Fund Facts

Fund Unit Value:
March 31, 2014
$15.4167

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 20 - 35 Canadian equities. The Canadian Equity Pool invests primarily in large-capitalization companies and may include selected small- and mid-capitalization companies.

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

PERFORMANCE

AS AT MARCH 31, 2014

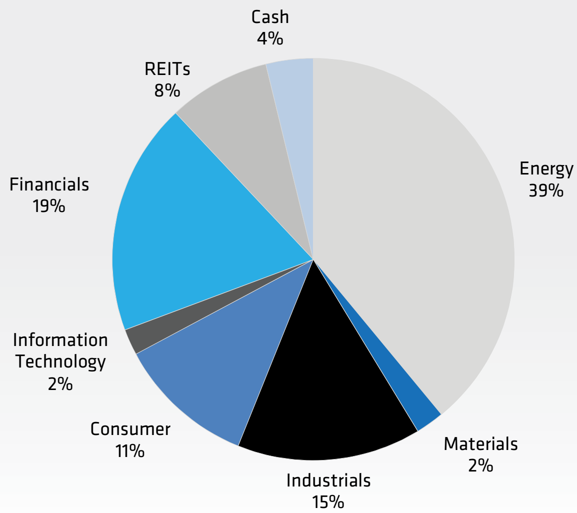
Total Return for the Period (%)[1]	3 MO	1 YR	3 YR Annualized	Since Inception[3]
Seymour Canadian Equity Fund[2]	**8.6%**	**30.2%**	**11.6%**	**14.0%**
S&P/TSX Composite Total Return	6.1%	16.0%	3.6%	8.1%

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



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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.

KYLE HARRISON, CFA
PARTNER

Kyle Harrison began his career in the investment industry in 1992 with investment dealer Marleau, Lemire Securities which focused on small capitalization Canadian equities. Kyle was responsible for institutional sales in New York and subsequently moved to Vancouver to develop the U.S. West coast. In 1996, Kyle joined CIBC World Markets and attained the position of Managing Director with responsibility for institutional equity sales in Western Canada and the United States. In 2013, Kyle obtained the Family Enterprise Advisor™ certification.

Q1 Commentary: Seymour Canadian Equity Fund

The Seymour Canadian Equity Fund performed well in the quarter, climbing 8.6% and outperforming the S&P/TSX Composite Total Return Index which was up 6.1%. The Fund's strong performance may be attributed to continued strength in broader equity markets and the positive contribution from individual security selection.

Resource stocks led the market's advance in the quarter and the Fund's Oil & Gas holdings were among its top performers including MEG Energy Corp. (+22.1%) and Canadian Natural Resources Limited (+17.9%). Fundamentals for heavy oil producers are improving and a weak Canadian dollar benefits MEG in particular because all of its assets are located in Canada. Canadian Natural is also benefitting from higher natural gas prices as cold weather sparked higher natural gas demand this winter and drained inventories well below the five-year historical average level.

Other notable performers in the quarter included CCL Industries Inc. (+19.6%), Newalta Corporation (+15.6%), and Linamar Corporation (+15.4%). As a reminder, CCL is the world's largest converter of pressure sensitive and film material for label applications. The company has demonstrated a phenomenal track record and has seen its shares re-rate as the company has grown to a sufficient size to appeal to a broader investor base. CCL's share price has doubled since January 2013 when the company announced a $500-million, all-cash acquisition of two label converting businesses from Avery Dennison, providing a new platform for growth. We recently sat down with Management and were impressed by the progress the company has made restructuring Avery (est. synergies of $40 million). CCL has an attractive organic growth profile and we expect the company will continue to use its underlevered balance sheet to complete accretive acquisitions.

We initiated a position in Newalta last October after Management indicated plans to limit further capital investment to its underperforming Industrials division, and focus on growing its attractive oilfield waste management business. Under this strategy, Management expects to grow revenues and adjusted EBITDA at 15% and 20%/year, respectively through 2017. During the quarter, Newalta announced plans to restructure the Industrials division, and has since formally engaged a financial advisor to conduct a full review of potential alternatives, including a potential sale, IPO, or spin-off. We believe a disposition would be well-received by investors.

Linamar's share price has more than doubled in the last year. As a leading auto parts supplier, Linamar is well positioned to benefit from the ongoing cyclical recovery in auto sales as well as a number of secular drivers that include the continuing consolidation of the global OEM supply base [which favours larger suppliers with global platforms like Linamar], vehicle light-weighting [to provide fuel efficiency], and the outsourcing trend in Linamar's core area of powertrain and drivelines. The company's auto parts division is in the midst of launching ~$2.8 billion of new business over the next few years, and its Skyjack division [which produces scissor lifts] is enjoying strong growth as U.S. non-residential construction activity recovers. Although valuations for auto parts suppliers have crept higher, we think Linamar's valuation is well supported by the strong fundamentals of the sector, and the visibility of the company's growth.

Shares of remote workforce camp manufacturer Horizon North Logistics Inc. fell sharply when Management warned that Q4 2013 and H1 2014 results would be below expectations, and on disappointment that the company will not participate in the first phase of the remote workforce camp's build out at Fort Hills. We used the pullback as an opportunity to initiate a new position in the stock. We have held Horizon North in the Seymour Performance Fund for some time, and believe it is now of sufficient size and liquidity to be included in the Seymour Canadian Equity Fund. We remain constructive on the longer term outlook for the remote workforce camp providers. As preferred suppliers, Horizon North and Black Diamond Group Ltd. are well positioned to participate in the growth of the oil sands, and we also see potential for contract awards of LNG upstream camp projects. The company's shares are inexpensively valued at ~5.5-6x 2015E EV/EBITDA (and trade at a substantial discount to peer Black Diamond's valuation at ~8.5x 2015E EV/EBITDA).

We also initiated a new position in AltaGas Ltd., which is a very well-managed diversified energy infrastructure company with gas field gathering and processing, NGL infrastructure, gas utility, and power generation operations. We continue to like the fundamentals of the midstream sector and believe AltaGas is particularly well positioned with a number of potential catalysts on the horizon including LNG/LPG opportunities. Although valuations remain near historical highs, they remain supported by these companies' attractive business models and exceptional secured growth profiles.

Although equity valuations have crept higher with the market we continue to find attractive opportunities for investment, albeit at higher valuations than we witnessed coming out of the downturn. We remain constructive on the longer-term outlook for equities.