Caldwell Investment Management Ltd.

Independent Investment Managers

Annual Management Report of Fund Performance

For the Year Ended December 31, 2018

Clearpoint Short Term Income Fund

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.

150 KING STREET WEST, SUITE 1702, P.O. BOX 46, TORONTO, ONTARIO, M5H 1J9
TEL: 416-593-1798 ●1-800-256-2441 ● FAX: 416-862-2498
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Management Discussion of Fund Performance

Investment Objective

The Fund seeks to provide income while preserving capital and maintaining liquidity, by investing primarily in a diverse portfolio of North American publicly traded corporate bonds and asset-backed securities with a term to maturity of five years or less.

Unitholder approval is required prior to a change in the fundamental investment objective of the Fund.

Results of Operations

Performance Highlights:

The Series A and Series F units of the Fund commenced operations on April 5, 2017 with a combined net asset value of $366,584. The Fund’s assets under management has grown to $9,015,125 as of December 31, 2017 and $12,121,130 as of December 31, 2018.

Recent Developments - Sub Advisory Comments

Market Highlights

- Central banks in Canada and the US each raised monetary policy rates by 25 basis points in the 4th quarter, to 1.75% in October by the Bank of Canada and to 2.5% in December by the US Federal Reserve.
- Equity indexes declined throughout the year ending December 31, 2018, with the rate of decline increasing in December, retracing some of the losses in the week after Christmas. Government bonds had a strong quarter, especially in November through to the end of the year. Corporate bonds in contrast deteriorated through the quarter with the pace of decline increasing right through the end of the year.
- The Canadian dollar weakened through the quarter, with the most dramatic moves occurring in the 2nd half of December.
- Corporate profits-maintained strength, bankruptcies remain low, supporting credit.
- Fund returns were down -5.04% in Q4, which was outside downside expectations for the strategy, reflecting extensive volatility in the credit sectors going into the close of 2018, most of it occurring between Christmas and New Years. Portfolio duration remained low, closing at 3.1 years. Over 2018 the portfolio had a negative return of -2.47%.
- Key sector exposures as the 4th quarter concluded were Consumer Non-Cyclicals at 15%, and Energy at 12%. Cash exposure grew steadily over the quarter, from 4% at the end of the 3rd to 20% at year end.

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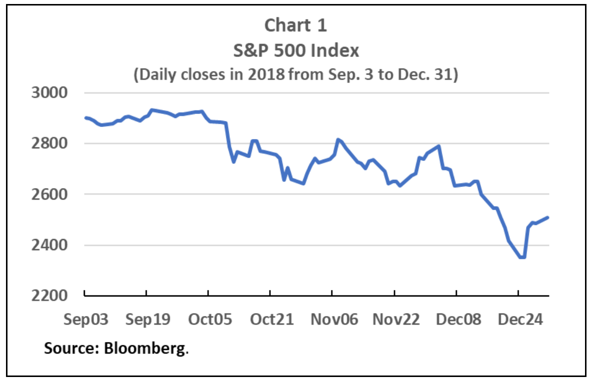
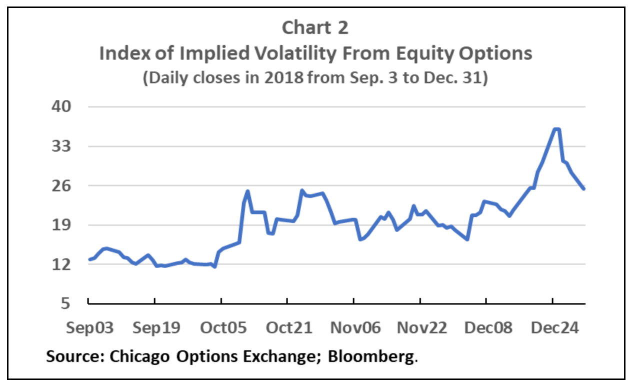
General Market Comment

Risk reduction and increased market volatility were the dominant features of North American capital markets in the fourth quarter of 2018.

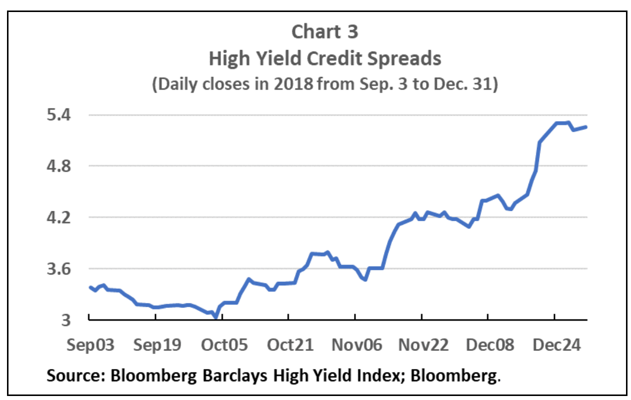


The capital markets has barometers for measuring investor psychology in terms of aversion to or tolerance for risk, the most common being stock markets. Commentators speak of these markets as being bullish or bearish based on price trends. The most widely tracked stock market is the S&P 500 index. As shown in Chart 1, throughout most of the 4th quarter investors demonstrated a desire to take risk out of their portfolios. The index's total return for the last 3 months of 2018 was -13.5%, with December accounting for -9.0%, even with a bounce back of 1.6% in the week between Christmas and New Years.



To specifically track investor tolerance for risk a commonly used barometer is the volatility index traded on the Chicago Board of Trade. The index represents the average volatility component priced into S&P 500 options expiring in the next 2 contract months. The premise is that this index reflects the price investors are willing to pay for portfolio protection. In general, the index will spike when there is a quick change in tolerance for risk across the equity markets. Daily closes for the index are shown in Chart 2. Concurrently with negative returns seen in major equity markets, the cost of insurance rose through the 4th quarter, spiked going into the second half of December and subsequently fell from its highs in the last week prior to year-end.

The pattern of trading seen for credit exposures in the 4th quarter was a little different. Credit risk is represented as the yield on corporate bonds in excess of sovereign bonds of comparable interest rate sensitivity. In first world capital markets, sovereign bond issuers have taxing powers which underwrites their debt and mitigates bankruptcy risk. Chart 3 captures recent credit risk premium history for the major US high yield bond index tracked by Bloomberg, as an independent source of credit information. At the beginning of the 4th quarter credit spreads for the index started widening, expanding by 75% from 3.03% on Oct 3 to 5.31% on Dec. 27 and closed near the high on Dec. 31.



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The S&P500 reached a peak, its all time high, of 2930.75 on Sep. 20, 2018. The low point in the correction that followed was 2351.10, reached on Dec. 24, a decline of 19.8%. According to technical analysts, a correction is defined as a 10% backup - clearly achieved here - and should last at least 1-2 months; a bear market, however, requires a backup of over 20% and should last several months – so far, narrowly avoided.

We may not be clear to continue an equity rally yet:

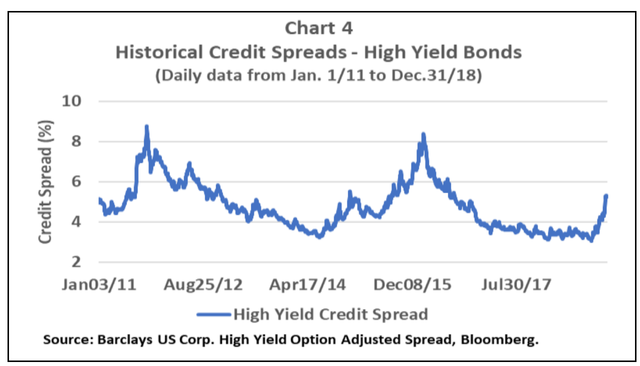
- We've seen a bounce off the lows but markets rarely go straight up after a major pull back
- Equity markets around the world have experienced pain in their equity benchmarks:
    - The Euro STOXX 50 index was down over -14% on the year, -11% occurring in Q4;
    - China's CSI300 was down -12% in the last quarter of 2018;
    - In Japan the Nikkei Index was down -17% in Q4;
- Other indicators also showed a negative trend:
    - The US Manufacturing New Orders index was down 9% on the year in September 2018 and fell another -17% in the 4th quarter.
    - Gold, in contrast highlights the fear in the capital markets with its positive trend – after declining in the first 3 quarters of 2018 the commodity strengthened throughout the fourth, indicating rising investor demand for portfolio safety.

General Interest Rates

Related to declining prices in equities, spikes in option volatilities and risking credit risk premiums, government bond yields fell as investors moved to higher quality exposures. Canadian 10 year yields dropped by 46 basis points (bps) on the quarter and the equivalent US Treasury dropped by 38 bps. Yield curves flattened in both regions as well – the yield spread between 2 year and 10 year bonds in Canada fell by 11 bps to 10.5% in Canada and by 5 bps to 19.6 on US Treasuries.

Credit Sector

For fixed income investors a strategy for enhancing yield is to add in credit risk through allocations to corporate bonds. Rating agencies have separated bonds into investment grade and speculative grade bonds. Investment grade, or high grade, bonds are rated BBB- or higher and assessed to have a strong capacity to service their debt over the long term. Speculative grade, or high yield bonds are rated B- to BB+, reflecting that the issuer is a going concern in the near term but may face longer term uncertainty or may be exposed to adverse business conditions.



In Chart 4, historical spreads for a US high yield corporate bond index are taken back a little further, presented here back to June 1, 2014. The data highlights that spreads had been trading in a tight range since early in the 1st quarter of 2017 and spiked in the 4th quarter of 2018 with a trend that carried through to the end of the calendar year. This change reflects a general reduction in tolerance for risk, that started in equities and carried over to high yield bonds as a

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higher risk category in the fixed income asset class.

Portfolio Review

Our strategy focuses on generating income from corporate debt, with at least 50% of the portfolio targeting high yield, or speculative grade, bonds. We work to reduce portfolio volatility by shortening the interest rate sensitivity of the portfolio captured in its calculated duration.

Our macro analysis for credit markets is indicating a neutral to negative stance in the near term, but positive for the mid term (6 months to 2 years):

- Positives:
  - Good credit fundamentals – strong corporate profits and low bankruptcy rates.
  - In the face of negative performance in the last quarter of 2018, along with good credit fundamentals, investors are expected to continue to look for opportunities to add to allocations in the high yield sector
- Negatives:
  - Credit spreads, although obviously having bounced off the recent lows, remain in the bottom half of the band seen in the last 8 years.
  - Global weakness in equities, particularly outside North America.
  - Poor liquidity, particularly if trying to reduce risk in an environment where credit spreads are rising.

Strategy Results

The Clearpoint Short Term Income Fund focuses on sourcing value-oriented investments across the North American credit markets. We continue to target businesses and investment sectors which provide superior relative income in their credit category based on strong cash flow generation and debt servicing capability. As at the end of the quarter, 71% of portfolio holdings were allocated to US high yield opportunities, 5% to US asset backed securities (all Collateralized Loan Obligations), both currency hedged. Of the balance, 3% was to Canadian high yield bonds and 21% to cash. The portfolio maintained low duration levels to reduce volatility, as reflected in the overall duration of approximately 3.1 years, below that for comparable benchmarks. The weighted average yield to maturity, with CLOs termed to the floating roll period, was 8.2% at the end of the quarter, which also well exceeds that of the portfolio's benchmarks.

The portfolio has maintained a diversified strategy with limited exposure to specific commodities. At the end of the quarter, our largest industry exposure of 15% of holdings was to the Consumer Non-Cyclicals sector broadly including allocations to individual bond issues as well as sector exposures from highly diversified structured products. The next largest allocation was to the Energy sector at 12%, and 10% to the Telecom sector.

Total return for the six months of was -3.98% for the F Class and -4.263% for the A-Class, reflecting volatility and low liquidity discussed above.

In 2018, the portfolio generated a total return of -2.472% F-Class and -3.029% for the A Class.

Summary and Outlook

While overall bankruptcy rates are expected to remain low, corporate profits are less reliable but expected to remain positive across Canadian and US economies, overall. Short term interest rates are expected to continue to rise, although at a slower pace as central bankers try to assess whether recent equity market

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volatility, reduced investor tolerance for risk globally and other exogenous inputs such as trade wars, will contribute as inhibitors to economic growth. In the face of these headwinds our outlook in the next 1 to 3 months remains negative to neutral. Over the coming year overall, we believe the markets will weather this uncertainty and corporate bond allocations will continue to provide a strong positive contribution to fixed income portfolios.

We expect to maintain a conservative stance on credit. This means we'll be keeping the duration of our assets down to reduce the interest rate sensitivity of the portfolio.

Corporate profitability and improving credit quality are themes within the strategy that we believe are sustainable and of high value to almost all investor types both Institutional and Individual.

Our overall objective for 2019 focuses on adding strategies that provide both a reliable returns and strong return to risk ratio. We look forward to following up in upcoming portfolio reports.

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

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Related Party Transactions

Manager and Portfolio Adviser

The Manager is a wholly owned subsidiary of Caldwell Financial Ltd. The Manager is responsible for the Fund's day-to-day operations including providing or arranging for investment management, fund accounting and administrative services, including registrar and transfer agency services, to the Fund. For its services, the Manager is paid an annual fee based on the net asset value of the Fund. The annual rate of management fee for Series A units is 1.4% of average net assets and for Series F units, the annual rate of management fees is .9% of average net assets.

Trustee

The trustee of the Fund is Caldwell Investment Management Ltd.

Principal Distributor

Caldwell Securities Ltd. is related to the Manager in that both are wholly-owned subsidiaries of Caldwell Financial Ltd. Caldwell Securities Ltd. has entered into an agreement with Clearpoint Asset Management Inc. which provides to Clearpoint the exclusive right to market the Fund to dealers. Caldwell Securities Ltd. clients may hold units of the Fund and Caldwell Securities Ltd. receives sales commissions and trailer fees based on the total value of their clients' holdings in the Fund on the same basis as other dealers that distribute units to the public.

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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 five years. 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.

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

	2018	2017*
Net Assets, beginning of year	9.73	10.00
Increase (decrease) from operations:		
Total Revenue	0.66	0.40
Total Expenses	(0.34)	(0.31)
Realized gains (losses) for the period	(0.27)	(0.27)
Unrealized gains (losses) for the period	(0.34)	0.12
Total increase (decrease) from operations [1]	(0.29)	(0.06)
Distributions:		
From Income (excluding dividends)	0.00	0.00
From Dividends	0.00	0.00
From Capital Gains	0.00	0.00
Return of Capital	(0.48)	(0.16)
Total Annual Distributions [2]	(0.48)	(0.16)
Net Assets at December 31 of year shown	8.97	9.73

(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 began operations on April 5, 2017.

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

	2018	**2017***
Net Assets, beginning of year	9.77	10.00
Increase (decrease) from operations:		
Total Revenue	0.67	0.43
Total Expenses	(0.30)	(0.26)
Realized gains (losses) for the period	(0.29)	(0.21)
Unrealized gains (losses) for the period	(0.37)	0.05
Total increase (decrease) from operations [1]	(0.29)	0.01
Distributions:		
From Income (excluding dividends)	0.00	0.00
From Dividends	0.00	0.00
From Capital Gains	0.00	0.00
Return of Capital	(0.48)	(0.16)
Total Annual Distributions [2]	(0.48)	(0.16)
Net Assets at December 31 of year shown	9.07	9.77

(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 began operations on April 5, 2017.

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Ratios and Supplemental Data

Series A

	2018	**2017**
Net asset value (000's) [1]	4,512	4,560
Number of units outstanding [1]	503,050	468,818
Management expense ratio [2]	3.60%	4.17%
Management expense ratio before waivers or absorptions[2]	3.60%	4.52%
Portfolio turnover rate [3]	45.87%	58.53%
Trading expense ratio[4]	0.01%	0.00%

Series F

	2018	**2017**
Net asset value (000's) [1]	7,609	4,455
Number of units outstanding [1]	839,378	455,942
Management expense ratio [2]	3.07%	3.56%
Management expense ratio before waivers or absorptions[2]	3.07%	3.71%
Portfolio turnover rate [3]	45.87%	58.53%
Trading expense ratio[4]	0.01%	0.00%

(1) This information is presented 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 assets during the period.

(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 course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

(4) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period.

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Management Fees

As compensation for managing the Fund, the Manager can receive an annual fee of up to 1.4% of the average net asset value of Series A units of the Fund and an annual fee of up to 0.90% of the average net asset value of Series F units of the Fund. Such fees are calculated daily and payable monthly. The Manager in turn is responsible for paying investment adviser fees, trustee fees, sales commissions and trailer fees.

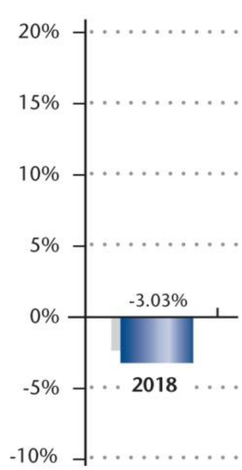
Distribution	18%
Management and Portfolio Adviser Services	82%
Waivers and Absorption of Fund Expenses	0%

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 that year. Only the information for Year 1 is available for both Series A and Series F since the Fund began operations on April 5, 2017.



Clearpoint Short Term Income Fund - Series A

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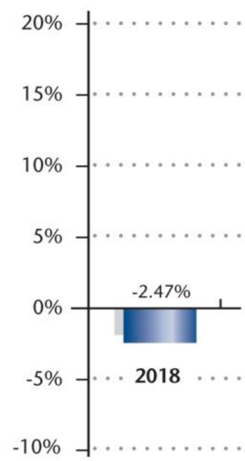

Clearpoint Short Term Income Fund - Series F

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: 35% FTSE Canada High Yield Bond Index, 30% S&P Canada IG Corp Bond, 35% ICE BofAML HY Bond (CAD).

Annualized Compound Returns	1 Year	3 Years	5 Years	10 Years
Fund – Series A	(3.03%)	N/A	N/A	N/A
Fund – Series F	(2.47%)	N/A	N/A	N/A
Index	3.40%	6.41%	6.11%	8.26%

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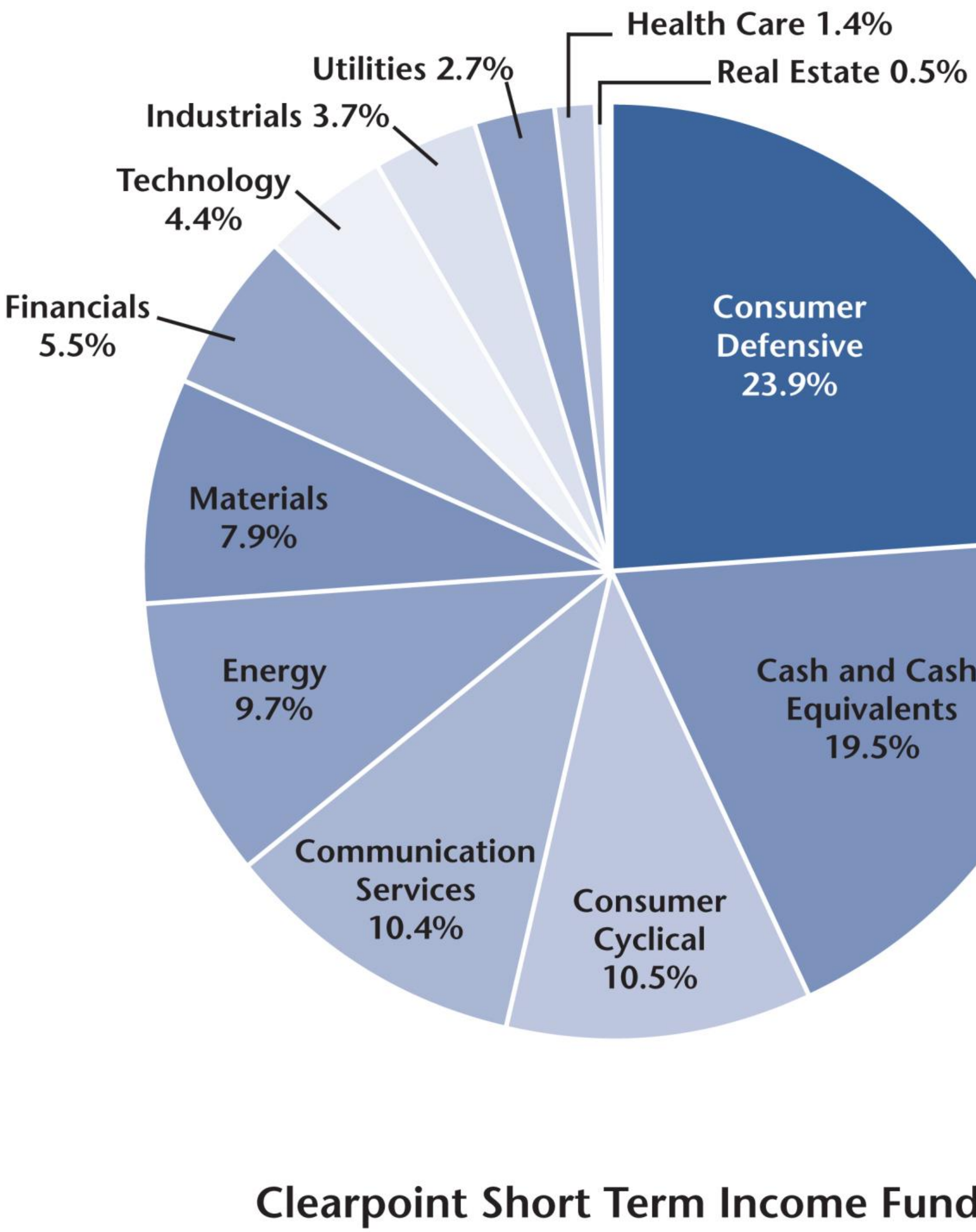
Summary of Investment Portfolio

Portfolio Breakdown as at December 31, 2018



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Top 25 holdings
As at December 31, 2018

SECURITY	Percentage of Net Assets
Cash & Cash Equivalents	21.82%
Lee Enterprises Inc. 9.50% 15MAR2022	5.76%
Avon International Operations Inc. 7.875% 15AUG2022	5.56%
PBF Logistics LP / PBF Logistics Finance Corp. 6.875% 15MAY2023	5.54%
Genworth Holdings Inc. 7.20% 15FEB2021	5.52%
CenturyLink Inc. 6.75% 01DEC2023	5.43%
Cutwater 2015-I Ltd 5.88631% 15JAN2029	5.23%
Salem Media Group Inc. 6.75% 01JUN2024	5.23%
AK Steel Corp. 7.625% 01OCT2021	5.12%
Consolidated Communications Inc. 6.50% 01OCT2022	4.97%
Dean Foods Co. 6.50% 15MAR2023	4.55%
Rackspace Hosting Inc. 8.625% 15NOV2024	4.40%
Clearwater Seafoods Inc. 6.875% 01MAY2025	4.32%
Tidewater Midstream and Infrastructure Ltd 6.75% 19DEC2022	4.12%
WesternOne Inc. 6.25% 30JUN2020 CONV. $11.749998	3.72%
Mattamy Group Corp. 6.875% 15DEC2023	3.69%
Warrior Met Coal Inc. 8% 01NOV2024	2.73%
Rockpoint Gas Storage Canada Ltd 7% 31MAR2023	2.67%
RegionalCare Hospital Partners Holdings Inc. 8.25% 01MAY2023	1.43%
Temple Hotels Inc. 7.25% 30SEP2020 CONV. $40.08	0.53%

All Holdings (the Fund has less than 25 holdings)

Top 25 Holdings	**102.34%**

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

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