Caldwell Investment Management Ltd.

Independent Investment Managers

Annual Management Report of Fund Performance

For the Year Ended December 31, 2018

Caldwell U.S. Dividend Advantage Fund

Note: The fund's auditor does not audit the Management Report of Fund Performance ("MRFP") but checks the figures to ensure they are consistent with the audited financial statements.

This annual management report of fund performance contains financial highlights, but does not contain the complete annual financial statements of the investment fund. You may obtain a copy of the annual financial statements at your request, free of charge, by calling 1-800-256-2441, by writing to us at Caldwell Investment Management Ltd., 150 King Street West, Suite 1702, P.O. Box 47, Toronto, ON M5H 1J9 or by visiting our website at www.caldwellinvestment.com or SEDAR at www.sedar.com.

Securityholders may also contact us by using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

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Management Discussion of Fund Performance

Investment Objective and Strategies

The investment objectives of the Fund are to provide holders of Units ("Unitholders") with:

(i) monthly cash distributions; and
(ii) the potential for capital appreciation and enhanced long-term risk adjusted returns.

The investment objective of the Fund may only be changed with the approval of unitholders at a meeting called for that purpose.

The Fund has been created to invest in an actively managed portfolio (the "Portfolio") comprised primarily of U.S. dividend-paying equity securities that exhibit a combination of low current volatility and high profitability and are expected by the Manager to significantly benefit from the current U.S. economic expansion.

In addition, the Fund incorporates a disciplined risk management process that tactically shifts the portfolio away from certain market factors. From time to time, the Fund will hedge currency risk, market risk, or sector specific risk. Our strategy consists of utilizing a disciplined investment process that consists of a combination of quantitative and qualitative fundamental analysis in constructing and maintaining the Portfolio. Our Portfolio consists of the three following characteristics:

1) High Profitability
2) Dividend Paying
3) Low current volatility, determined in respect of the short term average distribution of daily returns

Our monthly newsletters and fact sheets keeps investors informed about how the Portfolio is positioned.

Recent Developments

After two years of steady growth in asset prices, 2018 proved challenging for investors, particularly in the fourth quarter. Most of the major asset classes posted negative results in 2018. United States ("U.S.") stocks declined materially in the fourth quarter, leading to their worst year since 2008. 10-year Treasury yields rose throughout the first 3 quarters to their highest levels since 2011 before dropping in Q4 amid the equity sell-off and concerns about global growth. However, the silver lining is that U.S. equity markets outperformed non-U.S. equities making them the best house on a bad block in a terrible fourth quarter. Rising credit spreads lead to higher-quality bonds outperforming riskier credit in 2018. Inflation expectations dropped alongside the steep decline in oil prices, which pulled down commodity prices generally. Meanwhile, the prospect of fading U.S. policy support in 2019 in addition to escalation in the U.S.-China trade conflict, reduced monetary stimulus, and global growth concerns eventually took their toll on investor confidence.

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Global growth remains in expansion, but the outlook has deteriorated and investment levels in fixed capital have likely passed their peak. Leading indicators of manufacturing activity declined materially over the past year, dipping negative in the U.S., China, and the Eurozone—the world's 3

largest industrial economies. U.S. president Donald Trump's tax cuts had provided an added boost for investors heading into 2018, and U.S. GDP growth accelerated to 4.2% on an annualized quarterly basis in Q2. However, economic growth elsewhere, notably in the Eurozone, decelerated and global growth became less synchronized.

China's policymakers face a difficult challenge in attempting to exit the country's growth recession as they do not want to over-stimulate after a decade-long credit boom which left the private sector debt at worrisome levels. With credit growth stagnant, China's current policy-easing measures appear insufficient to sustain a re-acceleration. Furthermore, the increasing U.S.-China geopolitical rivalry represents a material risk to the global economy. China's slowdown affects the industrial complex of the entire world as its growth is a major contributor to Global Gross Domestic Product. The expression for the 21st century may be "When China gets a cold, the rest of the world get the flu".

The risk of recession in the U.S. remains tempered, but late-cycle conditions have appeared. In the late stages of the economic cycle, an economy surpasses its peak rate of growth and tends to be less homogenous than other phases. Historically, late-cycle periods have ranged in length from less than a year to greater than two. As the cycle matures, tighter labor markets tend to pressure wages upward and generate headwinds for corporate profit margins. Corporate tax cuts and record share repurchases fueled earnings growth and rising expectations during 2018. Growth in 2019, however, is expected to decelerate materially amid slower global growth, a stronger U.S. dollar, lower oil prices, and fading effects from 2018's tax reforms.

The American consumer remains strong amid low unemployment, accelerating wage growth, and manageable financial obligations. Historically, consumer and business spending has grown in late cycle, falling only after the onset of recession, whereas housing construction has tended to decline ahead of recession. This time may be different as home ownership is still far below the peak of 2007 and only began trending upwards in the third quarter of 2016. The last major effect of the Trump tax cuts is still left on the horizon as the U.S. consumer stands to benefit from the largest tax return from the IRS to citizens on record in 2019.

In Q4, the U.S. Federal Reserve raised policy interest rates for the ninth time this cycle, further reducing the gap between long- and short-term bond yields. Over the past 6 tightening cycles, the Fed has responded to low unemployment and rising wages by continuing to hike rates, even after the yield curve became negatively sloped. This suggests to us that if labor markets remain tight, the Fed may be inclined to continue reducing monetary accommodation.

As the Federal Reserve shrinks its balance sheet by about $50 billion per month growth in major central bank balance sheets should turn negative in 2019. The European Central Bank (ECB) followed suit and ended its quantitative easing in December 2018. Monetary tightening could lead to increased volatility as liquidity turns to a headwind from a tailwind.

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U.S. earnings growth continued to improve on a trailing 12-month basis, helped by corporate tax reform enacted early in 2018. Non-U.S. developed and emerging-market profit growth, however, moderated from high levels. The steep drop in U.S. stock prices has pushed valuations below their

long-term average for the first time in several years. Price-to-Earnings ratios for international developed and emerging markets remain lower than those for the U.S., providing a relatively favorable long-term valuation backdrop for non-U.S. stocks. The U.S. dollar generally stabilized during the fourth quarter after a sharp rally during the first half of 2018.

Stock markets in particular have suffered in 2018, particularly in the fourth quarter. Stocks have been a major beneficiary of quantitative easing and low interest rates since the global financial crisis of 2009. Companies have been able to borrow money cheaply while also benefiting from a pick-up in demand as the global economy recovered.

During the last three months of the year, the Chicago Board Options Exchange Volatility Index (VIX) hit its highest level (25.2%) since February 2018, when concerns over economic growth in China and increasing borrowing costs, caused stock markets to retreat. The higher the level of the VIX the more likely it is that investors see a market-moving event happening in the next six months.

The fourth quarter of 2018 was quite volatile, global stocks staged their worst quarterly performance in over seven years after tighter U.S. monetary policy, trade tensions between the U.S. and China, and political uncertainty in Europe raised concerns regarding slowing global economic growth.

U.S. equities declined almost 14% in the fourth quarter as political uncertainty intensified and the Federal Reserve disappointed those who were looking for an end to interest rate increases as the Fed revised their forecast for 2019 rate increases to two, down from three. As expected rates were increased another 25 basis points in December marking the ninth rate increase since the financial crisis. Since then, Jerome Powell has taken a less hawkish approach as he acknowledged increasing global risks which initiated a rally in the S&P500.

Large cap equities performed better than small and mid cap stocks during the fourth quarter and the full year. In Q4, small and mid cap stocks fell over 20% as large caps fell 14%. The Caldwell U.S. Dividend Advantage Fund is heavily weighted towards large cap stocks and benefitted from this trend in Q4.

Key Contributors/Detractors:

The fund generated a positive return during the fourth quarter of 2018. Key contributors to the fund's performance relative to the benchmark were allocations to Cash, Information Technology, and no exposure to the Energy sector. The fund maintained an average cash weight of 12.5% during the quarter which helped protect the downside during a very volatile quarter. The out-performance in Information Technology was mainly attributable to an overweight in Broadcom as the shares recovered after declining in July on news of acquiring CA Technologies. Having no exposure to the Energy sector provided significant out-performance as Crude Oil declined over 40% in the quarter, taking the sector down with it.

Key detractors of the fund include overweight positions in Industrials combined with an underweight in Real Estate and Utilities. The under-performance in Industrials was due to an overweight position in Huntington Ingalls. The stock suffered as government defence spending

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uncertainty weighed on the group's performance. Having no exposure to Real Estate and Utilities detracted from the fund's performance as the two sectors performed well during the tumultuous quarter. The fund does not hedge U.S. dollar exposure.

Independent Review Committee

Under the provisions of National Instrument 81-107 – *Independent Review Committee for Investment Funds* (NI 81-107”), which came into force on November 1, 2006, it is now required that all publicly offered investment funds, such as the Fund, establish an independent review committee (“IRC”) to whom the Manager is to refer all potential conflict of interest matters in order to obtain a recommendation or approval, as applicable. NI 81-107 further mandates that the IRC be composed of at least three independent members and requires that they conduct assessments and regularly report to the Manager and unitholders in respect of its duties.

The current members of the Manager’s IRC are Trent Morris, Sharon Kent and F. Michael Walsh.

Forward-looking Statements

Certain statements included in this report may constitute forward-looking statements, including those identified by the expressions “believe”, “anticipate”, “expect” or similar expressions to the extent they relate to the Fund, its Manager or its portfolio manager. Such forward-looking statements are not historical facts but reflect the Fund’s, the Manager’s or the portfolio manager’s current expectations regarding future results or events. Such forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. Readers are cautioned to consider these and other factors carefully when making decisions with respect to the Fund and not place undue reliance on forward-looking statements. Unless required by applicable law, the Fund does not undertake any obligation to update publicly or to revise any of such forward-looking statements, whether as a result of new information, future events or otherwise.

Forward-looking statements included or incorporated by reference in this report include statements with respect to:

- Interest rates
- Change in accounting policy

Related Party Transactions

Manager and Portfolio Adviser

The Manager is a wholly owned subsidiary of Caldwell Financial Ltd. The Manager is also the Portfolio adviser of the Fund. The Manager is responsible for the Fund’s day-to-day operations, provides investment advice and Portfolio management services to the Fund and appoints distributors for the Fund. For its administrative services, trustee fees, asset allocation, security selection, ongoing monitoring and related services, the Manager is paid an annual fee up to 2.75% based on the gross asset value of Series A units of the Fund and up to 1.75% based on the gross asset value of Series F units of the Fund.

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Trustee

The trustee of the Fund is Caldwell Investment Management Ltd.

Brokerage

The Manager has brokerage arrangements for purposes of trading in the equity markets. The Manager may utilize brokers with whom soft commission arrangements are in place. Any such arrangements will provide for Best Execution (as defined below) and any goods or services received will be of a type which assist in the provision of investment services to the Fund. Neither the Manager nor any of its connected persons will retain any cash commission rebates from such arrangements.

"Best Execution" means the best price and results for the Fund, taking into account price, costs, speed, likelihood of execution and settlement, order size and nature, or any other consideration relevant to the execution of the order.

The Manager may choose to execute a portion of the Funds' Portfolio transactions with Caldwell Securities Ltd., an affiliate of the Manager. The Manager applies its best execution policy in respect of both affiliated and non-affiliated dealers. Specifically, any trade allocation to an affiliated dealer is based on an assessment of the same best execution criteria.

Because Caldwell Securities Ltd. is an affiliate of the Manager and the interrelationship of their businesses, a conflict of interest exists that has the potential of influencing the Manager's choice of Caldwell Securities Ltd. to execute Fund Portfolio transactions. The Manager addresses this conflict of interest by applying its best execution policy and by following best execution standing instructions issued by the Funds' independent review committee.

In 2018, the Fund has paid $60,326.70 in commissions to Caldwell Securities Ltd. and in 2017, the Fund paid $437,362.53.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past year. This information is derived from the Fund's audited annual financial statements and is presented for Series A units of the Fund and Series F units of the Fund.

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The Fund's Net Asset Value (NAV), per Series F Unit as at December 31

	2018	2017	2016	2015
Net Assets, beginning of year [3]	10.80	10.43	9.54	10.00
Increase (decrease) from operations:				
Total Revenue	0.41	0.58	0.71	0.36
Total Expenses	(0.35)	(0.36)	(0.35)	(0.19)
Realized gains (losses) for the period	0.50	0.63	0.26	(0.42)
Unrealized gains (losses) for the period	(0.97)	0.13	0.89	0.08
Total increase (decrease) from operations [1]	(0.41)	0.98	1.51	(0.17)
Distributions:				
From Income (excluding dividends)	(0.16)	(0.14)	0.00	0.00
From Dividends	(0.11)	(0.08)	(0.22)	(0.09)
From Capital Gains	(0.19)	(0.15)	0.00	0.00
Return of Capital	0.00	(0.23)	(0.33)	(0.20)
Total Annual Distributions [2]	(0.46)	(0.60)	(0.55)	(0.29)
Net Assets at December 31 of year shown [3]	9.74	10.80	10.43	9.54

[1] Net asset value and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.

[2] Distributions were paid in cash or reinvested in additional units of the Fund.

*The Fund commenced on June 22, 2015.

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The Fund's Net Asset Value (NAV), per Series A Unit as at December 31

	2018*
Net Assets, beginning of year (3)	10.11
Increase (decrease) from operations:	
Total Revenue	0.02
Total Expenses	(0.03)
Realized gains (losses) for the period	0.46
Unrealized gains (losses) for the period	(0.96)
Total increase (decrease) from operations (1)	(0.51)
Distributions:	
From Income (excluding dividends)	0.00
From Dividends	0.00
From Capital Gains	0.00
Return of Capital	(0.23)
Total Annual Distributions (2)	(0.23)
Net Assets at December 31 of year shown (3)	9.50

(1) Net asset value and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.
(2) Distributions were paid in cash or reinvested in additional units of the Fund.
* Series A units commenced operations on November 22, 2018.

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Ratios and Supplemental Data – Series F

	2018	2017	2016	2015
Net asset value (000's) [1]	30,033	68,298	65,652	55,700
Number of units outstanding [1]	3,084,761	5,161,479	5,063,100	5,055,000
Management expense ratio [2]	2.90%	2.73%	2.69%	2.56%
Management expense ratio before waivers or absorptions	2.94%	2.73%	2.69%	2.56%
Portfolio turnover rate [3]	47.40%	65.76%	103.50%	79.62%
Trading Expense ratio [4]	0.31%	0.67%	1.23%	1.35%

(1) This information is provided as at December 31 of the year shown.
(2) Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage of daily average net asset value during the year.
(3) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the co
(4) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the year.

Ratios and Supplemental Data – Series A

	2018
Net asset value (000's) [1]	477
Number of units outstanding [1]	50,183
Management expense ratio [2]	2.96%
Management expense ratio before waivers or absorptions	4.47%
Portfolio turnover rate [3]	47.40%
Trading Expense ratio [4]	0.31%

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Management Fees

The Fund will pay to the Manager an annual management fee (the "Management Fee") up to 2.75% based on the gross asset value of Series A units of the Fund and up to 1.75% based on the gross asset value of Series F units of the Fund, accrued and calculated daily and payable monthly in arrears, plus applicable taxes.

Distribution	0%
Management and Portfolio Adviser Services	100%
Waivers and Absorption of Fund Expenses	0%

Past Performance

The following charts shows how the Fund has performed in the past, and can help you understand the risks of investing in the Fund. These returns include the reinvestment of all distributions and would be lower if they did not. They don't include deduction of sales, switch, redemption, or other optional charges (which distributors may charge) or income taxes payable, and would be lower if they did. The Fund's past performance is no guarantee of how it will perform in the future.

Year-by-Year Returns

The bar charts shows how the Fund's annual past performance has varied from year to year for each of the years shown. It shows in percentage terms how an investment made on January 1 would have increased or decreased by December 31 for each year.

CALWELL U.S. DIVIDEND ADVANTAGE FUND – SERIES F

For the year ended December 31

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Annual Compound Returns

The table shows the Fund's historical annual compound total return for each period since inception of the Fund, compared with the Fund benchmark. The benchmark is: the S&P 500 Index Total Return (CAD).

Annualized Compound Returns	1 Year	3 Years	5 Years	10 Years
Fund – Series A	N/A	N/A	N/A	N/A
Fund – Series F	(4.98%)	16.21%	N/A	N/A
Index	4.23%	8.64%	14.08%	14.27%

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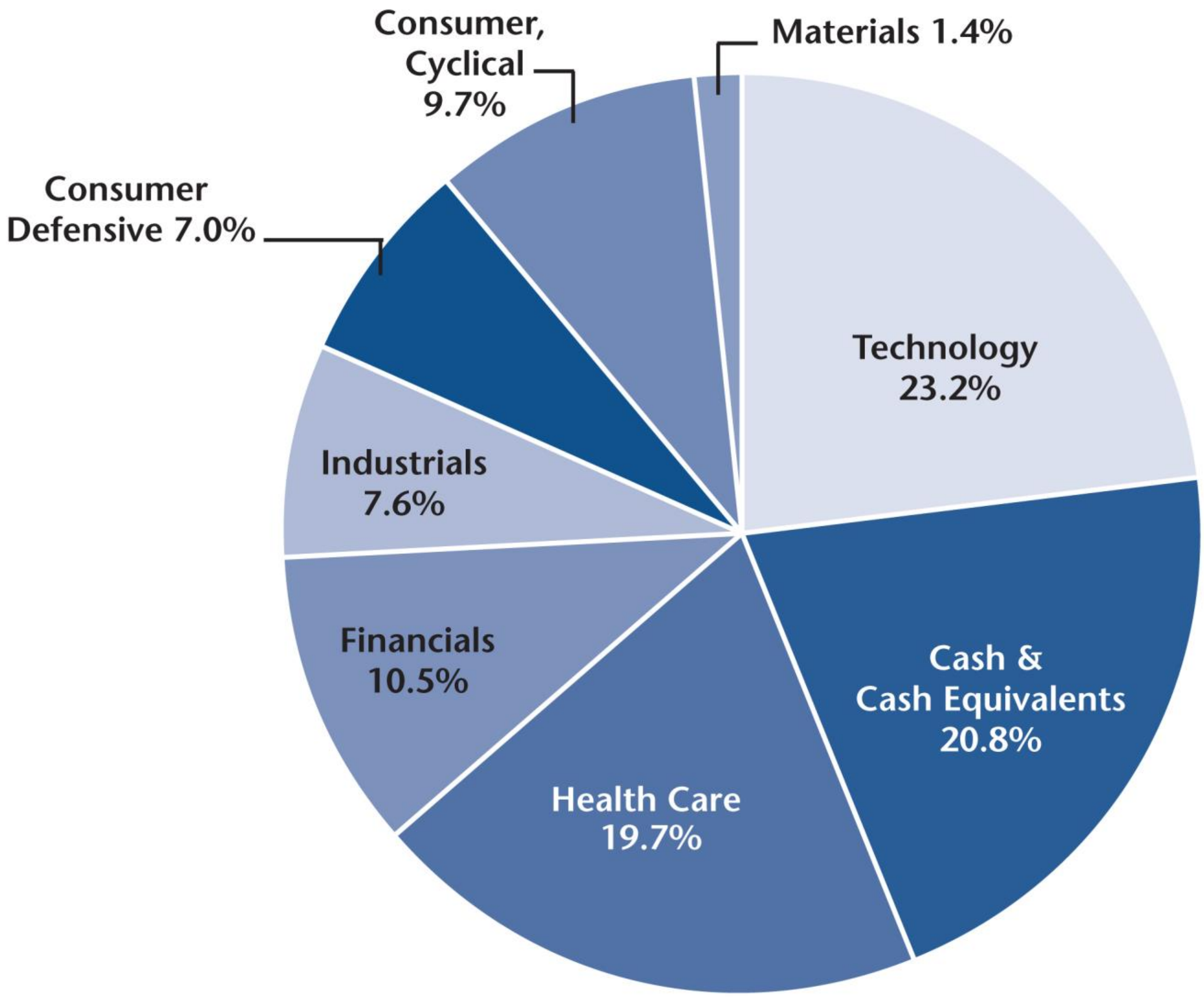
Summary of Investment Portfolio

Portfolio Breakdown as at December 31, 2018



CALDWELL U.S. DIVIDEND ADVANTAGE FUND

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Top 25 Holdings
As at December 31, 2018

SECURITY	Percentage of Net Assets
Cash & Cash Equivalents	19.82%
Broadcom Inc.	4.89%
Tyson Foods Inc.	4.61%
AO Smith Corp.	4.53%
CVS Health Corp.	4.01%
Microsoft Corp.	3.95%
UnitedHealth Group Inc.	3.79%
International Business Machines Corp.	3.56%
Oracle Corp.	3.53%
McDonald's Corp.	3.49%
Amgen Inc.	3.31%
Booking Holdings Inc.	3.08%
US Bancorp/MN	3.07%
The Cooper Cos Inc.	2.85%
Apple Inc.	2.82%
Pool Corp.	2.59%
S&P Global Inc.	2.58%
Mettler-Toledo International Inc.	2.53%
JPMorgan Chase & Co.	2.44%
Quest Diagnostics Inc.	2.05%
Cisco Systems Inc.	2.03%
Huntington Ingalls Industries Inc.	1.62%
Automatic Data Processing Inc.	1.47%
The Procter & Gamble Co.	1.44%
Alphabet Inc. Class A	1.40%
Top 25 Holdings	**91.46%**

The summary of investment portfolio may change. A quarterly update is available at www.caldwellinvestment.com.

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