

Leith Wheeler U.S. Equity 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 superior long-term investment returns by investing in equity securities trading on the major markets in the United States. The Fund may also invest in convertible securities of American issuers or equivalent equity securities. Under normal circumstances, the Fund will keep its portfolio fully invested, to the greatest extent possible, in equity and equity related securities.

Our strategy employs a value approach to the management of equities. It emphasizes long-term investment and it focuses on the selection of individual securities using a bottom-up, research driven approach. Sector exposure is a residual of this stock selection process. Fund holdings must meet our standards of investment quality, including a history of above average financial performance, a secure financial position, reputable management and a growth opportunity in terms of sales, earnings, and share price.

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 4.3% in 2017, rising to \$351.0 million from \$336.6 million at the end of 2016. Of this change, \$33.9 million was attributable to investment gains and (\$19.5) million to net outflows.

The U.S. Equity Fund performed strongly during 2017 as Series A units were up 10.8%. Series B units returned 9.4% and Series F units advanced by 9.7%, both after fees and expenses. The S&P 500 Index was up 13.8% over this same period.

The Fund posted solid absolute returns in 2017 but trailed the growth-driven S&P 500. Versus the S&P 500 for the year, stock selection within Industrials, Materials, and Consumer Discretionary and the portfolio's underweight to the bond proxy sectors (Telecom, Real Estate, Consumer Staples and Utilities) contributed most to relative performance. The portfolio's underweight in Technology and overweight in Energy as well as security selection in Technology, Financials, and Health Care detracted most from relative performance.

Owens Corning was the top contributor to the Fund during 2017. The company manufactures asphalt shingles for residential roofs, insulation for residential and commercial use, and fiberglass composites for a wide variety of industrial applications. Shares outperformed in the fourth quarter and for the full year as the company reported strong results as the year progressed and earnings forecasts continued to see upward revisions. Underlying fundamentals remain strong in the roofing and composite businesses and a recovery in the insulation business appears imminent. The company is executing well in all three business segments and will also see a positive benefit from tax reform. Owens Corning remains an attractive value trading at 16x normalized earnings.

Managed care stock Anthem Inc. performed well during the quarter and the year, adding to relative performance over both periods. Improving pricing, cost, and utilization trends, along with tailwinds from corporate tax reform and political relief from the reduced impact of the Affordable Care Act, all contributed to the stock's outperformance. Strong fundamentals with improving utilization trends and corporate tax reform are expected to drive strong future earnings growth. In addition, the combination of pharmacy and pharmacy benefits manager CVS with managed care company Aetna highlights the inherent value of the managed care companies and what the industry is willing to pay for vertical integration. Meanwhile, the stock trades at a compelling valuation and offers significant upside to our target price.

The largest detractor from performance over the year was Hess Corp, an exploration and production company with significant oil reserves in the Bakken Shale in North Dakota and offshore Guyana. While the operator of the Guyana development (Exxon) continues to announce world-class oil discoveries, the start-up date of late 2019 is too far out for a market focused on short lead time and onshore U.S. oil plays. We expect that the market will start to value the Guyana reserves more highly as we approach 2019 production. Hess Corp has been proactive in selling non-core assets to fund this multibillion-dollar investment in Guyana. In addition, new production from offshore Malaysia and the Gulf of Mexico in 2018 will provide incremental cash flow for this high return project.

Teva Pharmaceuticals Industries Ltd ADR detracted from performance for the quarter and the full year. Teva is the global leader in generic pharmaceuticals, but earnings declined sharply as generic drug price deflation accelerated following the company's acquisition of Allergan's generic drug business. This left Teva with a highly leveraged balance sheet. A new CEO, Kare Shultz from the specialty pharmaceutical company Lundbeck, joined in November and is aggressively cutting costs to stabilize earnings and pay down debt. Accelerating FDA approvals of new generics will continue to pressure generic drug prices, but the consolidation of generic drug purchasing into large group purchasing organizations has run its course and may lead to moderating generic drug price deflation. Trading at just 6x earnings, Teva offers compelling value.

Management Discussion of Fund Performance (cont.)

Results of Operations (cont.)

The retail and apparel environment has been a very difficult part of the market, as bricks and mortar retailers are cutting back on inventories due to competition from eCommerce, declining foot traffic in malls, and consumer discretionary spending contractions. These trends caused weakness in the shares of Newell Brands. Newell's inventory and possibly accounts receivable are expected to be impacted by the Toys "R" Us bankruptcy and store closures. Furthermore, back-to-school sales for the very profitable writing segment (Sharpie, Paper Mate, etc.) did not materialize as expected as the office superstores, particularly Office Depot, are losing significant market share. Newell is a solid, well-managed company with excellent growth prospects longer term, but is likely to remain in the penalty box until the second half of 2018 when it can again produce good organic growth and strong cash flow.

We added a number of new names to the Fund in 2017, including Lowe's, Newell Brands, Kosmos Energy, Dollar General, Hewlett Packard, General Electric, Comcast Corp., AMERCO, Vermilion Energy, Broadcom Ltd. and Black Knight Financial.

The stocks we eliminated from the Fund in 2017 included Fifth Third Bancorp, Reynolds American, Ameriprise Financial, Deere & Co., Raytheon, NVR, FMC Corp., Apple, Discover Financial Services, Honeywell International and CRH plc.

Recent Developments

Looking into next year, investor enthusiasm is high. Economies in the U.S. and around the globe are sending strong signals of continued acceleration, which will enhance profits. Additionally, the recently-enacted U.S. tax reform has prompted some strategists to predict that 2018 domestic earnings growth could approach 20%. When you combine such a robust outlook with well above average recent returns and well below-average measures of risk and volatility, it is easy to see why many investors are bullish. In addition to their bullishness, it appears to us that many are also complacent. After extended bull markets, investor bullishness typically becomes extreme for the areas of the market that have already worked. In this cycle, that has clearly been growth stocks.

If markets cannot rely on continued easy money policies to drive valuations higher, investors must once again look at the earnings and fundamentals of the underlying companies. The portfolio is well-positioned for a sustained period of value stock outperformance that we expect to follow the extended period of growth stock dominance over the past 8+ years.

U.S. equity markets were up in the first two months of 2018, further helped by a strengthening U.S. dollar versus the Canadian dollar.

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.

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 1.25% and 0.95%, respectively. During the year, the Fund paid the Manager \$ 678,237 for Series B units and \$614 for Series F units (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	2017	2016	2015	2014	2013
Net assets attributable to holders of redeemable units - per unit, beginning of year ⁽¹⁾	\$4.30	\$4.64	\$4.32	\$3.72	\$2.66
Increase (decrease) from operations:					
Total revenue	0.10	0.14	0.13	0.08	0.07
Total expenses	-	-	-	-	-
Realized gains (losses) for the year	0.32	0.94	0.48	0.19	0.09
Unrealized gains (losses) for the year	(0.03)	(0.63)	0.12	0.40	0.96
Total increase (decrease) from operations ⁽¹⁾	0.45	0.45	0.73	0.67	1.12
Distributions:					
From income (excluding dividends)	-	-	-	-	-
From dividends	(0.08)	(0.12)	(0.12)	(0.07)	(0.06)
From capital gains	(0.16)	(0.68)	(0.28)	-	-
Return of capital	-	-	-	-	-
Total Annual Distributions ⁽²⁾	(0.24)	(0.80)	(0.40)	(0.07)	(0.06)
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$4.53	\$4.30	\$4.64	\$4.32	\$3.72

Series B	2017	2016	2015	2014	2013
Net assets attributable to holders of redeemable units - per unit, beginning of year ⁽¹⁾	\$4.36	\$4.69	\$4.36	\$3.75	\$2.68
Increase (decrease) from operations:					
Total revenue	0.11	0.16	0.15	0.09	0.07
Total expenses	(0.05)	(0.19)	(0.17)	(0.11)	(0.08)
Realized gains (losses) for the year	0.33	1.13	0.57	0.21	0.09
Unrealized gains (losses) for the year	(0.03)	(0.75)	0.13	0.44	1.01
Total increase (decrease) from operations ⁽¹⁾	0.41	0.36	0.68	0.63	1.09
Distributions:					
From income (excluding dividends)	-	-	-	-	-
From dividends	(0.03)	(0.05)	(0.05)	(0.02)	(0.02)
From capital gains	(0.16)	(0.69)	(0.29)	-	-
Return of capital	-	-	-	-	-
Total Annual Distributions ⁽²⁾	(0.18)	(0.74)	(0.34)	(0.02)	(0.02)
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$4.58	\$4.36	\$4.69	\$4.36	\$3.75

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

Series F (inception May 25, 2016)	2017	2016	2015	2014	2013
Net assets attributable to holders of redeemable units - per unit, beginning of year ^{(1) (3)}	\$4.31	\$4.49	n/a	n/a	n/a
Increase (decrease) from operations:					
Total revenue	0.16	0.20	n/a	n/a	n/a
Total expenses	(0.01)	(0.04)	n/a	n/a	n/a
Realized gains (losses) for the year	0.49	1.35	n/a	n/a	n/a
Unrealized gains (losses) for the year	(0.05)	(0.90)	n/a	n/a	n/a
Total increase (decrease) from operations ⁽¹⁾	0.68	0.61	n/a	n/a	n/a
Distributions:					
From income (excluding dividends)	-	-	n/a	n/a	n/a
From dividends	(0.11)	(0.10)	n/a	n/a	n/a
From capital gains	(0.15)	(0.68)	n/a	n/a	n/a
Return of capital	-	-	n/a	n/a	n/a
Total Annual Distributions ⁽²⁾	(0.26)	(0.78)	n/a	n/a	n/a
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$4.46	\$4.31	n/a	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 25, 2016, 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 May 25, 2016 of \$4.49.

Financial Highlights (cont.)

Ratios and Supplemental Data

Series A	2017	2016	2015	2014	2013
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	294,534	285,569	293,471	258,185	190,436
Number of units outstanding (000s) ⁽¹⁾	65,065	66,423	63,230	59,717	51,195
Management expense ratio (%) ⁽²⁾	-	-	-	-	-
Management expense ratio before waivers or absorptions (%)	-	-	-	-	-
Trading expense ratio (%) ⁽³⁾	0.04	0.06	0.03	0.03	0.04
Portfolio turnover rate (%) ⁽⁴⁾	32.68	111.24	22.36	12.38	16.74
Net assets attributable to holders of redeemable units - per unit (\$)	4.53	4.30	4.64	4.32	3.72

Series B	2017	2016	2015	2014	2013
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	56,118	50,982	58,528	56,144	47,647
Number of units outstanding (000s) ⁽¹⁾	12,240	11,701	12,474	12,867	12,701
Management expense ratio (%) ⁽²⁾	1.32	1.33	1.33	1.33	1.33
Management expense ratio before waivers or absorptions (%)	1.32	1.33	1.33	1.33	1.33
Trading expense ratio (%) ⁽³⁾	0.04	0.06	0.03	0.03	0.04
Portfolio turnover rate (%) ⁽⁴⁾	32.68	111.24	22.36	12.38	16.74
Net assets attributable to holders of redeemable units - per unit (\$)	4.58	4.36	4.69	4.36	3.75

Series F (inception May 25, 2016)	2017	2016	2015	2014	2013
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	374	11	n/a	n/a	n/a
Number of units outstanding (000s) ⁽¹⁾	84	3	n/a	n/a	n/a
Management expense ratio (%) ⁽²⁾	1.00	1.00	n/a	n/a	n/a
Management expense ratio before waivers or absorptions (%)	1.00	1.00	n/a	n/a	n/a
Trading expense ratio (%) ⁽³⁾	0.04	0.06	n/a	n/a	n/a
Portfolio turnover rate (%) ⁽⁴⁾	32.68	111.24	n/a	n/a	n/a
Net assets attributable to holders of redeemable units - per unit (\$)	4.46	4.31	n/a	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

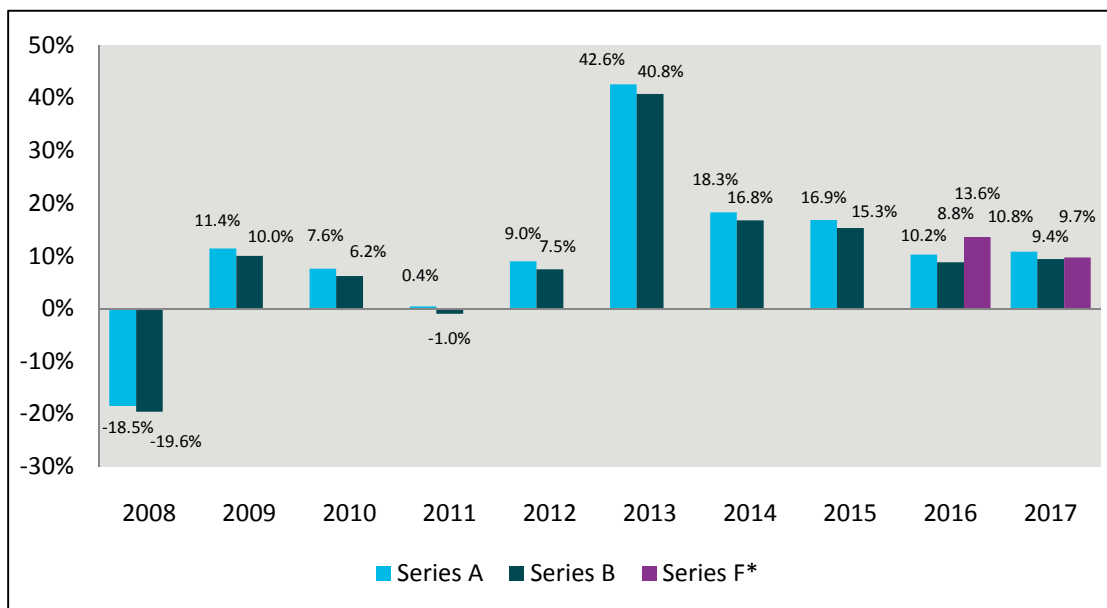
General

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 F units were created on May 25, 2016. Return from May 25, 2016 to December 31, 2016, not annualized.

Past Performance (cont.)**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 S&P 500 Total Return Index (measured in Canadian dollars), in each case for the year ended December 31, 2017. The S&P 500 Total Return Index includes a representative sample of 500 leading companies in leading industries of the U.S. economy. Although the S&P 500 focuses on the large-cap segment of the market, with over 80% coverage of U.S. equities, it is a good proxy for the total market. A discussion of the performance of the Fund as compared to the benchmark 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	10.8%	12.6%	19.2%	9.9%
Benchmark	13.8%	14.4%	21.3%	11.1%
Fund – Series B	9.4%	11.2%	17.7%	8.5%
Benchmark	13.8%	14.4%	21.3%	11.1%
Fund – Series F *	9.7%	n/a	n/a	n/a
Benchmark	13.8%	n/a	n/a	n/a

* Series F units were created on May 25, 2016.

Summary of Investment Portfolio

As at December 31, 2017

Top 25 Positions

Issuer	% of Net Asset Value
Citigroup Inc	2.5%
JPMorgan Chase & Co	2.3%
UnitedHealth Group Inc	1.9%
SLM Corp	1.9%
Anthem Inc	1.8%
Lowe's Cos Inc	1.8%
American Express Co	1.8%
Dollar General Corp	1.8%
Wells Fargo &Co	1.8%
Twenty-First Century Fox Inc	1.8%
Bank of America Corp	1.7%
Spirit AeroSystems Holdings Inc	1.7%
Qualcomm Inc	1.7%
Stanley Black & Decker Inc	1.7%
Texas Instruments Inc	1.7%
Pfizer Inc	1.7%
Microsoft Corp	1.6%
DowDupont Inc	1.6%
Versum Materials Inc	1.6%
United Technologies Corp	1.6%
ConocoPhillips	1.6%
Cigna Corp	1.6%
Microchip Technology Inc	1.6%
Chevron Corp	1.5%
Celanese Corp	1.5%

Portfolio Allocation

Portfolio Breakdown	% of Net Asset Value
Financials	25.3%
Health Care	14.0%
Information Technology	13.2%
Industrials	12.4%
Consumer Discretionary	12.0%
Energy	10.8%
Materials	5.8%
Consumer Staple	4.7%
Telecommunication Services	1.3%
Cash & Other Net Assets	0.5%

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.