34	0.53
Total expenses	-	-	(0.01)	-
Net investment income (loss)	0.16	0.28	0.33	0.53
Realized gains (losses) for the period	-	(0.03)	(0.07)	0.02
Unrealized gains (losses) for the period	0.25	(0.11)	-	(0.40)
Net gain (loss) on investment for the period	0.25	(0.14)	(0.07)	(0.38)
Total increase (decrease) from operations²	0.41	0.14	0.26	0.15
Distributions;				
From income (excluding dividends)	-	(0.25)	(0.25)	(0.23)
From dividends	-	-	-	-
	-	(0.25)	(0.25)	(0.23)
From capital gains	-	-	-	(0.01)
Return of capital	-	-	-	-
Total annual distributions³	-	(0.25)	(0.25)	(0.24)
Net assets, end of period⁴	\$10.11	\$9.70	\$9.82	\$9.76

(1) This information is derived from the Pool's unaudited interim financial statements

(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	2019	2018	2017	2016
Total net asset value (000's) ⁴	\$93,598	\$85,273	\$53,493	\$4,411
Number of units outstanding ⁴	9,259,000	8,790,457	5,449,577	451,819
Management expense ratio ⁵	0.04%	0.04%	0.07%	0.13%
Management expense ratio before waivers or absorptions	0.31%	0.35%	0.81%	18.31%
Trading expense ratio ⁶	0.00%	0.00%	0.00%	0.00%
Portfolio turnover rate ⁷	22.54%	42.12%	87.70%	0.00%
Net asset value per unit	\$10.11	\$9.70	\$9.82	\$9.76

(4) This information is provided at June 30, 2019 and December 31 of prior years shown

(5) The management expense ratio (MER) is based on total expenses (excluding commissions and other portfolio transaction costs), and the Pool's proportionate share of the MER, if applicable, of any underlying funds and exchange-traded funds in which the Pool has invested, allocated to that series for the stated period and is expressed as an annualized percentage of daily average net asset values during the period. The Manager, at its sole discretion, waives management fees or absorbs expenses. Such waivers and absorptions can be terminated at any time. The MERs of the Pool are shown both with and without the waivers and absorptions.

(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 Pool's 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.

Semi-Annual Management Report of Fund Performance
 ATBIS Fixed Income Pool (continued)

Financial Highlights (continued)

ATBIS Fixed Income Pool - Series F1				
PERIOD	2019	2018	2017	2016
Net assets, beginning of period¹	\$9.58	\$9.74	\$9.71	\$10.00
Increase (decrease) from operations;				
Total revenue	0.16	0.27	0.35	0.25
Total expenses	(0.03)	(0.06)	(0.06)	(0.02)
Net investment income (loss)	0.13	0.21	0.29	0.23
Realized gains (losses) for the period	-	(0.02)	(0.07)	0.01
Unrealized gains (losses) for the period	0.24	(0.11)	(0.02)	(0.25)
Net gain (loss) on investment for the period	0.24	(0.13)	(0.09)	(0.24)
Total increase (decrease) from operations²	0.37	0.08	0.20	(0.01)
Distributions;				
From income (excluding dividends)	-	(0.24)	(0.20)	(0.27)
From dividends	-	-	-	-
	-	(0.24)	(0.20)	(0.27)
From capital gains	-	-	-	(0.01)
Return of capital	-	-	-	-
Total annual distributions³	-	(0.24)	(0.20)	(0.28)
Net assets, end of period⁴	\$9.96	\$9.58	\$9.74	\$9.71

(1) This information is derived from the Pool's unaudited interim financial statements

(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	2019	2018	2017	2016
Total net asset value (000's) ⁴	\$6,698	\$5,489	\$7,440	\$5
Number of units outstanding ⁴	672,427	572,742	763,947	514
Management expense ratio ⁵	0.56%	0.57%	0.60%	0.64%
Management expense ratio before waivers or absorptions	0.87%	0.90%	1.20%	67.15%
Trading expense ratio ⁶	0.00%	0.00%	0.00%	0.00%
Portfolio turnover rate ⁷	22.54%	42.12%	87.70%	0.00%
Net asset value per unit	\$9.96	\$9.58	\$9.74	\$9.71

(4) This information is provided at June 30, 2019 and December 31 of prior years shown

(5) The management expense ratio (MER) is based on total expenses (excluding commissions and other portfolio transaction costs), and the Pool's proportionate share of the MER, if applicable, of any underlying funds and exchange-traded funds in which the Pool has invested, allocated to that series for the stated period and is expressed as an annualized percentage of daily average net asset values during the period. The Manager, at its sole discretion, waives management fees or absorbs expenses. Such waivers and absorptions can be terminated at any time. The MERs of the Pool are shown both with and without the waivers and absorptions.

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(7) The Pool's 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.

Management Fees

ATB Investment Management Inc. receives management fees of 1.25% per annum for Series A and 0.5% 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, 2019, the Pool paid ATB Investment Management Inc. management fees of \$16,065. 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.

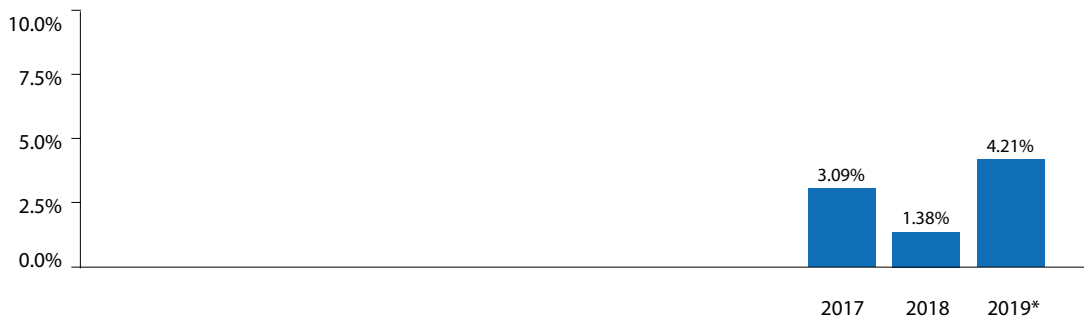
Year by Year Returns

The following information shows the Pool's performance for the six months ended June 30, 2019 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.

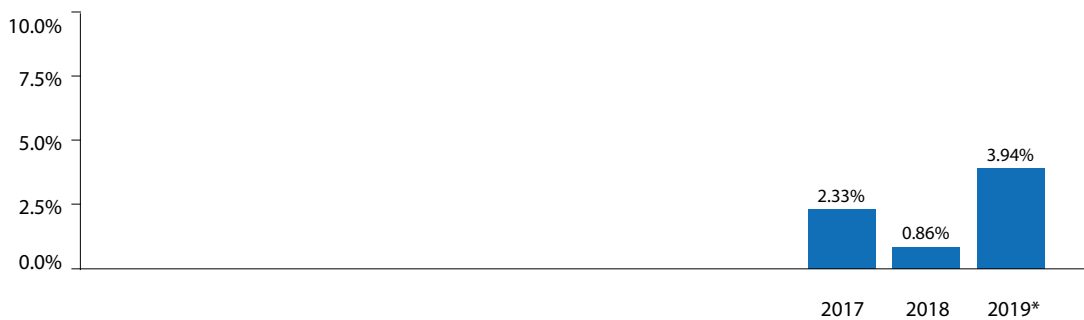
Series A



Series O



Series F1



The inception date of Series A, O and F1 was September 22, 2016.

* For the period January 1, 2019 to June 30, 2019

Summary of Investment Pool

As at June 30, 2019

<i>ATBIS Fixed Income Pool</i>	<i>% Weight</i>
Fixed Income	97.9%
Cash & Other	2.1%
Total	100.0%

<i>ATBIS Fixed Income Pool</i>	<i>% Weight</i>
Fixed Income	
Govt Bonds	13.2%
Corp Bonds	84.1%
Mortgage-backed Securities	0.6%
Cash & Other	2.1%
Total	100.0%

<i>Top 25 Holdings</i>	<i>% Weight</i>
BlackRock Canada Universe Bond Index Fund	9.5%
Bank of Montreal 2.20% Feb 01/24	5.8%
Apple Inc. 2.51% Aug 19/24	3.7%
Royal Bank of Canada 2.11% Jun 27/22	3.6%
The Toronto-Dominion Bank 1.68% Jun 08/21	3.6%
Lloyds Bank PLC 2.57% Jul 11/23	3.1%
AT&T Inc. 3.62% Jun 12/24	3.0%
Metropolitan Life Global Funding I 3.11% Apr 16/21	2.8%
Royal Bank of Canada 2.33% Mar 23/20	2.7%
The Manufacturers Life Insurance Company 2.10% Jun 01/25	2.5%
Ford Credit Canada Company 5.12% Mar 21/24	1.9%
The Toronto-Dominion Bank 2.28% Jun 28/23	1.8%
TWDC Enterprises 18 Corp. 2.76% Oct 07/24	1.8%
Kraft Canada Inc. 2.70% Jul 06/20	1.7%
Shaw Communications Inc. 6.75% Nov 09/39	1.7%
GE Capital Canada Funding Company 4.60% Jan 26/22	1.6%
Scotia Capital Canadian Mortgage Pools 2.05% Feb 01/24	1.5%
Cash and Cash Equivalent	1.4%
Honda Canada Finance Inc. 2.26% Dec 18/20	1.3%
Bombardier Inc. 7.88% Apr 15/27	1.3%
Magna International, Inc. 3.10% Dec 15/22	1.3%
The Manufacturers Life Insurance Company 3.18% Nov 22/27	1.2%
PepsiCo, Inc. 2.15% May 06/24	1.2%
GE Capital Canada Funding Company 2.37% Feb 15/22	1.2%
Ford Motor Credit Company LLC 5.73% Jan 07/22	1.1%

Total Fund Net Asset Value \$100,301,339

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 1-888-ATB-FUND, 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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