Fund Facts

Fund Unit Value:
September 30, 2019
$15.9953

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 over the long term by investing in a diversified portfolio of 20 - 30 Canadian equities. The Mid-Cap Equity Fund 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 SEPTEMBER 30, 2019

Total Return for the Period (%)[1]	QTR	1YR	3 YR[4]	5 YR[4]	Since Inception[3]
Seymour Mid-Cap Equity Fund[2]	**2.6%**	**4.8%**	**8.1%**	**6.7%**	**9.2%**
S&P/TSX Completion Total Return Index	1.7%	2.9%	4.1%	2.8%	4.3%

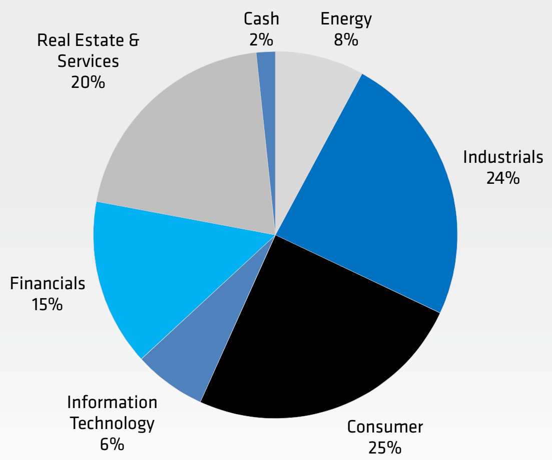
1 The indicated rates of return are the total returns for the period indicated, including changes in security value and the reinvestment of all distributions and do not take into account income taxes payable that would have reduced returns. The funds are not guaranteed; their values change frequently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

2 NAV performance is shown net of fees and expenses

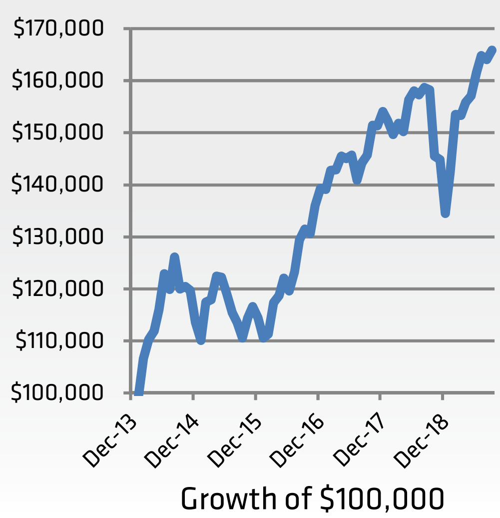
3 Annualized since inception date of December 31, 2013

4 Returns over one year are annualized

INDUSTRY SECTOR BREAKDOWN



GROWTH SINCE INCEPTION[3]



Seymour Investment Management

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Q3 Commentary: Seymour Mid-Cap Equity Fund

The Seymour Mid-Cap Equity Fund rose 2.6% in the second quarter versus +1.7% for the benchmark S&P/TSX Completion Total Return Index. We discuss some of the leading contributors and detractors from performance below.

Real Matters Inc. (+61.2% in Q3), which provides property appraisal, insurance inspection, title search, and mortgage closing services using a proprietary and innovative network management platform, reported strong Fiscal Q3 results, with strength in both its Appraisal and Title & Closing segments. The company has established an industry-leading position in Appraisal, serving the majority of the top 100 North American mortgage lenders. A recent rebound in mortgage activity, prompted by lower mortgage rates, has allowed Real Matters to generate impressive profitability and demonstrate the operating leverage that is inherent in the company's business model. We believe Real Matters is well-positioned to execute on a sizeable growth opportunity as it continues to take market share in the mortgage appraisal and title & closing businesses – industries that we view as ripe for disruption.

Altus Group Limited (+24.6% in Q3), a leading provider of software, data solutions, and independent advisory services to the global commercial real estate industry, reported strong Q2 financial results that highlighted solid contributions from both its Commercial Real Estate Consulting (Property Tax and Valuation & Cost Advisory) segment and its Analytics segment. ARGUS Enterprise, the company's reporting, planning, and budgeting software platform, has become the de facto standard for the commercial real estate industry, and we expect new cloud functionality will enable the company to drive revenue growth through the upsell of new modules. Altus' property tax consulting business is enjoying an accelerated pace of case settlements following a temporary slowdown that was caused by changes to tax assessment processes in its core Ontario and UK markets. We believe Altus is well-positioned to drive continued growth in revenues (both organically and through acquisition), building on the significant investments that have been made in ARGUS Enterprise and Altus' property tax division.

In September, we attended the annual CIBC Eastern Conference in Montreal and had the opportunity to once again meet with senior management from Cargojet Inc. (+11.8% in Q3), the leading dedicated provider of time sensitive overnight air cargo services in Canada. Cargojet continues to enjoy strong growth in its core overnight network, reflecting a growing tailwind from e-commerce. The company recently announced a strategic agreement with Amazon that de-risks the company's growth profile and provides greater earnings visibility.

Bond yields moved sharply lower in the quarter, which supported a rally in the Fund's real estate holdings, led by StorageVault Canada Inc. (+15.6% in Q3), the largest owner/operator of self-storage real estate in Canada. We have long viewed self-storage as an attractive, niche asset class within the real estate sector. Well-located self-storage assets generate steady recurring revenues from a sticky customer base that is relatively insensitive to price increases, and net operating margins are high because the real estate can be operated with a very low employee count. The self-storage asset class lends itself to a consolidation play because the industry is fragmented and operators with scale can extract revenue and cost synergies. StorageVault's management team continues to demonstrate its ability to execute accretive acquisitions and subsequently improve acquired companies' revenues and profit margins. StorageVault has been a very active acquirer and we believe the company is very well-positioned to continue to grow its portfolio accretively.

Badger Daylighting Ltd. (-14.8% in Q3), the largest North American provider of non-destructive excavation services, reported soft Q2 financial results. Adverse weather negatively impacted activity levels in the quarter and caused project delays, which in turn contributed to labour inefficiencies. Following the recent pullback, we view the stock's valuation as compelling, particularly relative to the company's growth trajectory. Hydro-excavating, which uses water jets and suction and is a safer alternative to digging by hand or powered tools, especially with critical infrastructure such as gas pipelines underground, is still relatively in its infancy in the U.S. We see significant opportunity for Badger to continue to grow its fleet and expand its operations using internally generated cash flows.

CCL Industries Inc. (-16.8% in Q3), a leader in pressure sensitive labels and plastic films, reported soft Q2 results. Although the weakness was unexpected, we understand that demand has recovered and expect a stronger third quarter. CCL offers a number of characteristics that we look for in an investment including 1) a leading market position in a steady and growing business with barriers to entry and 2) an exceptional management team. We believe CCL is well-positioned to continue to grow the business both organically and through disciplined acquisition using internally-generated cash flows, while maintaining its focus on operational excellence and profitability.

While global growth has moderated, broadly-speaking, the macro backdrop remains favourable for corporate earnings growth, supported by historically low interest rates. Valuations remain reasonable and we continue to find attractive investment opportunities, particularly in the small- and mid-cap space.

CARL HOYT, CFA

Carl Hoyt began his investment career in sell-side equity research in 1985. In 1998, Carl co-founded Cypress Capital Management where he remained until 2008. At Cypress, Carl acted as Chief Investment Officer and was instrumental in the firm's growth to over $4 billion in assets under management. Carl founded Seymour in 2010 with a vision of building an employee-owned investment boutique with a strong investment culture and excellent client service.

KELLY WOODALL, CFA

Kelly began her career in investment management in 1997. From 2000 – 2006, Kelly was a sell-side equity research analyst, providing research coverage of a variety of industry sectors and companies. Since 2007, Kelly has been a portfolio manager on various Canadian Equity, Small-Capitalization, and Balanced mandates.

KYLE HARRISON, CFA

Kyle Harrison began his career in 1992 in institutional sales. 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 U.S. In 2013, Kyle obtained the Family Enterprise AdvisorTM certification.

ANTHONY WERRY, CFA

Anthony Werry began his career in 1987 at Pemberton Securities in Vancouver, before moving to Toronto to work as an analyst with RBC Dominion Securities. In 1993 he returned to Vancouver with Royal Bank Investment Management as a portfolio manager. In 1999, Anthony became one of the founders of Cypress Capital Management, where he remained as a managing partner until 2014.

DENNIS CHAN, CFA

Dennis Chan began his career in 2005 in equity research with Phillips, Hager & North, covering a variety of industry sectors and companies. Since 2010, Dennis has been a portfolio manager, directly managing $4B of Canadian Equity assets including Small-Cap, Dividend Income and SRI mandates.