

## PRESS RELEASE

**TORONTO (June 8, 2018)** – Caldwell Investment Management Ltd. (“**Caldwell**”), the manager of the Caldwell Income Fund (the “**Fund**”), Caldwell Balanced Fund and Caldwell Canadian Value Momentum Fund (collectively, the “**Caldwell Mutual Funds**”) announces today that it will file an Amendment No. 2 to the Simplified Prospectus of the Fund, an Amendment No. 2 to the Annual Information Form of the Fund, and amended Fund Facts documents for each Series of units of the Fund (collectively, the “**Amendment**”).

### ***Reasons for the Amendment***

The reasons for the Amendment are:

1. to announce a proposal to amend the fundamental investment objective of the Fund (the “**Investment Objective Change**”);
2. to announce a proposal to reclassify all Series F Units of the Fund into Series I Units of the Fund (the “**Series F Reclassification**”);
3. to announce a proposal to reclassify all Series M Units of the Fund into Series I Units of the Fund (the “**Series M Reclassification**”);
4. to disclose that Caldwell is proposing to call a special meeting of unitholders of the Fund (the “**Meeting**”) to obtain unitholder approval in respect of the Investment Objective Change, the Series F Reclassification and the Series M Reclassification (collectively, the “**Proposed Changes**”); and
5. to disclose that the current minimum investment levels required in respect of investments in Series I Units of the Fund (the “**Current Aggregate Minimum**”) are being replaced, effective as of the date of the Amendment, with a standard minimum investment requirement based on the holdings of each individual Series I unitholder (the “**New Standard Minimum**”).

A notice of meeting and meeting materials in respect of the Proposed Changes will be sent to unitholders of the Fund in the near future. A material change report in respect of the Proposed Changes and the elimination of the Current Aggregate Minimum and the introduction of the New Standard Minimum will also be filed in the near future.

The Fund has obtained regulatory exemptive relief extending the time limits for the 2018 annual renewal of the simplified prospectus of the Caldwell Mutual Funds dated July 20, 2017, as amended, to those time limits that would apply if the lapse date of the simplified prospectus was August 20, 2018. If approved, the Proposed Changes will be reflected in the final 2018 simplified prospectus of the Caldwell Mutual Funds and the documents incorporated by reference therein, as applicable.

### ***The Investment Objective Change***

The Investment Objective Change is subject to unitholder approval. Unitholders of the Fund will vote on the proposed Investment Objective Change at a special unitholder meeting to be held in Toronto, Ontario on July 11, 2018.

Consistent with its current investment approach, the Fund will continue to tactically invest in government guaranteed bonds in order to generate attractive total returns, while placing an emphasis on capital preservation. However, in order to enhance the potential benefits offered by this strategy, Caldwell is proposing to broaden the Fund’s permitted investments to include the sovereign debt of foreign nations, while maintaining a focus on Canadian and U.S. bond issues. In addition, Caldwell intends to supplement the Fund’s portfolio, from time to time, with long and short positions in securities, such as certain exchange traded funds, which provide underlying exposure to risk-free government bonds.

If unitholders of the Fund approve the proposed Investment Objective Change, the fundamental investment objective of the Fund will be, effective no later than July 31, 2018, as follows: “to generate attractive total returns, while placing an emphasis on capital preservation, by investing primarily in a portfolio of government guaranteed bonds.” Caldwell believes these changes will better enable the Fund to enhance returns during periods of falling interest rates and insulate the Fund’s portfolio against losses associated with rising interest rate environments.

### ***The Series F Reclassification***

The Series F Reclassification is subject to approval by the Series F Unitholders of the Fund, voting separately as a series, at a special unitholder meeting to be held in Toronto, Ontario on July 11, 2018.

Following the Series F Reclassification, the reclassified Series F Units will be subject to the fees and other terms and conditions applicable to Series I Units. Series F Units are subject to management fees of 0.75%. Series I Units are subject to management fees of 0.25%. Once effective, the Series F Reclassification will result in an immediate reduction in management fees for Series F Unitholders.

If unitholder approvals are obtained, the Series F Reclassification will take effect no later than July 31, 2018. During the period starting on the date of the Amendment and ending on the effective date of the Series F Reclassification, there will be no issuances of Series F units of the Fund.

### ***The Series M Reclassification***

The Series M Reclassification is subject to approval by the Series M Unitholders of the Fund, voting separately as a series, at a special unitholder meeting to be held in Toronto, Ontario on July 11, 2018.

Following the Series M Reclassification, the reclassified Series M Units will be subject to the fees and other terms and conditions applicable to Series I Units. Series M Units are subject to management fees of 0.50%. Series I Units are subject to management fees of 0.25%. Once effective, the Series M Reclassification will result in an immediate reduction in management fees for Series M Unitholders.

If unitholder approvals are obtained, the Series M Reclassification will take effect no later than July 31, 2018. During the period starting on the date of the Amendment and ending on the effective date of the Series M Reclassification, there will be no issuances of Series M units of the Fund.

### ***The New Standard Minimum***

The replacement of the Current Aggregate Minimum with the New Standard Minimum will be effective as of the date of the Amendment.

Under the Current Aggregate Minimum regime, the minimum initial purchase order for Series I Units of the Fund is \$50,000 and each subsequent purchase order for Series I Units must be for an amount of \$1,000 or more. In addition, there is a requirement for investment advisors to hold a minimum aggregate value of \$5 million in Series I Unit purchase orders made by all the investors whom they represent.

Under the New Standard Minimum, the minimum initial purchase order for Series I Units of the Fund will be \$500. Each subsequent purchase order for Series I Units of the Fund will need to be for an amount of \$100 or more (\$50 minimum purchase order for investors who participate in the Fund's Monthly Investment Plan). Each investor in Series I Units of the Fund will be required to always hold Series I Units of the Fund which have a net asset value of at least \$500.

*For further information, please contact:*

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### **Forward-Looking Information**

*Certain information contained in this press release constitutes forward-looking information, which is information relating to possible events, conditions or results of operations which are based on assumptions about future economic conditions and courses of action and which are inherently uncertain. All information other than statements of historical fact may be forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "target", "intend", "could", "might", "should", "believe", and similar words or phrases (including negative variations) suggesting future outcomes or statements regarding an outlook. Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. Caldwell believes that the expectations reflected in the forward-looking information are reasonable but no assurance can be given that these expectations will prove to be correct. Some of the risks and other factors which could cause results to differ materially from those expressed in forward-looking information contained in this press release are described in the most recently-filed simplified prospectus of the Caldwell Mutual Funds. Any forward-looking information in this press release is provided as at the date of this press release, based upon the opinions and estimates of management and information available to management as at the date of this press release. Caldwell undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law. Readers are cautioned not to place undue reliance on forward-looking information contained in this press release.*