

# VERTEX VALUE FUND

**VERTEX ONE**  
Asset Management Inc.

- Simple Works -

Standard Deviation	Since Inception Return	3-Year Return	5-Year Return
14.17%	14.71%	9.89%	13.96%

## Investment Objectives

The fundamental investment objective of the Vertex Value Fund is to provide long term capital growth by investing primarily in the equity securities of Canadian and United States companies.

## Investment Strategy

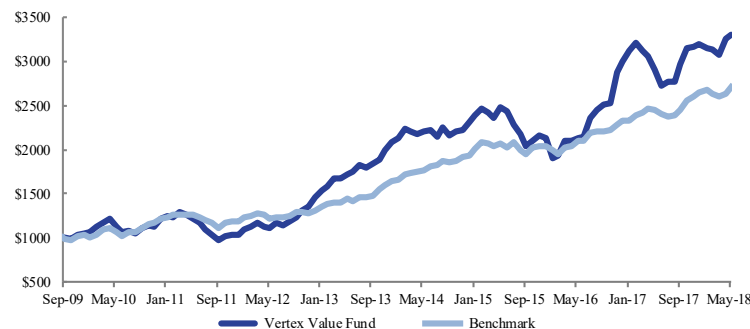
Our investment process involves seeking out primarily equity securities of companies that we determine to be priced at attractive levels relative to the market, their competitors and their growth rates. Companies with annuity like cash flows, strong balance sheets and high dividend yields will be given the greatest weighting.

## Performance (Net of all fees and includes reinvested distributions)

### Cumulative Return Comparison

	Fund	Benchmark
1 month	1.36%	3.25%
3 month	5.35%	2.98%
YTD	3.18%	2.69%
1 year	13.73%	10.76%
3 year	9.89%	9.47%
5 year	13.96%	13.45%
Since Inception	14.71%	12.09%
Cumulative Return	229.44%	171.41%

### Growth of \$1,000 Since Inception



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2018	-1.62%	-0.44%	-1.58%	5.61%	1.36%								3.18%
2017	3.96%	2.79%	-2.93%	-2.07%	-5.03%	-5.87%	1.66%	-0.30%	7.34%	6.17%	0.63%	0.75%	6.33%
2016	-10.73%	1.60%	8.74%	-0.03%	1.52%	0.28%	9.83%	4.23%	2.47%	0.46%	13.61%	4.70%	40.69%
2015	3.27%	2.85%	-1.61%	-2.29%	5.05%	-2.00%	-6.35%	-4.68%	-5.87%	2.86%	2.86%	-1.31%	-7.78%
2014	2.62%	4.93%	-1.24%	-1.56%	1.29%	1.00%	-3.40%	4.54%	-3.99%	2.00%	0.93%	4.08%	11.25%
2013	5.27%	3.10%	5.70%	0.11%	2.41%	1.83%	4.43%	-1.13%	2.19%	2.79%	5.17%	4.48%	42.73%
2012	4.61%	3.49%	3.54%	-3.56%	-0.84%	4.34%	-2.47%	4.92%	3.75%	6.24%	3.15%	7.33%	39.69%
2011	3.43%	-1.80%	4.79%	-2.12%	-3.34%	-3.78%	-6.44%	-6.36%	-4.83%	4.80%	0.83%	0.80%	-13.97%
2010	2.57%	4.75%	3.78%	4.27%	-7.06%	-6.03%	1.55%	-1.93%	4.73%	2.57%	-1.42%	8.22%	15.87%

Benchmark: 50% S&P 500 Total Return Index, 50% S&P/TSX Composite Total Return Index

Firm Assets	\$1.31 Billion
Fund Assets	\$260 Million
Type of Fund	North American Value
RSP Eligible	Yes
Pricing Schedule	Daily
Offer Document	Simplified Prospectus
Lock up	No
Redemption Fee	2% fee within 30 days of purchase
Distribution	Annual
Performance Fee	20% of the amount exceeding daily Benchmark
Management Fee	B: 2% F: 1%
Fund Codes	VRT 600(B), VRT 601(F) VRT 602 (Low Load)
Custodian/Administration	CIBC Mellon
Trustee	CIBC Mellon
Inception Date	September 21, 2009
Auditor	PriceWaterhouseCoopers
NAVPU - Class F	\$29.2241
NAVPU - Class B	\$28.2931
Minimum Investment	\$500.00 (initial) \$50.00 (subsequent)

Portfolio Manager | Matthew Wood & Emily Wheeler

As at May 31, 2018

Fund Fact Sheet

**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.

**Fourth Quarter Commentary**

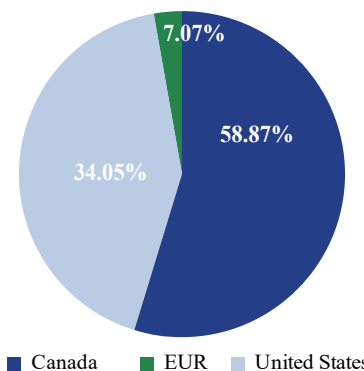
2017 was another good year for your Vertex Value Fund – not just from a return perspective but from the plethora of excellent investment choices available. Even in the smaller stock arena, action has been dominated by cannabis stocks and companies with names including “Blockchain”, or should I say pseudo-companies with some coders. Don’t get me wrong – we’re fans of the potential for Blockchain technology. Your fund’s top performing stock for 2017 was Overstock.com, which is heavily into Blockchain and rose from \$15 to \$75 a share. That said, it’s amazing how fast the Rounders and Charlatans get in on the action to offer unsuspecting investors “product” to supply their get-rich-quick addiction.

As I’m writing this note in early February, the “market” has encountered a bit of a hiccup and found itself on the evening news, again. I’d like to reiterate, it’s irrelevant to your investments, so far as its temporary marks on paper. Down markets are when active managers get to make the real money. Passive investments are shackled from seizing this opportunity. Not sure what other investors are doing, but we’ve been using this volatility to trim our positions trading at all-time highs (Qorvo, Overstock.com, Calamp, and BofI) to purchase more junior energy (trading at all-time lows). An investment horizon is years, not days or months.

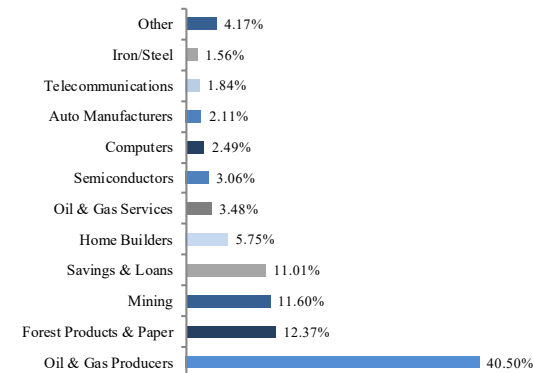
**Example Holdings**

Company Name	Region	Industry	Weight
International Forest Products	Canada	Forestry	4.13%
Noble Corporation	Canada	Energy	3.97%
Bank Of Internet	Unites States	Financial	11.01%
Blackbird Energy	Canada	Energy	5.23%
Surge Energy	Canada	Energy	6.26%

**Geographic Allocation**



**Sector Allocations**

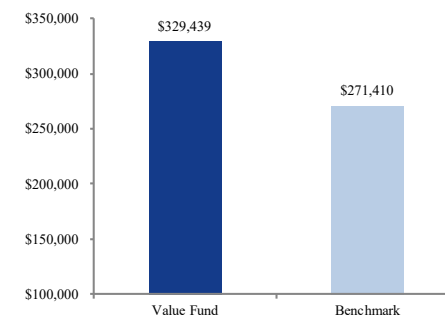


**Statistics**

	Fund	Benchmark
Beta	1.12	1.00
Sharpe	0.90	1.21
Standard Deviation	14.17%	8.18%
Largest monthly gain	13.61%	5.67%
Largest monthly loss	-10.73%	-4.99%
% positive months	64.76%	68.57%

rf = LIBOR, 1M, USD

**Total Cumulative Return of \$100,000**



**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 seven 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.

**Vertex One Head Office**

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This statistical information is intended to provide you with information about the Vertex Value Fund. Advertised performance is based on Class F shares. Important information about the Fund is contained in the Simplified Prospectus which should be read carefully before investing. You can obtain a Simplified Prospectus from Vertex One Asset Management Inc. The Simplified Prospectus 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.