

**June 10, 2020**

**Report to Community Living Ontario Finance Committee on the Mary Ellsworth Stillman Estate**

Submitted By: Sue Talmey, Director of Finance

Community Living Ontario is one of two beneficiaries of the Mary Ellsworth Stillman Estate Trust, managed by Scotia Wealth Management, the Estate Trustee. Belmont House (a seniors residence) in Toronto is the other beneficiary. We receive a monthly payment from this Trust which is currently \$56.8k per month, making up a significant portion of our operating budget.

The recent account statement shows a Market Value at March 31, 2020 of \$29,355,548 versus \$32,939,783 October 31, 2019. The asset allocation is as follows:

Cash & Short Term – 1.79%	Neutral Target 2%
Fixed Income - 30.41%	Neutral Target 28%
Canadian Equity – 33%	Neutral Target 25%
US Equity – 37%	Neutral Target 25%
International Equity – 30%	Neutral Target 20%

The issues raised over the last several years with regards to the management of the account by Scotia Wealth and the fees charged, as reported in February, have now been resolved to the satisfaction of the two beneficiaries. Members of the Community Living Ontario finance committee attended a conference call with Belmont House in mid February. Belmont House Legal Council was present, and a fee proposal was drafted and submitted to Scotia Wealth Management. An agreement satisfactory to all parties was reached in April 2020 and is attached for your information. We have moved to a flat Care and Management fee which is .55% of the Market Value of the Trust.

We have established a relationship with the new manager of the trust, and he is keeping us informed and updated. We have a responsibility to be sure we receive information and updates and to monitor the account.

A report is provided quarterly to the committee.

**Compensation Schedule for the Trust Under the Estate of Mary E. Stillman**  
Trustee Services including Investment Management

**Testamentary Trust - Care and Management:**

0.55% on the Market Value of the Trust\*

\*Scotiastrust will charge a flat percentage compensation fee based on market value of the account for ongoing fiduciary services to the Trust Under the Estate of Mary E. Stillman which includes investment management.

The annual Care & Management fee is payable out of the Trust monthly, or at such other intervals as Scotiastrust shall determine and shall be charged 100% to Capital, unless otherwise specified. All fees are subject to HST.

This Compensation Schedule will be effective as at January 1, 2020 and will be reviewed after 5 years being December 31, 2024.

It is expressly acknowledged and accepted that any and all investment expenses related to the management of the Trust - including commissions, trailer fees or other embedded advisor fees from third-party sources related to the securities held in the Trust - are in addition to the fees outlined in this Compensation Schedule.

**Tax Services:** Fees for tax services shall be a separate fee and will be charged in accordance with Scotiastrust's scale of fees in effect from time to time.

**Pre-taking of compensation:** The beneficiaries authorize Scotiastrust to set aside and apply for its own use absolutely (and not just as a reserve with respect to fees to be claimed), such amounts of the income and/or capital of the Trust as it considers appropriate from time to time on account of its fees as set out in this Schedule, notwithstanding that it shall have the use of the said funds prior to any Order of any Court of competent jurisdiction or the approval of the beneficiaries.

**All other expenses:** Compensation paid to Scotiastrust shall be exclusive of all legal costs and disbursements, agent's charges and other expenses properly incurred, including real estate commission paid with respect to the sale or leasing of any real property held in the Trust (if applicable), whether such commission is paid to a Real Estate Department of Scotiastrust, any of its affiliates or related parties, or to any other broker.

**Reimbursement of taxes and expenses:** In addition to its compensation for services, Scotiastrust shall be entitled to the reimbursement from the Trust of all reasonable out-of-pocket expenses incurred in the administration, as well as all Federal/Provincial taxes (if any) which may be charged upon the value of the services supplied by it from time to time.