NORTH AMERICAN EQUITY

Wolverton Securities

CAMERON WOODS
PORTFOLIO MANAGEMENT

Make Every Year Count.

CW NORTH AMERICAN GROWTH PORTFOLIO Q1 2016 Report

Investment Objective and Criteria

The CW North American Growth Portfolio aims to increase the value of your investments over the long term by investing in the equity securities of companies listed on the senior stock exchanges of Canada and the United States. To be eligible for consideration the company must be listed on the S&P/TSX Composite Index or the S&P 500 Index and have a consolidated market capitalization of greater than one billion dollars. The portfolio consists of up to 30 stocks (no more than 15 to each country) and is diversified by industry sector according to our process and policy. This enables the investor to gain exposure to the strongest opportunities within an equity pool of over 700 securities and two distinct economic climates.

Investment Details

Inception Date:	October 21st, 2014
Minimum Investment:	$300,000
Management Fee:	1.75% per annum

Why invest?

- Because we use and follow simple rules.
- Because we don't try to guess the future.
- Because it's based on human behavior (and you're human).
- Because we follow a rigorous process.
- Because we question everything.
- Because you'll understand how we work.
- Because you'll understand why it works.
- Because you'll worry less.
- Because you'll be retire-able.
- Because you'll be happier.
- Because it works.

Investment Managers

Jeff Woods, CIM, B. Eng.,
Portfolio Manager
Wolverton Securities Inc.

David Cameron, CIM, Hon. B.Sc.,
Portfolio Manager
Wolverton Securities Inc.

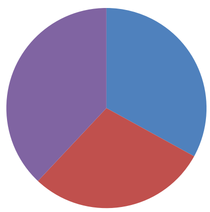
Performance as of 03-31-2016

Calendar Year Returns %	Q4 2014[2]	2015	YTD
CW North American Growth Portfolio[1]	**+8.0%**	**+15.8%**	**-8.6%**
Benchmark[3]	+5.8%	+6.0%	-0.3%

Trailing Returns %	3 Mo	6 Mo	1 Yr	Annualized
CW North American Growth Portfolio[1]	**-8.6%**	**+0.3%**	**-0.9%**	**+9.7%**
Benchmark[3]	-0.3%	+6.9%	-0.4%	+8.0%

Portfolio Analysis as of 03-31-2016

Composition



Global Equity Sectors	% Equity
Consumer Staples	19 %
Basic Materials	19 %
Consumer Discretionary	13 %
Information Technology	10 %

Top 10 Holdings

Cott Corp	3.3%
Transcontinental Inc Cl A	3.3%
Metro Inc	3.3%
Consol Energy Inc	3.3%
Constellation Brands Inc Cl A	3.3%
Maple Leaf Foods Inc	3.3%
NVidia Corp	3.3%
Wynn Resorts	3.3%
Michael Kors Holding Ltd	3.3%
Kinross Gold	3.3%
Total Weight Top 10 Holdings	33%

Market Cap	**%**
Large (>$5B)	45 %
Medium (>$1.5B)	10 %
Small (<$1.5B)	6 %

Manager Commentary

"It was the best of times, it was the worst of times…" Charles Dickens, *A Tale of Two Cities*

The first three months of 2016 reminds us of this Dickens quote, although the order of events was reversed. January was a terrible month for equity markets – plummeting without mercy for the first three weeks, followed by a bounce, then another drop into the final market low in mid-February (11th -12th). The selling pressure was intense enough to turn our long-term market outlook from positive to negative (see "Special Market Update – Asset Allocation Change" here or find a copy in our Media Library at http://www.cameronwoods.ca/). This 'worst of times' was then followed by a period of surprising market resilience, which evolved into one of the strongest short-term market recoveries seen in many years. By the end of March, the robust market rally was enough to turn one of our broad market indicators back to positive again, marking this Jan-March period as the shortest occasion of 'elevated market risk' since the Jan-Mar period of 2009. Our outlook on precious metals stocks also improved to positive (after a negative outlook for the last 3 ½ years) – indeed, it has recently been 'the best of times'. Consistent with these improving market conditions we have re-initiated a partial equity position in the portfolio.

The North American Growth Portfolio finished the quarter with a -8.6% loss, underperforming our benchmark[3] by 9%. The source of the underperformance is clear – we moved to cash on January 18th and missed the bulk of the rally in the back half of the quarter. This raises a very interesting question – should a growth-orientated portfolio manager ever sell down their equity position and risk missing out on a potential market rally?

For us, our primary directive (as Star Trek fans might say) is to avoid large market losses. The only way to avoid large market losses is to park money in safe-haven assets (cash) during periods of elevated market risk. After four and a half years of bullish market conditions, we observed the change to bearish behavior in January and consistent with our philosophy we took action. Recovering from a -9% loss is a heck of a lot easier than betting that 'this time is different', and losing half our client's money.

We will continue to manage the portfolio to ensure we make this and every other year count.