



Fund Facts

Fund Unit Value:
December 31, 2011
\$10.0404

Inception Date:
June 15, 2010

RRSP Eligible:
Yes

Seymour Investment Management was founded in 2010 with a vision of creating an employee-owned, client-focused investment boutique with a unique service offering. Seymour provides fee-based discretionary investment management services to both individual and institutional clients.

The Seymour Canadian Equity Fund

The investment objective of the Canadian Equity Fund is to achieve attractive risk-adjusted investment returns by investing in a diversified portfolio of 30 - 35 Canadian equities. The Canadian Equity Pool invests primarily in mid capitalization companies and may include selected small and large capitalization companies.

The fee structure for the Canadian Equity Fund is based on an annual management fee of 1%.

PERFORMANCE

AS AT DECEMBER 31, 2011

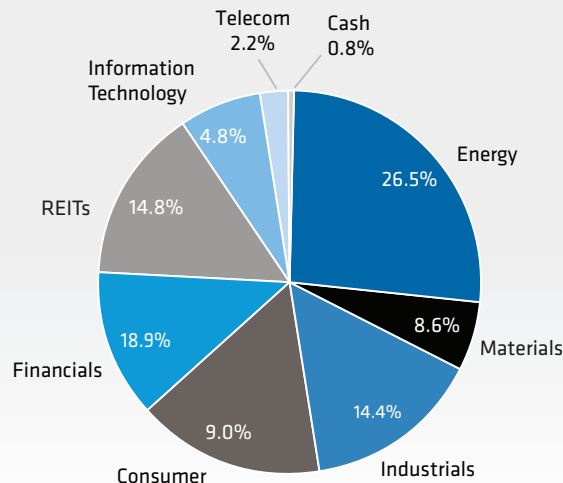
Total Return for the Period (%) ¹	3 Mo	YTD	1 Yr	Since Inception ³
Seymour Canadian Equity Fund²	7.5%	-5.4%	-5.4%	3.6%
S&P/TSX Composite Total Return Index	3.6%	-8.7%	-8.7%	3.0%

¹ The indicated rates of return are the total returns for the period indicated, including changes in security value and the reinvestment of all distributions and do not take into account income taxes payable that would have reduced returns. The funds are not guaranteed; their values change frequently and past performance may not be repeated.

² NAV performance is shown net of fees and expenses

³ Annualized since inception date of June 15, 2010

EQUITY SECTORS



Portfolio Management Expertise

CARL HOYT, CFA PRESIDENT

Carl Hoyt began his career in the investment management industry in 1985 in equity research with Pemberton Securities, a Canadian investment dealer. In 1989, Carl joined Goepel Shields & Partners as an equity research analyst and became a director of the firm. Carl co-founded Cypress Capital Management in 1998, and as Chief Investment Officer, he was instrumental in the firm's growth from its inception to over \$4 billion in assets under management.

KELLY WOODALL, CFA PARTNER

Kelly Woodall began her career in high net worth private client investment management in 1997. Beginning in 2000, Kelly spent seven years working in sell-side equity research. During this time, she covered a number of different stocks and industries. In 2006, Kelly left the sell side and returned to investment management. In recent years, Kelly has been a lead portfolio manager on various small capitalization and equity income portfolios, accounting for approximately \$2 billion in assets under management.



Seymour
Investment
Management

Only accredited investors or investors who satisfy the minimum amount investment as defined by applicable securities legislation may invest in the Seymour Performance Fund. These materials are for information only and do not constitute an offer to sell or a solicitation to buy units of this Fund.

Q4 Commentary

JANUARY 6, 2012

The Seymour Canadian Equity Fund

The Seymour Canadian Equity Fund enjoyed a strong end to the year, climbing 7.5% in the final quarter and outperforming the S&P/TSX Composite Total Return Index by 393 basis points. The strong relative performance reflected a rebound in several of the Fund's cyclical holdings and continued strong performance from the Fund's more defensive holdings such as Enbridge Inc. and Rogers Communications Inc. Individual security selection was a strong contributor to the Fund's outperformance in the quarter and for the year.

With the exception of crude oil, commodity prices remained under pressure in the quarter on concerns of slowing global growth. While crude oil rallied in the quarter, oil & gas equities lagged the commodity on concerns that current spot prices may not be sustainable in an environment of slower growth. Although we expect there may be some downside in crude prices, we believe the shares of large capitalization oil & gas companies are already discounting a crude price much lower than current spot prices. Moreover, we do not anticipate a correction in crude prices sufficient to derail the very strong demand we are seeing for energy services, which is benefitting the Fund's holdings in Trican Well Service Ltd. and ShawCor Ltd.

Pipelines led the Energy sector's performance in 2011 as investors rotated out of cyclicals and into defensive securities. Enbridge, which owns and operates the world's longest crude oil and liquids transportation system, has been one of the Fund's strongest performing stocks, climbing 13.9% in the quarter and 35.4% for the year. Although we regard Enbridge's valuation as relatively full, we view the stock as a core holding given the stability of its cash flows, its solid track record of financial performance, and its prospects for continued growth.

Real estate equities continued to lead the Financial sector's returns in the quarter, capping out a very strong year of equity performance. Although we generally view the REIT sector as fairly if not fully valued, we continue to find selective opportunities within the sector. During the quarter we re-initiated a position in Chartwell Seniors Housing REIT, an owner/operator of seniors housing communities. We expect Chartwell's valuation will improve as it demonstrates its ability to achieve strong and consistent operational performance, and as it sells non-core U.S. properties and redeploys capital to acquire new Canadian properties and pay down debt. The Fund also holds positions in Brookfield Properties Corporation and Morguard Corporation. Brookfield Properties is an extremely well-managed real estate company with a large portfolio of premier office properties in the downtown core of high-growth, high-barrier-to entry cities. We expect the company's valuation discount relative to both its intrinsic value and its U.S. office peers should narrow upon successful releasing of its space in Lower Manhattan. Morguard is an underfollowed company that owns and manages a large, diversified portfolio of high-quality real estate and continues to at a significant discount to the intrinsic value implied by the appraised value of its real estate assets.

Performance of the Fund's remaining holdings has been mixed. Toromont Industries was one of the Fund's better performing holdings in the quarter, climbing 30.7%. Toromont is an extremely well-managed Industrial company that sells, rents, and services a broad range of Caterpillar mobile equipment and industrial engines in various Canadian markets. The company has a strong track record of consistent profitability, steady dividend increases, and disciplined capital allocation. More recently, Toromont's organic growth opportunities have improved as demand for heavy equipment has risen.

We are pleased with the Fund's positioning heading into what we expect will be another volatile year in the equity markets. Sentiment toward equities remains very negative, particularly for cyclical stocks. In our view, the valuation discrepancy that exists between defensive, large-capitalization, high-yielding equities and lower dividend paying or cyclical equities presents a rare opportunity for investors who are willing to take a longer-term view, and we have positioned the Fund accordingly. During the quarter, we sold positions in Thomson Reuters Corporation and Astral Media Inc. to initiate new positions in Labrador Iron Ore Royalty, a company that we like for its attractive royalty structure and strong growth profile and Home Capital Group Inc. Home Capital is a leading alternative lender that operates in a high-growth market niche with little competition, is well-managed and has an outstanding financial track record. Although we share investors' concerns about the Canadian housing market, we believe these concerns are more than reflected in Home Capital's valuation, with the shares trading well below historical valuation metrics.