

INVESTMENT STRATEGY

The Lester Canadian Equity Fund, launched in January 2012, is managed by Lester Asset Management (LAM), and employs the same strategy used in managing LAM's segregated accounts since July 2006. The Fund is invested in 40 to 50 small, mid and large cap Canadian listed companies selected using a disciplined and long term investment approach. Research is based on a sound understanding of each company and the industry in which each operates, complemented by our macro-economic outlook. The Fund's investment philosophy is value-oriented seeking to purchase shares at a discount relative to a company's true worth, as well as event driven with the goal of eventually realizing maximum shareholder value either through dividend increases, share buybacks, spin-offs or an outright sale. The Fund's objective is to achieve higher than market returns with lower risk.

MONTHLY COMMENTS

The Lester Canadian Equity Fund was flat versus an increase of +1.1% for the TSX Composite Total Return. Our underperformance was due to our low weightings in the financial and energy sectors which were up +2.2% and +0.9% during the month, as well as drag from our high cash balance. Most world stock indices rebounded from the June declines as investor concerns with global trade wars eased. Several companies in our portfolio reported strong results and rose sharply, but their gains were offset by declines in others. Top gainers included GoodFood (+9%), CN Rail (+8%), Winpak (+7%), Equitable Group (+6%), Centric Health (+5%), Solium (+5%), Baylin Technologies (+5%) and Gibson Energy (+4%). Losers included TVA (-12%), Stella Jones (-9%), Grande West Transportation (-8%), D-Box Technologies (-8%), Badger Daylighting (-7%), Boralex (-6%), Nanotech (-5%) and Velan (-4%). We continue to be defensively positioned with a still large cash balance, while carefully adding new holdings on weakness amid trade war uncertainties.

MONTHLY NET RETURNS *

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	LAM**	TSX**	S&P500**	S&P500 \$C
2006							4.1%	3.9%	0.3%	5.6%	0.3%	4.4%	20.0%	12.5%	12.7%	17.8%
2007	4.3%	2.4%	0.5%	5.0%	3.0%	0.9%	1.6%	-5.3%	2.4%	2.9%	-6.3%	2.4%	13.9%	9.8%	5.5%	-9.8%
2008	-6.4%	1.0%	-2.5%	0.4%	2.3%	-1.8%	-5.2%	1.3%	-13.4%	-14.8%	-8.5%	-1.8%	-40.8%	-33.0%	-37.0%	-23.1%
2009	1.8%	-2.2%	6.3%	5.9%	8.1%	2.2%	4.2%	3.8%	4.7%	2.9%	5.2%	4.3%	58.3%	35.1%	26.5%	9.3%
2010	-0.5%	2.3%	2.7%	2.6%	-3.5%	-0.8%	2.0%	2.3%	5.0%	4.9%	3.2%	5.2%	28.1%	17.6%	15.1%	9.0%
2011	1.7%	1.7%	-0.3%	2.1%	1.6%	-2.7%	1.1%	-0.3%	-4.3%	3.1%	0.5%	0.3%	4.5%	-8.7%	2.1%	7.6%
2012	3.8%	0.7%	1.3%	1.5%	-1.8%	-1.2%	0.7%	2.3%	3.5%	0.9%	1.0%	2.9%	16.8%	7.2%	16.0%	13.5%
2013	3.8%	1.2%	1.0%	-0.6%	0.8%	-1.0%	1.4%	0.5%	2.1%	2.7%	2.1%	2.7%	17.8%	13.0%	32.4%	41.1%
2014	0.8%	0.7%	1.1%	-0.4%	1.9%	2.4%	-0.6%	3.3%	-3.1%	-0.1%	0.1%	2.4%	8.8%	10.5%	13.7%	24.0%
2015	-2.7%	1.6%	-1.9%	4.2%	-1.2%	-0.6%	-1.7%	-6.6%	-4.6%	1.5%	-0.8%	1.5%	-11.3%	-8.3%	1.4%	20.1%
2016	-1.1%	-0.3%	8.6%	1.6%	3.8%	0.9%	2.6%	2.1%	3.1%	0.1%	-1.6%	3.1%	24.7%	21.1%	12.0%	8.7%
2017	-1.0%	1.1%	2.9%	-0.7%	2.9%	0.1%	-1.0%	0.1%	1.7%	1.4%	0.3%	5.7%	14.1%	9.1%	21.8%	14.2%
2018	-1.7%	-1.7%	1.0%	-1.1%	-0.2%	1.1%	0.0%						-2.6%	3.1%	6.5%	10.2%

* Dollar-weighted average returns net of fees for LAM's equity composite up to December 2011. Lester Canadian Equity Fund Series F as of January 2012. ** Including dividends.

INDUSTRY WEIGHTINGS

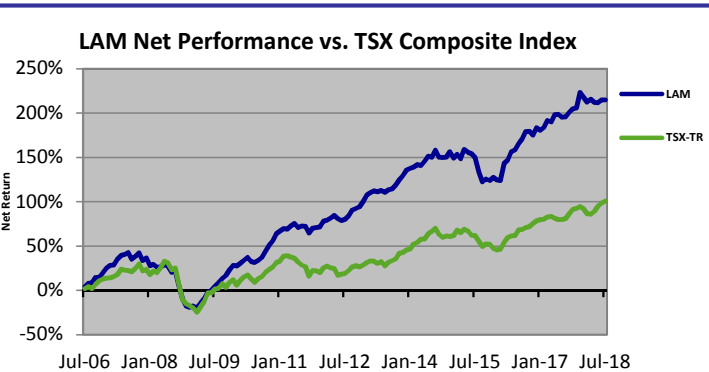
Industrial	diversified	23.0%
Consumer S&D	food & bevs/deathcare	19.3%
Technology	IT/software/wireless	10.9%
Financial/R.E.	loans/asset mgt/malls	9.2%
Utilities	renewable power	8.4%
Energy	pipelines/midstream	7.2%
Healthcare	mobility/pharma/homes	5.2%
Telecom	wireless/TV/internet	5.2%
Materials	packaging	1.9%
Cash	cash & equivalents	9.7%

TOP LARGE CAP HOLDINGS

CN (railway transportation)
Pembina Pipeline (energy infrastructure)
CGI Group (IT consulting)
Telus (telecommunications)
BCE (telecom & media)
Keyera (energy infrastructure)
Algonquin (renewable power & utilities)
Loblaw (food & drug retailing)
Winnipeg (specialty packaging)
Blackberry (security software)

TOP SMALL / MID CAP HOLDINGS

Andrew Peller (wine production & sales)
Logistic (marine & environmental services)
Badger Daylighting (hydrovac excavation)
K-Bro Linen (industrial laundry services)
Baylin Technologies (wireless antennae)
Solium (share ownership software)
Sienna Senior Living (retirement residences)
Boralex (renewable power)
Grande West Transportation (bus manufacturing)
Equitable Group (mortgages)



NET RETURN	3 Month	1 Year	3 Year	5 Year	10 Year	01-Jul-06
LAM Cumulative	1.0%	6.7%	26.1%	47.6%	161.6%	215.1%
TSX Composite TR	6.1%	11.7%	24.2%	52.5%	62.8%	100.8%
LAM Value Added	-5.1%	-5.1%	1.9%	-4.9%	98.8%	114.3%
LAM Annualized		6.7%	8.0%	8.1%	10.1%	10.0%
TSX Composite TR		11.7%	7.5%	8.8%	5.0%	5.9%
LAM Value Added		-5.1%	0.5%	-0.7%	5.1%	4.0%

INVESTMENT TERMS

Minimum	\$25,000 (accredited)/\$150,000 (non-accredited)
Net Asset Value	\$18.38 Series F FundSERV: LAF100
Management Fee	1.5% (plus approx. 0.10% for trading/custodial)
Fund/Firm AUM	\$63 million/\$325 million