

Leith Wheeler Corporate Advantage Fund

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

December 31, 2017



This annual management report of fund performance contains financial highlights, but does not contain complete annual financial statements of the investment fund. You can get a copy of the annual financial statements at your request, and at no cost, by calling 1-888-292-1122, by writing to us at 1500 – 400 Burrard Street, Vancouver, BC V6C 3A6 or by visiting our website at www.leithwheeler.com or SEDAR at www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the investment fund's interim financial report, proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

Management Discussion of Fund Performance

Investment Objective and Strategies

To provide a relatively stable source of monthly income. The Fund will invest in fixed income securities (including corporate bonds, preferred shares, high-yield debt, loans, convertible debt and guaranteed mortgages). The Fund primarily invests in a range of Canadian securities and may also invest in foreign securities. The Fund will also invest in broad range of companies and is not restricted by capitalization or industry sector, although portfolio diversification is a consideration in the selection of securities of the Fund. Under normal circumstances, the Fund will keep its portfolio fully invested to the greatest extent possible.

This Fund invests in a mix of assets to provide a source of income. The asset mix includes investment-grade fixed income securities, providing the lower risk portion of the portfolio, and preferred shares, high-yield debt, loans, convertible debt and guaranteed mortgages, which provide additional income with less liquidity and potentially more credit risk. The allocation of investments in the Fund's portfolio is determined by the Manager to optimize the income and balance the risk of the portfolio using the follow target ranges for the asset mix: investment grade fixed income securities 25% - 100%; preferred shares 0% - 30%; high-yield debt 0% - 20%; loans 0% - 10%; convertible debt 0% - 20% and guaranteed mortgages 0% - 10%.

Risk

The overall risks of investing in the Fund are as described in the Simplified Prospectus. There were no material changes to the Fund during the year that affected the overall level of risk.

Results of Operations

The Fund's net assets increased by 144.5% in 2017, rising to \$124.7 million from \$51.0 million at the end of 2016. Of this change, \$2.9 million was attributable to investment gains and \$70.8 million to net inflows.

The Corporate Advantage Fund performed well during 2017 with Series A units returning 3.8%. Series B units returned 3.0% and Series F units advanced by 3.3%, both after fees and expenses, during the year.

The Corporate Advantage Fund is invested in a core portfolio of investment grade bonds with a concentration in high quality corporate issuers, including an allocation to preferred shares, high yield bonds and senior loans. The asset mix of the Fund at the end of December 2017 was 76.7% investment grade corporate bonds, 1.4% federal and municipal bonds, 4.7% high yield bonds and 5.0% senior loans (through the Leith Wheeler Multi Credit Fund), 11.1% preferred shares and 1.1% cash & other net assets.

At the end of the third quarter, we sold our position in the Leith Wheeler High Yield Bond Fund (CAD Hedged) to establish a neutral allocation to the Leith Wheeler Multi Credit Fund. The Multi Credit Fund has the ability to invest in senior loans, high yield and some investment grade bonds depending on relative value and the opportunity set, while the high yield names remain the same as in the High Yield Bond Fund. This switch allows us more flexibility to add senior loan exposure at a time when moving from high yield to loans is attractive from a risk-return standpoint, essentially moving up the capital structure for similar yield/spread. The Multi Credit Fund has the ability to hold up to 75% in both high yield bonds and senior loans, so that risk can be dialed up or down over a credit cycle. In addition, through the use of loans (floating rate instruments) we are able to shorten the Fund's overall duration.

The U.S. broad high yield market was up 7.5% in local currency in 2017, outperforming the U.S. and Canadian investment grade bond markets. The high yield bonds in the Fund outperformed the Bank of America Merrill Lynch BB-B High Yield Constrained Index, primarily due to an overweight and strong stock selection in Metals & Mining and Technology & Electronics. Teck Resources (+20.2%), First Quantum (+15.0%) and Seagate (+10.5%) were the top contributors to the high yield bond portfolio. An overweight position in Leisure and underweight position in Retail also helped performance.

We remain constructive on high yield debt over the longer term, however valuations based on spreads are at the tighter end of their historical range. Spreads indicate forward expectations of default rates (a measure of market stress) continue to be very low as strong U.S. economic data and tax reform provide positive momentum. Relative to investment grade bonds and equity markets, high yield still offers favourable return potential. In a rising interest rate environment, high yield bonds have historically performed well due to their shorter duration and higher coupons.

Management Discussion of Fund Performance (cont.)

Results of Operations (cont.)

Within the investment grade bond component of the Fund, over the year we added corporate credit exposure to the Resources sector as we saw further evidence of the sector recovering and oil prices stabilizing. Within the Resources sector, we increased our exposure to Metal & Mining issuers, mainly BHP Billiton Finance. We also added to Manufacturing issuers (Anheuser-Busch InBev Finance) and rotated some proceeds out of Pipeline issuers (Enbridge). In other spread products, we have reduced our allocation to government agency bonds, including National Housing Act mortgage-backed securities (NHA MBS).

Preferred shares were the top performing asset class within the Fund in 2017. Since the beginning of the year the preferred shares in the Fund have outperformed the S&P/TSX Preferred benchmark return. The majority of the preferred shares in the Fund (95%) are rate resets, which also serve as a hedge in a rising rate environment. Preferred shares and high yield act as a complementary pairing as preferred shares tend to be concentrated in highly regulated sectors (such as Financials and Utilities) while high yield bonds tend to be in concentrated in more cyclical sectors (such as Energy and Basic Materials). Preferred shares and high yield bonds have also had historically low correlation. Preferred shares continue to play an important role in the Fund as they provide diversification, tax efficiency and seniority to equity holders in the capital structure.

In this environment, we continue to focus on allocating assets to the best risk-adjusted investments. We continue to look for opportunities to add high quality assets at attractive prices to the Corporate Advantage Fund.

Recent Developments

The Bank of Canada raised its key interest rate by 0.25% to 1.25% in the first two months of 2018.

Related Party Transactions

Leith Wheeler Investment Counsel Ltd. (the "Manager") is the manager and portfolio advisor of the Fund and is responsible for the Fund's day-to-day operations. The Fund pays the Manager a management fee as compensation for managing the investment portfolio of the Fund.

As at December 31, 2017, the Leith Wheeler Corporate Advantage Fund owns 1,248,081 units of the Leith Wheeler Multi Credit Fund Series A, a fund under common management.

At the end of the third quarter, we sold our position in the Leith Wheeler High Yield Bond Fund (CAD Hedged) to establish a neutral allocation to the Leith Wheeler Multi Credit Fund.

Management Fees

The Manager provides the Fund with investment management services, including fund accounting and unitholder record keeping. In return, the Manager receives a management fee based on the net assets of the Fund, calculated on a daily basis. The annualized management fee for the Series B and Series F units of the Fund are 0.75% and 0.50%, respectively. During the year, the Fund paid the Manager \$ 30,537 for Series B and \$ 97,735 for Series F (exclusive of GST/HST) of its net assets as management fees. The Fund does not reimburse the Manager for operating costs incurred in administering the Fund. The Manager paid all operating expenses except brokerage commissions, transaction charges and taxes. In respect of Series A units, the unitholder pays the Manager a negotiated management fee outside the Fund.

We do not directly or indirectly pay fees, sales commissions or trailing commissions, nor do we provide any non-monetary benefits to registered dealers for distributions of units of the Fund. If a broker charges you a commission or fee, that is a matter between you and the dealer.

Financial Highlights

The Fund's Net Assets Attributable to Holders of Redeemable Units per Unit

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years or for the periods since inception. This information is derived from the Fund's audited annual financial statements.

Series A (inception May 29, 2014)	2017	2016	2015	2014	2013
Net assets attributable to holders of redeemable units - per unit, beginning of period ⁽¹⁾⁽³⁾	\$10.18	\$10.00	\$10.04	\$10.00	n/a
Increase (decrease) from operations:					
Total revenue	0.33	0.38	0.30	0.19	n/a
Total expenses	-	-	-	-	n/a
Realized gains (losses) for the year	0.10	-	(0.09)	-	n/a
Unrealized gains (losses) for the year	(0.09)	0.12	(0.08)	0.10	n/a
Total increase (decrease) from operations ⁽¹⁾	0.34	0.50	0.13	0.29	n/a
Distributions:					
From income (excluding dividends)	(0.31)	(0.28)	(0.21)	(0.03)	n/a
From dividends	(0.04)	(0.06)	(0.07)	(0.01)	n/a
From capital gains	-	-	-	-	n/a
Return of capital	-	-	-	-	n/a
Total Annual Distributions ⁽²⁾	(0.36)	(0.34)	(0.28)	(0.04)	n/a
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$10.21	\$10.18	\$10.00	\$10.04	n/a

Series B (inception May 29, 2014)	2017	2016	2015	2014	2013
Net assets attributable to holders of redeemable units - per unit, beginning of period ⁽¹⁾⁽³⁾	\$10.02	\$9.84	\$10.08	\$10.00	n/a
Increase (decrease) from operations:					
Total revenue	0.45	0.55	0.92	0.18	n/a
Total expenses	(0.08)	(0.07)	(0.08)	(0.05)	n/a
Realized gains (losses) for the year	0.14	0.01	(0.28)	-	n/a
Unrealized gains (losses) for the year	(0.13)	0.18	(0.25)	0.09	n/a
Total increase (decrease) from operations ⁽¹⁾	0.39	0.66	0.31	0.22	n/a
Distributions:					
From income (excluding dividends)	(0.29)	(0.18)	(0.29)	(0.01)	n/a
From dividends	(0.08)	(0.05)	(0.11)	-	n/a
From capital gains	-	-	-	-	n/a
Return of capital	-	-	-	-	n/a
Total Annual Distributions ⁽²⁾	(0.36)	(0.22)	(0.40)	(0.01)	n/a
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$9.95	\$10.02	\$9.84	\$10.08	n/a

Financial Highlights (cont.)**The Fund's Net Assets Attributable to Holders of Redeemable Units per Unit (cont.)**

Series F (inception September 10, 2015)	2017	2016	2015	2014	2013
Net assets attributable to holders of redeemable units - per unit, beginning of period ^{(1) (4)}	\$9.69	\$9.55	\$10.07	n/a	n/a
Increase (decrease) from operations:					
Total revenue	0.20	0.35	1.09	n/a	n/a
Total expenses	(0.05)	(0.05)	-	n/a	n/a
Realized gains (losses) for the year	0.06	-	(0.33)	n/a	n/a
Unrealized gains (losses) for the year	(0.06)	0.11	(0.29)	n/a	n/a
Total increase (decrease) from operations ⁽¹⁾	0.15	0.41	0.47	n/a	n/a
Distributions:					
From income (excluding dividends)	(0.31)	(0.25)	(0.39)	n/a	n/a
From dividends	(0.04)	(0.06)	(0.16)	n/a	n/a
From capital gains	-	-	-	n/a	n/a
Return of capital	-	-	-	n/a	n/a
Total Annual Distributions ⁽²⁾	(0.36)	(0.31)	(0.55)	n/a	n/a
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$9.69	\$9.69	\$9.95	n/a	n/a

(1) Net assets attributable to holders of redeemable units and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.

(2) Distributions are reinvested in additional units of the Fund or paid in cash.

(3) From May 29, 2014, inception date of Series A and Series B units of the Fund.

(4) From September 10, 2015, inception date of Series F units of the Fund. Series F initial net asset value per unit offering commenced at the closing net asset value per unit of Series B on September 10, 2015 of \$10.07.

Financial Highlights (cont.)

Ratios and Supplemental Data

Series A (inception May 29, 2014)	2017	2016	2015	2014	2013
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	92,593	39,959	31,425	15,924	n/a
Number of units outstanding (000s) ⁽¹⁾	9,067	3,926	3,143	1,586	n/a
Management expense ratio (%) ⁽²⁾	-	-	-	-	n/a
Management expense ratio before waivers or absorptions (%)	0.03	0.05	0.08	0.23	n/a
Trading expense ratio (%) ⁽³⁾	0.04	0.06	0.09	0.06	n/a
Portfolio turnover rate (%) ⁽⁴⁾	93.08	101.94	152.78	127.91	n/a
Net assets attributable to holders of redeemable units - per unit (\$)	10.21	10.18	10.00	10.04	n/a
Series B (inception May 29, 2014)	2017	2016	2015	2014	2013
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	6,047	1,230	1,402	314	n/a
Number of units outstanding (000s) ⁽¹⁾	607	123	143	31	n/a
Management expense ratio (%) ⁽²⁾	0.79	0.79	0.79	0.79	n/a
Management expense ratio before waivers or absorptions (%)	0.82	0.84	0.87	1.02	n/a
Trading expense ratio (%) ⁽³⁾	0.04	0.06	0.09	0.06	n/a
Portfolio turnover rate (%) ⁽⁴⁾	93.08	101.94	152.78	127.91	n/a
Net assets attributable to holders of redeemable units - per unit (\$)	9.95	10.02	9.84	10.08	n/a
Series F (inception September 10, 2015)	2017	2016	2015	2014	2013
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	26,105	9,838	4,609	n/a	n/a
Number of units outstanding (000s) ⁽¹⁾	2,694	1,015	482	n/a	n/a
Management expense ratio (%) ⁽²⁾	0.53	0.53	0.53	n/a	n/a
Management expense ratio before waivers or absorptions (%)	0.56	0.57	0.61	n/a	n/a
Trading expense ratio (%) ⁽³⁾	0.04	0.06	0.09	n/a	n/a
Portfolio turnover rate (%) ⁽⁴⁾	93.08	101.94	152.78	n/a	n/a
Net assets attributable to holders of redeemable units - per unit (\$)	9.69	9.69	9.95	n/a	n/a

(1) This information is provided as at December 31 of the year shown; unless noted otherwise.

(2) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of the daily average net asset value during the period.

(3) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

(4) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Past Performance

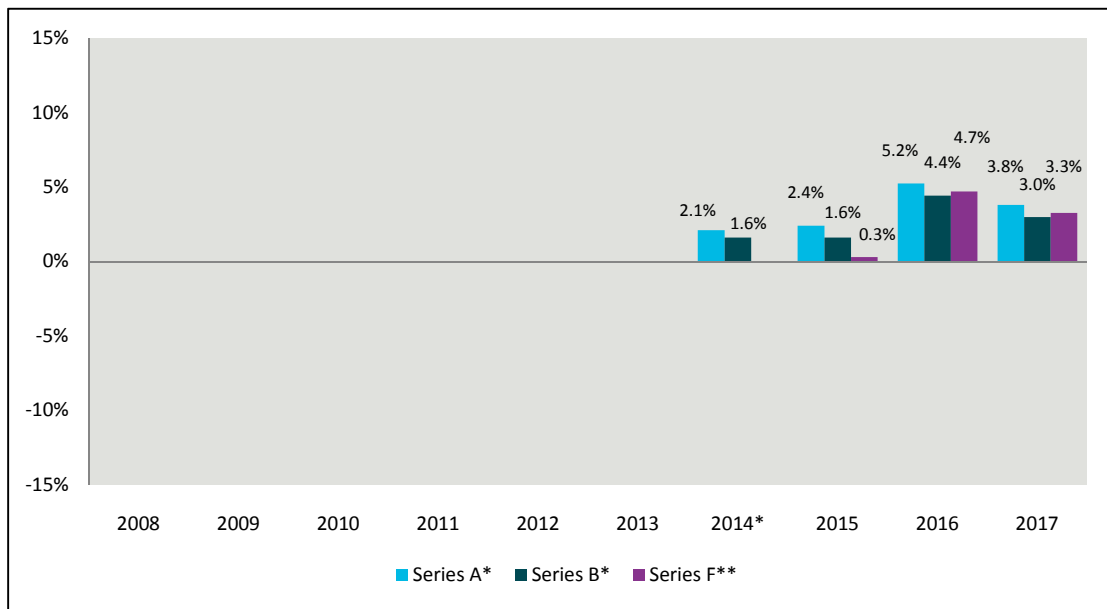
General

The Fund’s performance assumes all distributions made by the Fund in the years shown were reinvested in units of the Fund and is based on net asset value per unit. If you hold the Fund outside a Registered Plan, you will be taxed on these distributions.

The performance information does not take into account sales charges, other charges or taxes that, if applicable, would have reduced returns or performance; but includes management fees and other expenses borne directly by the Fund. Past performance does not necessarily indicate how the Fund may perform in the future.

Year-by-Year Returns

The following bar chart shows the Fund’s historical return, which changes each year and illustrates how the Fund’s performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the last day of each year.



* Series A and Series B units were created May 29, 2014. Return from May 29, 2014 to December 31, 2014, not annualized.

** Series F units were created on September 10, 2015. Return from September 10, 2015 to December 31, 2015, not annualized

Past Performance (con't)**Annual Compound Returns**

The following table compares the historical annual compound return of the Fund (before fees for Series A and after fees for Series B and F) with the FTSE TMX Canada Universe Bond Index, in each case for the year ended December 31, 2016. The FTSE TMX Canada Universe Bond Index measures the total return attributable to bonds, and includes representative bond issues by issuer, quality, and term. A discussion of the performance of the Fund as compared to this broad-based index is found in the Results of Operations section of this document.

For the Years ended December 31	1 Year	3 Years	5 Years	10 Years
Fund – Series A *	3.8%	3.8%	n/a	n/a
FTSE TMX Canada Universe Bond Index	2.5%	2.6%	n/a	n/a
Fund – Series B *	3.0%	3.0%	n/a	n/a
FTSE TMX Canada Universe Bond Index	2.5%	2.6%	n/a	n/a
Fund – Series F **	3.3%	n/a	n/a	n/a
FTSE TMX Canada Universe Bond Index	2.5%	n/a	n/a	n/a

* Series A and Series B units were created May 29, 2014.

** Series F units were created on September 10, 2015.

Summary of Investment Portfolio

As at December 31, 2017

Top 25 Positions

Issuer	% of Net Asset Value
Leith Wheeler Multi Credit Fund, Series A	10.0%
Bank of Montreal 2.27% July 11, 2022	2.5%
Royal Bank of Canada 3.31% January 20, 2026	2.5%
Bank of Montreal 1.88% March 31, 2021	1.7%
Pembina Pipeline Corp 2.99% January 22, 2024	1.4%
First Nations Finance Authority 3.4% June 26, 2024	1.3%
Bank of Nova Scotia 1.9% December 02, 2021	1.2%
BHP Billiton Finance Ltd 3.23% May 15, 2023	1.2%
Enbridge Inc. Cumulative Redeemable Preference Shares Series B	1.1%
North West Redwater Port 3.2% July 22, 2024	1.1%
Cash & Other Net Assets	1.1%
Canadian Imperial Bank of Commerce 1.85% July 14, 2020	1.0%
Brookfield Asset Man Inc 3.95% April 09, 2019	1.0%
Enbridge Pipelines Inc. 3.45% September 29, 2025	1.0%
Bank of Nova Scotia 1.83% April 27, 2022	1.0%
TELUS Corp. 3.75% January 17, 2025	1.0%
Allied Properties REIT 3.636% April 21, 2025	0.9%
Toronto-Dominion Bank 1.68% June 08, 2021	0.9%
Toronto-Dominion Bank 3.224% July 25, 2029	0.9%
Bell Canada 2.9% August 12, 2026	0.9%
Shaw Communications Inc 3.8% March 01, 2027	0.9%
CI Financial Corp 3.904% September 27, 2027	0.9%
Royal Bank of Canada 1.583% September 13, 2021	0.9%
AT&T Inc 3.825% November 25, 2020	0.8%
Bruce Power LP 3% June 21, 2024	0.8%

Portfolio Allocation

Portfolio Breakdown	% of Net Asset Value
Bonds	82.8%
Preferred Shares	11.1%
Loans	5.0%
Cash & Other Net Assets	1.1%

The Fund held no short positions as at December 31, 2017.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.leithwheeler.com