Fund Facts

Fund Unit Value:
December 31, 2015
$11.0437

Inception Date:
December 31, 2013

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.

Seymour Mid-Cap Equity Fund

The investment objective of the Seymour Mid-Cap Equity Fund is to achieve attractive risk-adjusted investment returns by investing in a diversified portfolio of 20 - 35 Canadian equities. The Mid-Cap Equity will invest primarily in mid-capitalization companies and may include selected small- and large-capitalization companies.

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

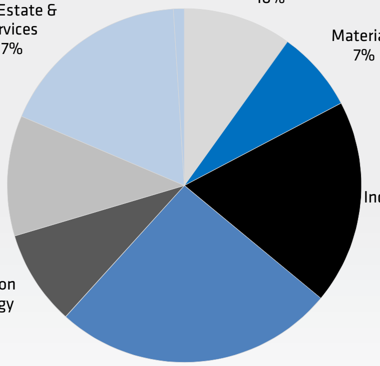
PERFORMANCE

AS AT DECEMBER 31, 2015

Total Return for the Period (%)[1]	QTR	YTD	1 YR	Since Inception[3]
Seymour Mid-Cap Equity Fund[2]	**3.5%**	**0.8%**	**0.8%**	**7.0%**
S&P/TSX Completion Total Return Index	-0.4%	-10.0%	-10.0%	-2.6%

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 December 31, 2013

EQUITY SECTORS



Q4 Commentary: Seymour Mid-Cap Equity Fund

Equities posted strong gains in October, before reversing course later in the quarter as volatility continued to plague the markets. The Seymour Mid-Cap Equity Fund climbed 3.5% in the quarter, outperforming the benchmark S&P/TSX Completion Total Return Index's -0.4% return. For the full year, the Mid-Cap Fund climbed 0.8% and outperformed the benchmark's -10.0% return.

Around the globe, most equity markets posted lackluster or negative returns in 2015 on the back of sluggish economic growth. Uneven global economic growth and divergence in central bank policies contributed to the volatility. While volatility and negative annual returns are a normal part of equity investing, what is a bit more of a rarity is the steep correction in crude oil prices that we have witnessed over the past year-and-a-half, and the corresponding decline in the Canadian dollar. (This is, for instance, the first supply-driven oil shock we have seen since 1985-86). After trading above US$100/bbl in July 2014, WTI crude oil prices have fallen 70%, prompting a corresponding decline of nearly 30% in the value of the Canadian dollar from 95 cents to 70 cents. A change of that magnitude in the price of crude oil and the value of the Canadian dollar has far reaching implications for economic growth and for the value of a wide range of businesses, and has been a key contributor in the relatively broad-based sell-off in Canadian equities that we have seen.

Although we were late in doing so, we began to pare back the Fund's Energy holdings early in 2015, and continued to reduce our holdings throughout the year. At year-end, the Fund's five remaining oilfield service and pipeline & midstream investments in aggregate accounted for 10.0% of the Fund's assets. Not surprisingly, the Fund's Energy investments were among its worst-performing holdings in 2015, registering declines of between 1% and 51%.

We have been optimistic about the ongoing U.S. economic recovery for some time and have positioned the Fund accordingly. While Canadian-domiciled (with the exception of Brookfield Property Partners L.P., which is a Bermuda-based limited partnership) many of the Fund's holdings generate the majority of their revenues in the United States. In our Q1 2015 commentary, we estimated that 83% of the Fund was invested in companies with significant U.S. and international sales, and more than one-half of the Fund's holdings generated the majority of their revenues outside Canada. Interestingly (though perhaps not surprisingly), the Fund's star performers for both the quarter and the year are companies that generate the majority of their revenues in the U.S. or abroad. These include Kinaxis Inc. (+13.8% in Q4 and +60.0% since we initiated a position in the Fund in May 2015), CCL Industries Inc. (+19.8% in Q4 and +78.3% in 2015), FirstService Corporation (+29.6% in Q4 and +60.8% from our entry point in June 2015), Descartes Systems Group Inc. (+17.8% in Q4 and +51.9% from our entry point in May 2015), and Winpak Ltd. (+13.1% in Q4 and 36.0% in 2015), Brookfield Property Partners L.P. (+12.4% in Q4 and +21.8% in 2015), and Onex Corporation (+10.1% in Q4 and +25.7% in 2015).

There remains a heavy short thesis on Canada by U.S. hedge funds. Three of the Fund's holdings (Home Capital Group Ltd., Badger Daylighting Inc., and Canadian Western Bank) were among the top six most heavily shorted names on the TSX at year-end. We view the valuations of these companies as compelling and remain confident in the longer-term outlook for these companies.

Home Capital Group, a leading mortgage lender in the Canadian non-prime residential mortgage market, was the Fund's worst-performing non-energy holding in 2015, with its share price falling 16.0% in the quarter and 44.0% in 2015. At year-end, Home Capital remained the third most-shorted stock on the TSX, with short interest equivalent to 21.8% of its float. Shares of Home Capital Group Inc. sold off sharply in the third quarter after the company guided to lower origination volumes. Management attributed the lower volumes in part to the termination of relationships with certain mortgage brokers after the company found evidence of falsification of income information. The company has taken steps to improve its underwriting process, which has unfortunately led to increased turnaround times in the near term. Mortgage loan growth has continued to decelerate, however, we remain confident in Management's ability to continue to grow the business profitably (albeit at a slower rate) while sustaining a high level of credit quality over the long term.

It is both our conviction in the high-quality companies that we invest in and our confidence in the longer-term outlook for equities that allows us to maintain an optimistic outlook during periods of negative sentiment and volatility. We are finding compelling value in some high-quality, well-capitalized companies that we would like to own for the long term and we are increasingly viewing the current sell-off as a compelling entry point for long-term investors (recognizing that the near-term outlook is highly uncertain).

CARL HOYT, CFA

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

Kelly Woodall began her career in high net worth private client investment management in 1997. Beginning in 2000, Kelly spent seven years working as a sell-side equity research analyst, providing research coverage of 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 a variety of Canadian equity, equity-income, and small-capitalization mandates.

KYLE HARRISON, CFA

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.

ANTHONY WERRY, CFA

Anthony Werry has worked in the investment industry for over 25 years. His career began in 1987 at Pemberton Securities in Vancouver. He then moved to Toronto to work as an analyst with RBC Dominion Securities. In 1993 he moved back to Vancouver with Royal Bank Investment Management as a portfolio manager for high net worth clients. In 1999, Anthony became one of the founders of Cypress Capital Management, where he remained as a managing partner until 2014. In addition to managing money for high net worth clients, Anthony's key roles at Cypress were to provide leadership in equity strategy and managing a high yield fund.