Caldwell Investment Management Ltd.

Independent Investment Managers

Annual Management Report of Fund Performance

For the Year Ended December 31, 2017

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 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.

Results of Operations

Recent Developments – Sub Advisory Comments

2017 has been one of the greatest years for the U.S. equity markets ever. The good news is that there is reason to believe that the good times will continue into the first half of 2018. The Federal Reserve ("The Fed") painted a very rosy picture of the U.S. economic growth in their December meeting which gives us great optimism for 2018. General Domestic Product("GDP") appears to be growing at a very healthy pace as Real GDP has grown by over 3.0% in the last two quarters as measured by the U.S. Bureaus of Economic Analysis (chart below).

Three things should help keep U.S. GDP above the 3% level for the next two quarters. The first is that energy prices have strengthened globally. 2015 had major headwinds from energy prices collapsing and lead to widespread bankruptcy and job losses. S&P 500 earnings per share ("EPS") were also dinged as energy companies booked large asset write downs along with poor revenues.

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Now, U.S. energy firms are as strong as ever. Thanks in part to increased technological efficiencies in shale drilling and the ability of American energy firms to now export oil to foreign markets. This will be a major source of job growth in 2018 for the American labour market and a significant boost to S&P 500 EPS.

The second is that inflation, as measured by Personal Consumer Expenditures ("PCE"), remained below 2% in October, lower than levels early in the year. While energy and housing should accelerate inflation data in the back half of 2018, for now it appears to be muted. This will temper investors' fears that the Fed will act aggressive and raise rates more than their forecasted three interest rate increases in 2018. Currently, survey based measures of longer run inflation have changed little on balance. We believe inflation is underestimated by the market but in the near term it should be fine. Once PCE and wage growth remain above 2% in tandem for two consecutive quarters then the market should adjust and the yield curve might invert.

Housing and energy prices (as represented by the S&P/Case Schiller National Home Price Index and the Consumer Price Index for All Urban Consumers: Energy) are up 6.1% and 6.4% respectively in the last twelve months. These should both work their way into inflation numbers giving the Fed ammunition to raise interest rates in 2018. The Fed will most likely be cautious and wait for U.S. inflation to be above 2.0% for a sustained period of time before acting. However, it appears inflation is coming nonetheless. Until then, the U.S. economy is healthy, growing and on a footing of accommodative monetary policy. The managers of the Fund still favour cyclical sectors of the economy over defensive in this environment, but are monitoring inflation as a bellwether for global equity markets

Third, the job market is booming south of the border. Total nonfarm payroll employment increased strongly in October and November. The national unemployment rate fell to 4.1%, one of the lowest levels in the past thirty years! A strong labour force is absolutely essential to a U.S. economy. As two-thirds of the U.S. economy is consumption, having a strong labour force should cause this segment of the economy to rise. Americans have spent the last decade deleveraging from the housing mania that gripped the country before the great financial crisis. Now, America is near full employment, their banks are willing to lend after passing all the Fed's stress tests for the first time since 2009, and their citizens are beginning to buy homes again. Housing prices and new homes sales will continue to rise in 2018 thanks to the labour market. Wage gains still remain modest as average hourly wages rose 2.5% but as companies begin to compete for workers this number should rise.

The Canadian economy has also enjoyed a fabulous 2017. GDP for Canada is on pace for 3% growth for the year which would be the strongest among the Group of Seven ("G7") economies. Incredibly, as of November 2017, 350,000 jobs have been created in Canada so far this year (this is the same as 3.5 Million jobs in the U.S. – an absolutely staggering number!). Canada is now starting to see signs of life in business investment thanks to a strong recovery in oil and mining. Precious and Industrial metals such as copper, zinc, iron ore, and gold have all had strong years that have helped rebound a long suffering sector of the Canadian economy. High house prices and household debt still remain concerns. More than 80% of household debt is comprised of mortgages and home equity lines of credit ("HELOCs"). HELOCs have been convenient for households to access increasing net worth tied to rising home values but increase vulnerability in

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the financial system in case of a housing shock. The Bank of Canada ("BoC") has taken measures to increase lending standards and strengthen the financial system. It will be interesting to see in 2018 how the housing market responds to these new standards and how the Canadian economy holds up to them.

The North American Free Trade Agreement ("NAFTA") is in the process of being renegotiated by all three parties with little progress being made. The White House is pushing hard for reforms to NAFTA in manufacturing, especially auto production . The U.S. is asking for automobiles to have 85% North American parts in every North American made car, up from 62.5%. The White House also wants 50% of all cars produced under NAFTA built in the U.S. Both of these demands align with President Trump's voter base in Midwestern states. The U.S. wants to reverse the trend of high tech Asian parts (and jobs) making their way into North American auto production. This congress between Mexico, Canada and the U.S. is far from over. Ultimately, NAFTA has been a real winner for all three nations but certain regions have been economically hurt. Concessions from Mexico and Canada should come to maintain the agreement. Until then expect to see heightened volatility in the Canadian Dollar, since the U.S. is by far Canada's largest trading partner and any disruption on trade will be initially viewed as negative. This sell-off will most likely be temporary as Canada is a net importer of manufacturing and a major exporter of energy to the U.S. which should stabilize the exchange rate

In energy markets, the Organization of Petroleum Exporting Countries ("OPEC") and Russia have surprised the markets with the success of their alliance. Oil continues to rise to price levels not seen since 2014, but should bring some challenges with it in 2018. U.S. production will continue to rise as energy prices increase which will grow American market share. This will most likely cause discontent among OPEC and Russian companies as they see American firms bring in record profits and production. It is unlikely production cuts will continue in the second half of 2018, however, even this may not be enough to stem the rise of energy prices. Large scale energy projects take as long as a decade to come into production and current OPEC nations have greatly underfunded capital investment in current projects. Global demand is up over 4 million barrels a day in the last three years, with huge consumption gains in both China and India that do not appear to be dissipating any time soon. 2018 should be an interesting year indeed for the energy markets.

We believe that 2018 will be another strong year for investors but will not be free of challenges. We believe U.S. dividend-paying equity securities that possess a combination of low volatility and high profitability will significantly and disproportionately benefit from the continued U.S. economic expansion.

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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

Caldwell Investment Management Ltd. is the manager of the Fund and will perform or arrange for the performance of management and administrative services for the Fund and will also be responsible for implementing the investment strategy of the Fund pursuant to a management agreement (the "Management Agreement") between the Fund and the Manager. CIM is a wholly-owned subsidiary of Caldwell Financial Ltd. and is a member of the Caldwell group of companies ("**Caldwell**"). The Manager will act as the investment fund manager and the portfolio manager of the Fund pursuant to the Management Agreement. The Manager will be entitled to receive fees as compensation for the management and investment management services rendered to the Fund. The principal office of the Manager is located at Suite 1702, P.O. Box 47, 150 King Street West, Toronto, Ontario, M5H 1J9.

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Trustee

AST Trust Company (Canada) is the trustee of the Fund.

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 or all of the Fund’s portfolio transactions with Caldwell Securities Ltd. on terms as favourable or more favourable to the Fund as those available through other broker or dealers. In 2017 the Fund has paid $623,764 in commissions to Caldwell Securities Ltd.

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 Unit as at December 31, unless otherwise noted.

	2017	**2016**	**2015**
Net Assets, beginning of year (3)	10.43	9.54	10.00
Increase (decrease) from operations:			
Total Revenue	0.58	0.71	0.36
Total Expenses	(0.36)	(0.35)	(0.19)
Realized gains (losses) for the period	0.63	0.26	(0.42)
Unrealized gains (losses) for the period	0.13	0.89	0.08
Total increase (decrease) from operations (1)	0.98	1.51	(0.17)
Distributions:			
From Income (excluding dividends)	(0.14)	0.00	0.00
From Dividends	(0.08)	(0.22)	(0.09)
From Capital Gains	(0.15)	0.00	0.00
Return of Capital	(0.23)	(0.33)	(0.20)
Total Annual Distributions (2)	(0.60)	(0.55)	(0.29)
Net Assets at December 31 of year shown (3)	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 22nd, 2015.

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Ratios and Supplemental Data

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

[1] This information is provided as at December 31, 2017.
[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.

Management Fees

The Fund will pay to the Manager an annual management fee (the "Management Fee") equal to 1.75% per annum of the NAV of the Fund, accrued and calculated daily and payable monthly in arrears, plus applicable taxes.

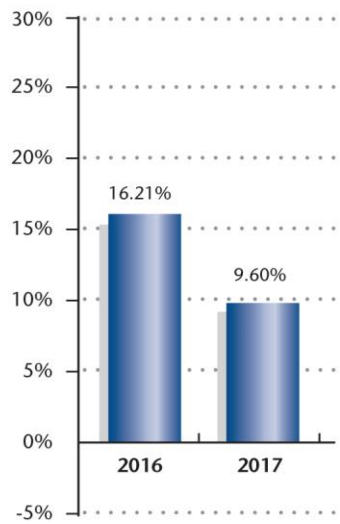
Distribution	0%
Management and Portfolio Adviser Services	100%
Waivers and Absorption of Fund Expenses	0%

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.



Caldwell US Dividend Advantage Fund

For the year ended December 31

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	9.6%	N/A	N/A	N/A
Index	13.83%	14.37%	21.24%	11.12%

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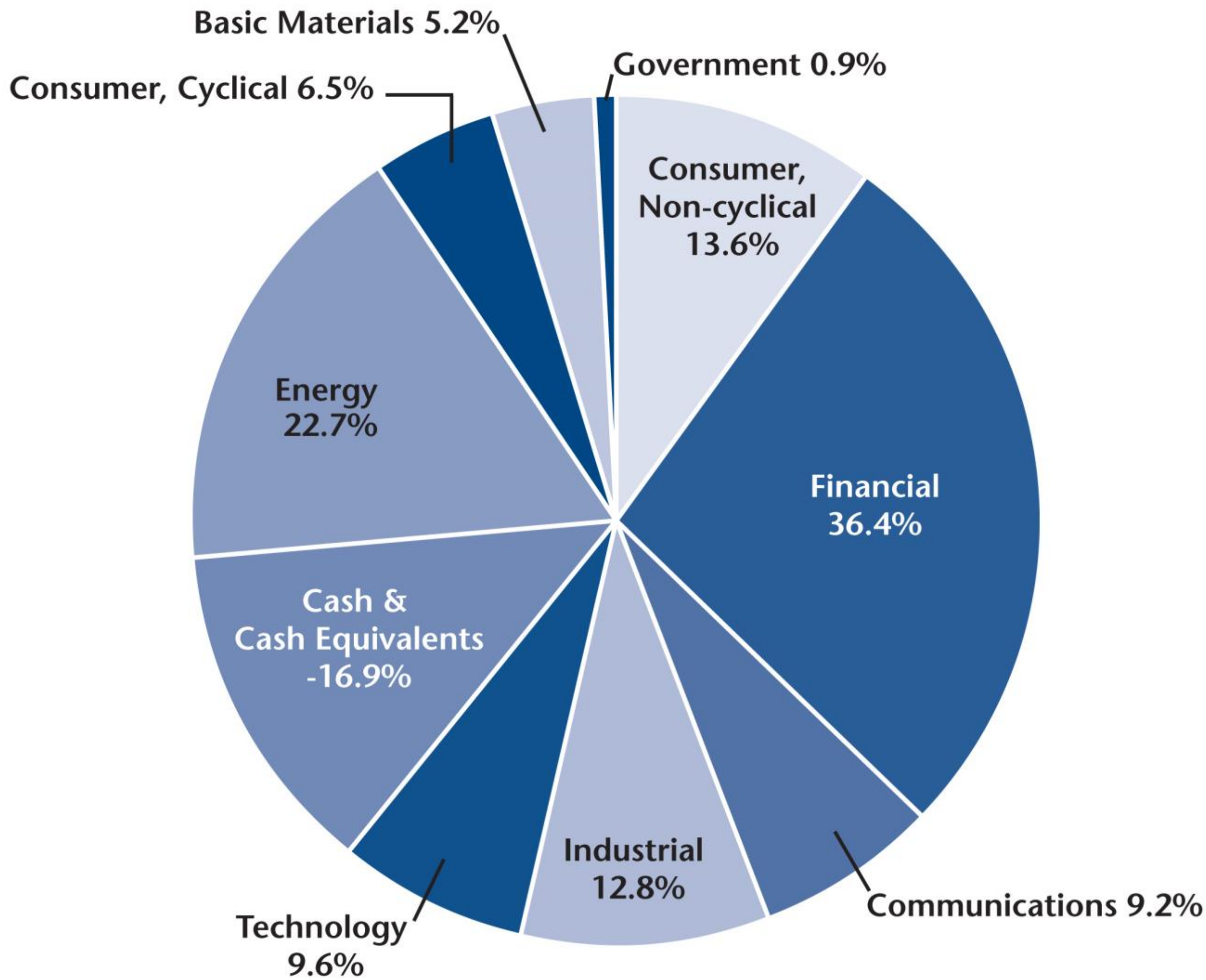
Summary of Investment Portfolio



CALDWELL U.S. DIVIDEND ADVANTAGE FUND

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Top 25 Holdings

As at December 31, 2017

SECURITY	Percentage of Net Assets
Citigroup Inc.	5.05%
Bank of America Corp.	4.84%
Canadian Natural Resources Ltd	4.03%
Union Pacific Corp.	3.95%
JPMorgan Chase & Co.	3.92%
Vulcan Materials Co.	3.86%
Apple Inc.	3.80%
Microsoft Corp.	3.50%
Norfolk Southern Corp.	3.45%
Labrador Iron Ore Royalty Corp.	3.42%
Occidental Petroleum Corp.	3.31%
Weyerhaeuser Co.	3.09%
Bristol-Myers Squibb Co.	3.03%
Amgen Inc.	3.01%
Blackstone Mortgage Trust Inc.	2.89%
Eli Lilly & Co.	2.85%
Automatic Data Processing Inc.	2.76%
Apollo Commercial Real Estate Finance Inc.	2.69%
Alcentra Capital Corp.	2.64%
Crescent Point Energy Corp.	2.58%
Harris Corp.	2.55%
Goldman Sachs BDC Inc.	2.54%
Royal Dutch Shell PLC	2.53%
Ares Capital Corp.	2.47%
International Business Machines Corp.	2.41%
Top 25 Holdings	**81.16%**

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