

**Annual Report of the Independent Review Committee of the
Caldwell Group of Funds (the "Funds")**

January 26, 2021

IRC Annual Report to: Unitholders in the Caldwell Group of Funds (the "Funds") as listed at the end of this report

Dear Unitholder,

In accordance with **National Instrument 81-107 *Independent Review Committee for Investment Funds*** ("NI 81-107" or the "Instrument"), Caldwell Investment Management Ltd. (the "Manager") established an Independent Review Committee (the "Committee" or "IRC") for the Funds on November 1, 2007. The IRC has functioned in accordance with the applicable securities laws and is composed of three individuals, each of whom is independent of the Fund, the Manager and each entity related to the Manager (as defined in the Instrument).

The IRC is pleased to publish its annual report to unitholders, covering the period from January 1, 2020 to December 31, 2020 (the "Reporting Period").

Mandate of the IRC

In accordance with the Instrument, the mandate of the IRC is to consider and provide decisions to the Manager on conflicts of interest to which the Manager may be subject when managing the Funds. The Manager is required under the Instrument to identify potential conflicts of interest inherent in its management of the Funds, develop written policies and procedures guiding its management of those conflicts and request input from the IRC on those written policies and procedures, hereinafter referred to as the Conflict of Interest Matters manual.

When a conflict matter arises, the Manager must refer its proposed course of action in respect of such conflict to the IRC for its review. While certain matters require the IRC's prior approval, in most cases the IRC will provide a decision to the Manager as to whether, in the opinion of the IRC, the Manager's proposed action provides a fair and reasonable result for the Fund. For recurring conflict of interest matters, the IRC can provide the Manager with Standing Instructions ("SI's") that enable the Manager to proceed with certain matters without having to refer them to the IRC each time for approval, providing the Manager deals with the conflicts in accordance with the SI's.

The IRC is empowered to represent the best interest of the Funds in any matter where the Manager has referred a conflict of interest matter to it. In those cases, the IRC has sought to ensure that the Manager's proposed course of action represents a fair and reasonable result for the Fund.

The IRC has engaged Independent Review Inc. to assist it in its duties in accordance with the provisions of the Instrument and the IRC's written charter, to provide certain administrative and record keeping functions, and to act as the IRC's independent secretariat.

Composition of the IRC

The current members of the IRC and their principal occupations, are as follows:

Name and Municipality of Residence	Principal Occupation	Term of Office
Supriya Kapoor, Toronto, Ontario	Principal of Aurelius G.R.P.	Initial appointment December 2 until November 30, 2022
Ann Harris, Toronto, Ontario	Securities Compliance Professional	Initial appointment December 2, 2019 Re-appointed until December 1, 2023
Jerry Beniuk, Mississauga, Ontario	Investment Fund Professional	Initial appointment December 2 until November 30, 2021

Ann Harris was re-appointed to the IRC on July 28, 2020 for a period for three years, effective December 2, 2020.

Compensation and Indemnification

Review of Compensation

At least annually, the IRC reviews its compensation considering the following:

- the nature and extent of the workload of each member of the IRC, including the commitment of time and energy expected from each member;
- the number of meetings required by the IRC including special meetings to consider conflict issues brought to the committee;
- industry best practices, including industry averages and surveys on IRC compensation; and,
- the complexity of the conflict issues brought to the IRC.

The IRC determined that no changes were required in its compensation.

Members' Fees

In aggregate, the IRC members were paid \$33,000 plus applicable taxes, during the Reporting Period in connection with services provided to the Funds and the Caldwell Pooled Funds.

Indemnities Granted

The Funds and the Manager have provided each IRC Member with a contractual indemnity in keeping with NI 81-107. No payments were paid to the IRC Members pursuant to this indemnity by the Funds or the Manager during the Reporting Period.

Disclosure of IRC Members' Holdings

As of December 31, 2020, the IRC Members did not beneficially own, directly or indirectly:

- any units of any of the Funds;
- any interests in the Manager; or,
- any interests in a company or person that provides services to the Manager or the Fund.

Decisions and Approvals

On October 13, 2020, the Manager informed the IRC that it would be calling a special meeting of the Caldwell Balanced Fund unitholders to vote on a proposal to change the investment objectives to permit, the use of derivatives such as options, swaps, forwards, and repos/reverse repos in the fund, subject to NI 81-102 provisions. It would also be requesting the approval of a name change to the Caldwell North American Fund. The changes were subsequently approved by the unitholders on November 16, 2020.

Standing Instructions Approved

The IRC has approved 14 SIs. The SIs constitute a written approval or decision from the IRC that permits the Manager to proceed with the specific action(s) set out in an SI on an ongoing basis, without having to refer the conflict of interest matter or its proposed action to the IRC, provided that the Manager complies with the terms and conditions of the SIs. The SIs required the Manager to comply with its related policy and procedures and to report periodically to the IRC.

The SIs deal with several conflicts of interest matters including:

1. Principal trading of Fixed Income Securities.
2. Client Complaints Handling Policy;
3. Valuation Policy;
4. Proxy Voting Policy;
5. Standard of Fairness Policy; (*Rescinded effective December 31, 2020*)
6. Fund Expense Allocation Policy;
7. Policy for Fair Allocation of Investment Opportunities;
8. NAV Error Correction Policy;
9. Trade Error Policy;
10. Best Execution and Broker Selection Policy;
11. Policy on the Use of Client Commissions;
12. Short Term Trading Policy;
13. Personal Trading Policy; and,
14. Purchases in Evolve ETFs, connected/related issuer

Manager's Report on its Standing Instructions

In accordance with the Instrument, the Manager provided a written report to the IRC describing its reliance on the SIs during the Reporting Period. The Manager relied on all the SIs during the Reporting Period.

Funds Served by the IRC

Caldwell North American Fund (*formerly the Caldwell Balanced Fund*)
Caldwell Canadian Value Momentum Fund
Caldwell U.S. Dividend Advantage Fund
Tactical Sovereign Bond Fund

This report is available on the Manager's website at <https://caldwellinvestment.com/> or you may request a copy, at no cost to you, by contacting the Manager at 416 593 0353 or 1 800 256 2441 or email the Funds at funds@caldwellinvestment.com. This document and other information about the Funds are available on www.sedar.com

Yours truly,

"Supriya Kapoor"

Chair: Supriya Kapoor

Ann Harris serves as a member of the Independent Review Committees for the following funds:

Investment funds that are reporting issuers managed by Knowledge First Financial