

Taylor Asset Management

Taylor Partners Fund

Investment objective and approach

A well-diversified portfolio structured to provide long-term capital appreciation and attractive risk-adjusted rates of return.

Applying his signature style of value investing, veteran portfolio manager David Taylor uses bottom up research and a rigorous stock selection process to construct a concentrated portfolio of best investment ideas. The focus is on stocks of quality North American-based businesses with strong fundamentals that are temporarily undervalued. The portfolio manager may opportunistically sell short stocks of lower quality companies or with excessive valuations that are expected to experience negative fundamental change. Various measures are used to reduce risk including prudence in managing the portfolio's security and sector exposures.

Reasons to invest

- Access to one of Canada's leading equity managers
- Strict focus on quality North American companies
- Geographic flexibility to overweight the US
- Broadly diversified across different sectors
- Small nimble fund
- Disciplined risk management – limits on sector and security exposure, FX hedging, shorting
- Ability to use cash defensively
- Significant personal investment by the manager

Award winning portfolio management

David Taylor, MBA, CFA

President and Chief Investment Officer

A familiar face in the investment community, David Taylor is recognized as one of Canada's premier equity managers. His passion and a rigorous investment style honed during his 30 years of investing have produced a number of top-quartile investment funds. His efforts have earned him numerous industry awards for superior returns, most notably for ten-year out-performance in the equity and balanced fund categories.

Fund information

Valuation	Daily
Minimum investment	\$150,000 \$25,000 (accredited)
Management fee	2.00% (A) 1.00% (F) 0.70% (E)
Servicing fee	1.00% (A)
Performance fee	10%
Hurdle rate	5%
Inception	May 31, 2013
Fund codes	TAY 100 (A) TAY 101 (F) TAY 103 (E)
Prime broker	TD Securities Inc.
Administrator	CIBC Mellon Global Securities Services Company
Auditor	PricewaterhouseCoopers LLP
Legal advisor	Wildeboer Dellelce LLP

ABOUT TAYLOR ASSET MANAGEMENT

Taylor Asset Management Inc. is an independent investment counsellor, founded by award-winning portfolio manager David Taylor to deliver quality investments for Canadian individuals and institutions. Our clients have entrusted us with \$1 billion in assets. This is a responsibility we don't take lightly. We operate with honesty and integrity, and won't ever compromise our reputation. It's our most valued asset.

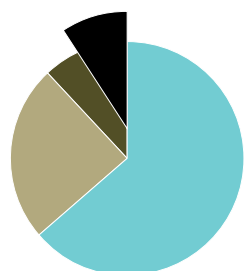
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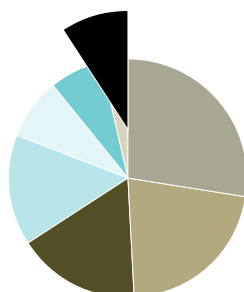
As at June 30, 2018

Total Net Assets (millions)

\$37.2

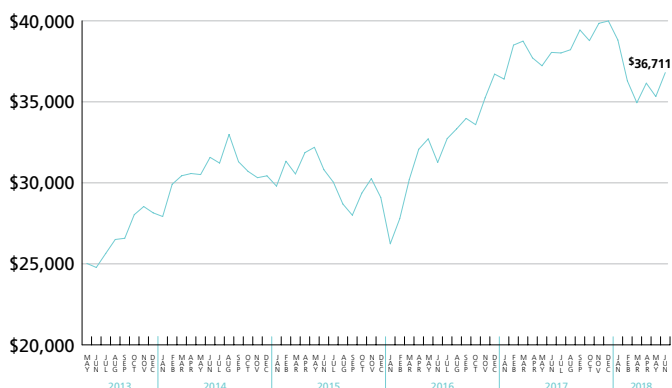


Geographic mix	(%)
Canada	70.9
United States	27.1
International	13.2
Cash	-11.2



Sector mix	(%)
Materials	30.6
Financials	24.3
Energy	18.5
Consumer Discretionary	16.6
Health Care	9.3
Industrials	7.9
Information Technology	4.0
Cash	-11.2

Growth of \$25,000 invested May 31, 2013



Returns (%) Class F

1 month	3 months	1 year	2 year	3 year	4 year	5 year	S.I. (annualized)	S.I. (cumulative)
4.2	5.3	-3.3	8.5	6.1	3.9	8.2	7.9	46.8

Taylor Partners Fund is a prospectus-exempt product offered on a private placement basis. Units are offered on a continuous basis in accordance with applicable securities legislation to investors who either invest a regulatory minimum of \$150,000 or who meet the definition of "accredited investor" under the legislation. Units of the Fund can be purchased through applicable dealers, and are offered to investors resident in the provinces or territories of Canada pursuant to exemptions from the prospectus requirements set forth under NI 45-106 (and, if and where applicable, from the dealer registration requirements) contained in the applicable securities legislation. This document is not an offering memorandum. It is intended to provide some general information about the Fund. Comprehensive information about the Fund, the investment strategy and potential risks are contained in the Fund's Confidential Offering Memorandum. Please review the Fund's Confidential Offering Memorandum before investing. Funds managed by David Taylor were awarded the Lipper Fund Award Canada for category leading ten year returns: Global Equity Balanced (2012), Canadian Focused Equity (2011), Canadian Focused Equity (2010), Canadian Focused Equity (2009), Global Equity Balanced (2009) and Global Equity Balanced (2008). Commissions, trailing commissions, management fees and expenses all may be associated with investment funds. The indicated rates of return include changes in share value and reinvestment of all dividends or distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that would have reduced returns. Returns for time periods of one year or less are cumulative figures and are not annualized. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated.

Top holdings

Oceanagold Corp.

Paramount Resources Ltd.

Labrador Iron Ore Royalty Corp.

Home Capital Group Inc.

Element Fleet Management

Forterra Inc.

Birchcliff Energy Ltd.

Stelco Holdings Inc.

Energcare Inc.

MBIA Inc.

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