

VERTEX MANAGED VALUE PORTFOLIO

VERTEX ONE
Asset Management Inc.

- Value Works -

| Since Inception Return | Total Cumulative Return | 5 Year Return | Standard Deviation |
|------------------------|-------------------------|---------------|--------------------|
| 9.46% | 488.59% | 15.11% | 11.97% |

Investment Objectives

The principle objective is to provide growth of capital while minimizing volatility through investment in a combination of equities and income securities, while maintaining an opportunistic outlook for unique investment situations. Using a common sense, businesslike approach, our core belief is that return is generated through company earnings, not stock trading; thus turnover is limited.

Investment Strategy

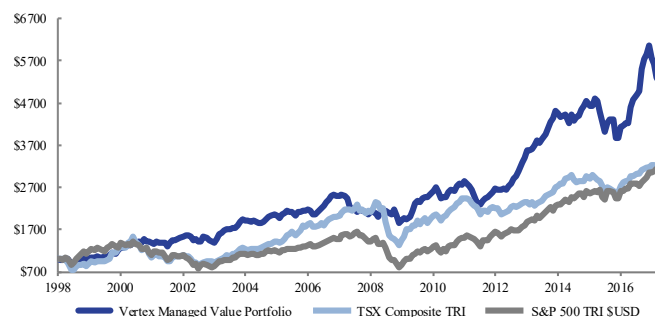
Emphasis is placed on equities trading at values of under two-thirds of the general market, that also have annuity stream revenues with lower debt and higher dividends. This results in a portfolio concentrated on fewer sectors of the overall economy such as food, drugs, utilities and financial services. Income is achieved through many avenues: investments in conventional government and corporate bonds, as well as preferred, convertible and broken convertible securities. In addition, the Fund will take advantage of opportunities in higher-yielding equities, securities lending and covered-call writing.

Performance (Net of fees and includes reinvested distributions)

Comparison to Benchmarks

| | Fund | S&P 500 TRI (\$USD) | S&P/TSX Composite TRI |
|-------------------|---------|---------------------|-----------------------|
| 1 month | 4.49% | 2.33% | 2.73% |
| Year to date | 2.55% | 16.91% | 7.30% |
| 1 year | 18.26% | 23.63% | 11.48% |
| 3 year | 10.35% | 10.77% | 6.22% |
| 5 year | 15.11% | 15.18% | 8.41% |
| 10 year | 10.74% | 7.51% | 3.95% |
| 15 year | 9.99% | 9.60% | 9.34% |
| Since Inception | 9.46% | 7.01% | 6.42% |
| Cumulative Return | 488.59% | 237.98% | 238.17% |

Growth of \$1,000 Since Inception



Calendar Year Returns

| | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|-------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|---------|--------|--------|--------|--------|---------|
| Managed Value Portfolio | 2.55% | 33.52% | -5.57% | 7.14% | 37.51% | 25.09% | -9.36% | 10.30% | 13.52% | 1.84% | -14.24% | 18.00% | 5.19% | 11.15% | 20.49% | 2.91% |
| S&P 500 (\$USD) | 16.91% | 11.96% | 1.38% | 13.69% | 32.39% | 16.00% | 2.11% | 15.06% | 26.46% | -37.00% | 5.49% | 15.79% | 4.91% | 10.88% | 28.68% | -22.10% |
| S&P/TSX | 7.30% | 21.08% | -8.32% | 10.55% | 12.99% | 7.19% | -8.71% | 17.61% | 35.05% | -33.00% | 9.83% | 17.26% | 24.13% | 14.48% | 26.72% | -12.44% |

| | |
|--------------------------|--|
| Firm Assets | \$1.37 Billion |
| Fund Assets | \$260 Million |
| Type of Fund | Concentrated Value |
| RSP Eligible | Yes |
| Pricing Schedule | Monthly |
| Offer Document | Offering Memorandum |
| Lock up | No |
| Redemption Fee | On DSC class |
| Hurdle Rate | 5% |
| Performance Fee | 20% above the hurdle rate |
| Management Fee | B: 1.9% F: 1% |
| Fund Codes | VRT 101(F), VRT 102(B) VRT 103(DSC) |
| Inception Date | April 3, 1998 |
| Trustee | CIBC Mellon |
| Custodian/Administration | CIBC Mellon |
| Auditor | PriceWaterhouseCoopers |
| NAVPU - Class A | \$27.7426 |
| NAVPU - Class B | \$10.5595 |
| NAVPU - Class F | \$28.7361 |

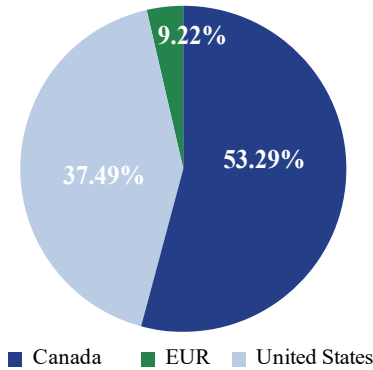
Portfolio Manager
Matthew Wood

Mr. Wood is a founder and a director of Vertex One. He has overall responsibility for the investment and trading decisions affecting the Vertex Managed Value Portfolio, Vertex Value Fund and Vertex Enhanced Income Fund. Mr. Wood has over 22 years of experience in dealing with equities, fixed income and derivatives. He began his career as an analyst, and subsequently became a financial advisor with Royal Trust. He was a portfolio manager with HSBC Asset Management before forming Vertex One. Mr. Wood holds the Chartered Financial Analyst (CFA) designation and is a member of the CFA Institute and CFA Society of Vancouver.

Second Quarter Commentary

We're hearing a lot about volatility these days. The word seems to have permeated our investment lexicon. It's as if there's something in the investment world that's void of volatility. "Low vol" is what so many are selling and eager ears are eating it up. I'm not sure what to make of it, but the idea that one can get a decent return today, and low volatility simultaneously, is a hard one to swallow. Presently, there is a grand illusion unfolding as recent performance has investors believing the "market", as represented by the major indexes, has lower volatility than contrasting portfolios such as ours. The facts dispute this belief, as "the market" has seen declines of 40% plus twice since founding Vertex One. Your Value Funds have never experienced this kind of downside volatility. Our portfolio differs vastly from the market; thus, our volatility will appear at different intervals. We may be down when the market is flat, or up, or the opposite may also occur. Interestingly, the more investors place their investment in the market the smoother returns appear. Frankly, index investing scares the pants off us.

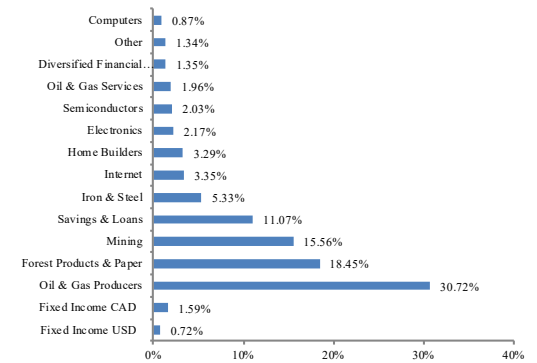
Geographic Allocation



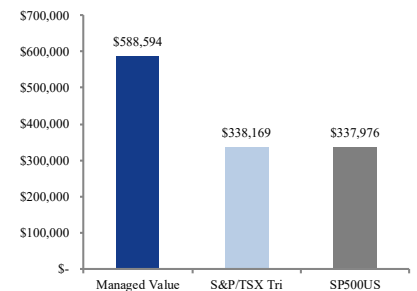
| | Fund | TSX TRI |
|----------------------|---------|---------|
| Beta | 0.39 | 1.00 |
| Correlation | 0.48 | 1.00 |
| Sharpe | 0.71 | 0.46 |
| Standard Deviation | 11.97% | 14.67% |
| Largest monthly gain | 10.40% | 12.05% |
| Largest monthly loss | -11.70% | -20.11% |
| % positive months | 62.55% | 62.45% |

rf = LIBOR, 1M, USD

Sector Allocations



Total Cumulative Return of \$100,000



15-Year, Historical Monthly Performance

| | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|------|--------|---------|--------|--------|--------|--------|--------|--------|--------|--------|---------|--------|--------|--------|--------|--------|
| Jan | 2.24% | -10.25% | 1.59% | 2.45% | 6.42% | 2.44% | 2.74% | 0.06% | -6.93% | -0.60% | 1.14% | 1.71% | 1.10% | 5.16% | -2.82% | 1.21% |
| Feb | 3.38% | 0.25% | 2.77% | 3.41% | 3.24% | 2.37% | -1.74% | 4.03% | -8.82% | -3.03% | -0.67% | -0.60% | 1.83% | 2.02% | -1.90% | 2.42% |
| Mar | -4.98% | 7.09% | -2.55% | -1.15% | 5.53% | 3.02% | 3.09% | 1.98% | 3.60% | 3.15% | -0.12% | 1.84% | -1.85% | -1.04% | -2.59% | 1.20% |
| Apr | -2.30% | 0.45% | -0.26% | -1.49% | 0.19% | -1.41% | -1.20% | 2.80% | 3.58% | -0.45% | 1.49% | -1.19% | -2.82% | -0.43% | 6.43% | 2.27% |
| May | -5.85% | 1.48% | 4.28% | 0.24% | 0.17% | 0.44% | -2.63% | -4.18% | -2.64% | -0.62% | -1.32% | -3.75% | 4.61% | -1.21% | 6.73% | 0.89% |
| Jun | -2.71% | 0.06% | -1.27% | 0.70% | 2.49% | 1.67% | -3.44% | -5.46% | 4.50% | -5.08% | -2.25% | 0.11% | 1.30% | 1.50% | 3.33% | -3.34% |
| Jul | 2.33% | 8.65% | -5.89% | -4.72% | 3.29% | -1.48% | -5.70% | 1.54% | 6.14% | 5.52% | -8.90% | 3.24% | 3.03% | -1.12% | 2.75% | -4.33% |
| Aug | -0.70% | 4.39% | -4.94% | 4.76% | -1.36% | 3.16% | -5.28% | -0.23% | 4.29% | 8.78% | 1.91% | -1.81% | 2.82% | -1.37% | -1.72% | 2.49% |
| Sep | 7.46% | 1.99% | -5.31% | -3.09% | 2.22% | 2.27% | -2.29% | 4.29% | 2.00% | 0.34% | -0.13% | 3.47% | 0.13% | 0.01% | -1.37% | -4.35% |
| Oct | 4.49% | 1.85% | 4.62% | 2.36% | 3.33% | 4.31% | 3.88% | 2.01% | -1.36% | -2.87% | -2.98% | 3.76% | -3.81% | 1.98% | 1.86% | 0.21% |
| Nov | | 10.40% | 2.45% | 0.08% | 3.87% | 2.33% | 2.13% | -0.33% | 3.62% | -1.81% | 3.15% | 2.29% | 3.77% | 2.01% | 1.13% | 8.16% |
| Dec | | 4.45% | -0.46% | 3.83% | 3.18% | 3.66% | 1.24% | 3.88% | 1.80% | 6.01% | -2.36% | 3.25% | -0.47% | 3.70% | 3.31% | -1.78% |
| Year | 2.55% | 33.52% | -5.57% | 7.14% | 37.51% | 25.09% | -9.36% | 10.30% | 13.52% | 1.84% | -14.24% | 18.00% | 5.19% | 11.15% | 20.49% | 2.91% |

Corporate Profile

We are an independent investment firm that seeks to offer investors a different approach to fund management, one based on capital preservation in both good and bad markets. Through six funds we offer investors a full spectrum of risk and return profiles, actively managed by asset class and strategy exposure. Vertex employees are collectively the largest investors across its funds.

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This statistical information is intended to provide you with information about the Vertex Managed Value Portfolio. Advertised performance is based on Class A shares. Important information about the Fund is contained in the Offering Memorandum which should be read carefully before investing. You can obtain an offering memorandum from Vertex One Asset Management Inc. The Offering Memorandum for Vertex One Asset Management Inc.'s investment funds does not constitute an offer or solicitation to anyone in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. The indicated rates of return are the historical compounded 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.