

October 11, 2016

Hello everyone,

This is the monthly advisor update of the **AlphaDelta Growth of Dividend Income Class** (“ADGoDIC” or the “Fund”) from SciVest Capital Management Inc. (the sub-advisor to the Fund).

Attached is the ADGoDIC Portfolio Disclosure Page. The front-side of the Portfolio Disclosure Page shows all of the current stock holdings of the ADGoDIC, as well as some descriptive, dividend and valuation characteristics for each portfolio holding – plus overall portfolio averages. The back-side of the Page shows a number of relevant pie charts depicting overall ADGoDIC portfolio exposures and characteristics such as sector, market capitalization, dividend yield and dividend growth “bucket” exposures.

As shown on the front of the Portfolio Disclosure Page, **across the Fund’s current holdings, the weighted average gross dividend yield is 3.2% per annum with impressive double-digit trailing 1, 3 and 5-year dividend growth rates (12.4%, 17.4% and 20.5%, respectively).** The 3.2% average dividend yield compares to a portfolio weighted average forward earnings per share yield of 8.3% (**259% dividend coverage**) and forward cashflow yield of 10.9% (**338% dividend coverage**). Regarding valuation, the portfolio weighted **average 12-month forward price-to-earnings ratio is 14.2x** and the average 12-month forward price-to-cash-flow ratio is 10.6x.

As always, the ADGoDIC portfolio is well diversified across sectors and industry groups with **the largest sector allocation (financials ex REITs) currently at 23.0%**. In order of size, we have the following exposures to the Bloomberg defined Sectors (plus REITs): 23.0% Financials, 22.7% Consumer Discretionary, 11.2% Technology, 9.0% Industrials, 8.0% Health Care, 5.2% REITs, 5.2% Materials, 4.8% Energy, 3.5% Consumer Staples, 3.3% Communications, and 0.9% Utilities.

On an individual stock holding basis, we currently hold a **diversified portfolio of 80 equity positions**. In late September we **initiated a new position** in Wells Fargo & Co (WFC). We **did not increase (by more than 0.5%)** any existing positions. During September, we **eliminated no positions** and **did not decrease (by more than 0.5%)** any positions.

We continue to find a preponderance of good value (i.e., “DGARP”, or “dividend growth-at-a-reasonable-price”) within mid and large capitalization stocks, especially within the Financial Services and Consumer Discretionary sectors. On the other hand, we find that many (lower growth) mega-capitalization, dividend-paying stocks, especially those with relatively low earnings and stock price volatility, have become quite expensive on a relative DGARP basis and quite expensive on a pure relative valuation basis (relative to both each stock’s own history, as well as in the cross-section of all stocks). This effect is especially evident within the Consumer Staples sector, but also across many mega-cap stocks (i.e., greater than \$100 billion in size) which pay dividend yields in excess of 2.5% p.a. (e.g., PG, KO, PEP, MCD, MSFT, GE and MMM all now trade at over 20x forward earnings per share). **In addition, many stocks within the Utilities, Telecom and REIT sectors also appear excessively expensive as the**

market has disproportionately gravitated towards lower volatility, higher dividend yielding stocks without discerning valuation and expected growth. Overall, we believe that the “low volatility, dividend stock trade” is ending and a robust rotation into growing dividend stocks, especially DGARP stocks, is immanent as it is one of the few remaining inexpensive segments of the overall stock market.

Since our objective within the ADGoDIC is income/distribution growth, our monthly commentaries focus on growth of dividends amongst Fund holdings as opposed to short-term capital returns. In particular, each month we report those Fund holdings which declared dividend increases during the prior month, as well as those holdings we expect to declare dividend increases in the next month. Recall that one of our fundamental beliefs is that, if we can select stocks which consistently increase their dividends into the future, then price appreciation must eventually follow – that is, long-term price appreciation is a *consequence* of consistent earnings and dividend growth.

Amongst our current ADGoDIC holdings, during the month of September 2016 we received three (3) declared dividend increases averaging an announced increase of 12.8% quarter-over-quarter (“QoQ”) and 19.2% year-over-year (“YoY”), relative to those already known at the end of the prior calendar month.

No.	Company Name	Ticker Symbol	Current Ind Div Yld (% p.a.)	QoQ Div Increase (%)	YoY Div Increase (%)	Relative to Expected
1	Broadcom Ltd.	AVGO	1.2	2.0	21.4	☹️
2	Microsoft Corp	MSFT	2.7	8.3	8.3	😊😊
3	Royal Caribbean Cruises	RCL	2.6	28.0	28.0	😊😊😊
Average			2.2	12.8	19.2	

Chip maker Broadcom provided yet another quarter-over-quarter dividend increase – its 24th consecutive since beginning to pay a dividend in 2010. While this one was moderate at 2% (a 1 cent per quarter increase), its year-over-year increase is strong at 21.4%. Broadcom trades at a forward P/E of only 13.1x, with an analyst expected long-term forward EPS growth rate of 14.6% p.a., making it an inexpensive growth stock and a solid DGARP stock.

Microsoft continued its winning ways by increasing its dividend by a healthy 8.3% year-over-year, near the top end of our expected 5% to 9% range. While moderately expensive on a forward earnings basis (19.7x), we are quite content with this dividend increase given Microsoft’s stability, quality, size and growth rate.

Last but certainly not least, we were extremely happy with Royal Caribbean’s tremendous 28% year-over-year dividend increase. Last month we had written that, “while we are expecting a meaningful dividend increase of 10% to 15%, we believe that, given the price weakness of the stock this year, company management may signal their optimism regarding the future earnings prospects with an even larger dividend increase.” This is indeed what happened – and Royal Caribbean’s stock price reacted accordingly. Royal Caribbean remains one of our favourite consumer discretionary stocks trading extremely cheaply at 11.5x forward earning per share, with years of expected strong double-digit earnings growth ahead of it (analysts expect forward long-term EPS growth of 18.6% p.a.).

Despite these terrific dividend increases, during September we experienced our first dividend decrease of the 2016 calendar year – on September 21, Viacom Inc (VIAB) made a number of (primarily negative) announcements including its plan to cut its dividend by 50%. Viacom owns a number of (generally second

tier) television channels including BET, MTV, Nickelodeon and Spike, as well a movie maker and distributor Paramount. In addition to poor recent business performance, Viacom has suffered from battles among management, shareholders and the controlling shareholders (the Redstone family). While Viacom trades at a reasonable valuation of less than 10x trailing and forward earnings per share, Viacom has now violated our first commandment “thou shall not cut one’s dividend” and will thus be liquidated from our portfolios in due course.

During October 2016, we are expecting at least five (5) dividend increase announcements from our current holdings:

No.	Name	Ticker Symbol	Current Ind Div Yld (% p.a.)	Est. Announce Date	Est. Div Increase (%)
1	Abbvie Inc	ABBV	3.7	October 31	6-10
2	Crown Castle Intl Corp	CCI	4.0	October 19	5-8
3	Honeywell International Inc	HON	2.3	October 28	8-12
4	International Paper Co	IP	3.8	October 11	6-10
5	Lincoln National Corp	LNC	2.1	October 26	10-15

This month we are expecting dividend increases from a good mix of companies – pharma, REIT, industrial, packaging, and insurance. In each case we are expecting relatively strong (compared to current dividend yield) dividend increases. Three dividend announcements are particularly interesting – Abbvie reflecting the health of big pharma, Honeywell reflecting the health of big diversified industrials, and International Paper reflecting the health of the US consumer.

Always remember our primary message: “Growing income”, as opposed to “fixed income”, is the only means of maintaining the purchasing power of your (or your client’s) income stream over the years to come.

If you would like more information regarding the [AlphaDelta Growth of Dividend Income Class](#) and its current portfolio (including the up-to-date presentation piece), please feel free to contact me directly or alternatively contact AlphaDelta Management Corp. (www.AlphaDelta.com).

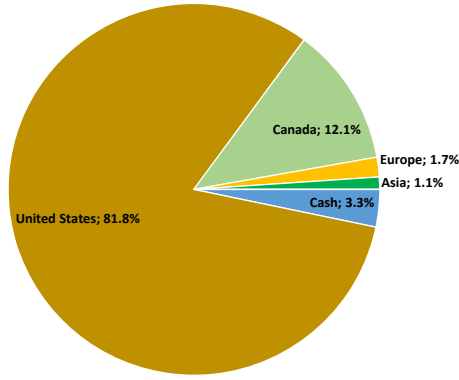
Thank you for your continued interest in the Fund,

John J. Schmitz

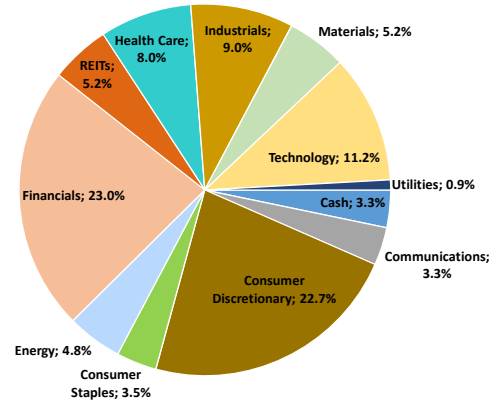
John J. Schmitz, Ph.D., CFA

No.	Ticker	List Type	Company Name	Portfolio Weight	Country of Domicile	BICS Sector	BICS Industry	Market Cap (\$B CAD)	Div Yld Indicated (% p.a.)	Ind Div PS 1 Year (% p.a.)	Ind Div PS 1 Year Time Series	Ind Div PS 3 Year (% p.a.)	Ind Div PS 3 Year Time Series	Ind Div PS 5 Year (% p.a.)	Ind Div PS 5 Year Time Series	SciVest GDI Score	12-Mth Forward EPS Yld (% p.a.)	12-Mth Forward Cashflow Yld (% p.a.)	12-Mth Forward P/E	12-Mth Forward P/CF
				96.7%																
1	QCOM	US	QUALCOMM INC	2.5%	US	Technology	Semiconductor Devices	133	3.1	10.4		14.8		19.8		36.2	6.9	7.7	14.5	13.0
2	WHR	US	WHIRLPOOL CORP	2.4%	US	Consumer Discretionary	Home Improvement	16	2.5	11.1		17.0		14.9		34.3	10.3	14.0	9.7	7.1
3	BA	US	BOEING CO/THE	2.3%	US	Industrials	Aircraft & Parts	108	3.3	19.8		31.0		21.0		33.7	6.6	10.2	15.0	9.8
4	RCL	US	ROYAL CARIBBEAN CRUISES LTD	2.3%	US	Consumer Discretionary	Cruise Lines	21	2.6	28.0		58.7		36.9		38.6	8.9	14.7	11.2	6.8
5	CSCO	US	CISCO SYSTEMS INC	2.2%	US	Technology	Communications Equipment	209	3.3	23.8		15.2		34.1		30.9	7.7	8.9	13.0	11.2
6	MS	US	MORGAN STANLEY	2.2%	US	Financials	Institutional Brokerage	80	2.5	33.3		58.7		32.0		28.6	8.9	9.5	11.2	10.5
7	CIX	CA	CI FINANCIAL CORP	2.1%	CA	Financials	Investment Management	7	5.5	4.5		8.5		8.9		24.0	8.2	8.3	12.2	12.0
8	MFC	CA	MANULIFE FINANCIAL CORP	2.1%	CA	Financials	Life Insurance	37	4.0	8.8		12.5		7.3		31.1	10.7	n/a	9.4	n/a
9	ABBV	US	ABBVIE INC	2.1%	US	Health Care	Large Pharma	135	3.6	11.8		12.5		n/a		26.7	8.6	8.6	11.6	11.7
10	MET	US	METLIFE INC	2.1%	US	Financials	Life Insurance	64	3.6	6.7		13.3		16.7		35.5	12.2	n/a	8.2	n/a
11	LM	US	LEGG MASON INC	2.0%	US	Financials	Investment Management	5	2.6	10.0		19.2		22.4		29.3	10.7	n/a	9.3	n/a
12	MG	CA	MAGNA INTERNATIONAL INC	2.0%	CA	Consumer Discretionary	Auto Parts	22	2.3	13.6		16.0		14.9		31.7	13.3	21.3	7.5	4.7
13	GM	US	GENERAL MOTORS CO	1.9%	US	Consumer Discretionary	Automobiles	65	4.8	5.6		n/a		n/a		8.6	18.2	28.4	5.5	3.5
14	WYN	US	WYNDHAM WORLDWIDE CORP	1.8%	US	Consumer Discretionary	Lodging	10	3.0	19.0		19.9		27.2		30.3	9.1	15.7	11.0	6.4
15	M	US	MACY'S INC	1.7%	US	Consumer Discretionary	Department Stores	15	4.1	4.9		14.7		30.4		28.0	9.3	18.8	10.8	5.3
16	HAR	US	HARMAN INTERNATIONAL	1.7%	US	Consumer Discretionary	Auto Parts	8	1.7	0.0		5.3		36.1		25.3	8.3	11.4	12.1	8.8
17	JCOM	US	J2 GLOBAL INC	1.7%	US	Technology	Infrastructure Software	4	2.1	12.2		11.7		11.5		24.3	8.0	n/a	12.5	n/a
18	JNI	US	JOHNSON & JOHNSON	1.7%	US	Health Care	Large Pharma	424	2.7	6.7		6.6		7.0		20.7	5.9	6.6	16.9	15.2
19	IVZ	US	INVESTCO LTD	1.7%	US	Financials	Investment Management	17	3.6	3.7		7.6		18.0		33.3	8.2	8.2	12.2	12.2
20	HON	US	HONEYWELL INTERNATIONAL INC	1.7%	US	Industrials	Comm'l & Res Bldg Equip & Sys	116	2.0	15.0		13.2		12.3		22.7	6.1	6.9	16.4	14.5
21	AFSI	US	AMTRUST FINANCIAL SERVICES	1.6%	US	Financials	P&C Insurance	6	2.5	13.3		34.4		35.5		28.9	12.1	n/a	8.3	n/a
22	PRU	US	PRUDENTIAL FINANCIAL INC	1.6%	US	Financials	Life Insurance	47	3.4	20.7		20.5		19.5		38.1	12.2	n/a	8.2	n/a
23	PFE	US	PFIZER INC	1.6%	US	Health Care	Large Pharma	270	3.5	7.1		7.7		8.4		25.5	7.7	8.6	13.0	11.6
24	EAT	US	BRINCKER INTERNATIONAL INC	1.6%	US	Consumer Discretionary	Restaurants	4	2.7	6.2		12.3		16.3		28.9	7.1	11.7	14.2	8.5
25	BBY	US	BEST BUY CO INC	1.6%	US	Consumer Discretionary	Consumer Elec & Applc Stores	16	2.9	21.7		18.1		11.8		33.7	8.3	15.1	12.1	6.6
26	FL	US	FOOT LOCKER INC	1.6%	US	Consumer Discretionary	Specialty Apparel Stores	12	1.6	10.0		11.2		10.8		17.6	7.5	9.3	13.3	10.8
27	IP	US	INTERNATIONAL PAPER CO	1.5%	US	Materials	Containers & Packaging	26	3.7	10.0		13.6		10.9		30.2	7.8	13.1	12.8	7.6
28	LNC	US	LINCOLN NATIONAL CORP	1.5%	US	Financials	Life Insurance	14	2.1	25.0		27.7		38.0		25.3	14.1	n/a	7.1	n/a
29	ENF	CA	ENBRIDGE INCOME FUND HOLDING	1.5%	CA	Energy	Midstream - Oil & Gas	4	5.5	10.0		11.8		10.1		40.0	6.2	6.0	16.0	16.6
30	JCI	US	JOHNSON CONTROLS INTERNATION	1.5%	US	Industrials	Comm'l & Res Bldg Equip & Sys	57	2.1	12.2		12.9		-1.7		13.4	6.4	8.8	15.7	11.4
31	AMP	US	AMERIPRISE FINANCIAL INC	1.5%	US	Financials	Wealth Management	21	3.0	11.9		13.0		26.7		35.0	10.2	n/a	9.8	n/a
32	DOW	US	DOW CHEMICAL CO/THE	1.4%	US	Materials	Basic & Diversified Chemicals	77	3.6	9.5		12.9		13.0		27.1	7.5	12.0	13.3	8.3
33	JPM	US	JPMORGAN CHASE & CO	1.4%	US	Financials	Diversified Banks	316	2.9	9.1		8.1		13.9		25.6	9.1	9.1	11.0	10.9
34	MIC	US	MACQUARIE INFRASTRUCTURE COR	1.4%	US	Industrials	Transport Support Services	9	6.0	12.6		12.6		44.3		38.3	1.9	6.9	51.6	14.5
35	DEO	ADR	DIAGEO PLC-SPONSORED ADR	1.2%	GB	Consumer Staples	Beverages	96	2.7	5.0		7.7		7.9		22.2	4.8	5.2	21.0	19.2
36	LOW	US	LOWE'S COS INC	1.2%	US	Consumer Discretionary	Home Products Stores	83	1.9	25.0		24.8		20.1		38.1	6.2	8.9	16.1	11.3
37	DFS	US	DISCOVER FINANCIAL SERVICES	1.2%	US	Financials	Consumer Finance	30	2.1	7.1		14.5		38.0		21.1	10.6	n/a	9.5	n/a
38	CVS	US	CVS HEALTH CORP	1.2%	US	Consumer Staples	Food & Drug Stores	125	1.9	21.4		23.6		27.7		37.3	7.2	9.3	13.9	10.7
39	VIAB	US	VIACOM INC-CLASS B	1.2%	US	Communications	Entertainment Content	20	2.1	-50.0		-12.6		-4.4		-1.0	10.7	12.2	9.3	8.2
40	LRXC	US	LAM RESEARCH CORP	1.2%	US	Technology	Semiconductor Mfg	20	1.3	0.0		n/a		n/a		5.6	7.5	9.1	13.3	10.9
41	CAH	US	CARDINAL HEALTH INC	1.2%	US	Health Care	Health Care Supply Chain	33	2.3	16.0		14.1		15.9		35.3	7.4	10.6	13.5	9.5
42	BG	US	BUNGE LTD	1.1%	US	Consumer Staples	Agricultural Products Whsirs	11	2.8	10.5		11.9		10.9		30.7	9.8	9.8	10.2	10.2
43	VLO	US	VALERO ENERGY CORP	1.1%	US	Energy	Refining & Marketing	32	4.5	50.0		38.7		64.4		26.5	8.9	18.0	11.2	5.6
44	AVGO	US	BROADCOM LTD	1.1%	SG	Technology	Semiconductor Devices	90	1.2	21.4		34.4		44.5		27.2	7.7	9.2	13.1	10.8
45	OHI	US	OMEGA HEALTHCARE INVESTORS	1.0%	US	Financials	REIT	9	6.8	9.1		8.5		8.4		33.2	5.8	9.2	17.4	10.8
46	LYB	US	LYONDELLBASELL INDU-CL A	1.0%	US	Materials	Basic & Diversified Chemicals	44	4.2	9.0		19.3		33.6		22.9	11.8	14.8	8.4	6.8
47	SWKS	US	SKYWORKS SOLUTIONS INC	1.0%	US	Technology	Semiconductor Devices	19	1.5	7.7		n/a		n/a		6.9	8.1	8.8	12.4	11.3
48	CCI	US	CROWN CASTLE INTL CORP	1.0%	US	Financials	REIT	42	3.8	7.9		n/a		n/a		17.9	1.5	5.3	68.3	19.0
49	ENB	CA	ENBRIDGE INC	1.0%	CA	Energy	Midstream - Oil & Gas	54	3.7	14.0		18.9		16.7		38.5	4.3	8.9	23.5	11.3
50	GME	US	GAMESTOP CORP-CLASS A	1.0%	US	Consumer Discretionary	Other Spec Retail - Discr	4	5.4	2.8		10.4		n/a		22.5	15.1	21.6	6.6	4.6
51	TWX	US	TIME WARNER INC	0.9%	US	Communications	Entertainment Content	81	2.0	15.0		11.9		11.4		25.5	7.4	8.8	13.5	11.4
52	UPS	US	UNITED PARCEL SERVICE-CL B	0.9%	US	Industrials	Courier Services	126	2.9	6.8		8.0		8.4		23.1	5.6	8.6	17.9	11.6
53	AMGN	US	AMGEN INC	0.9%	US	Health Care	Biotech	164	2.											

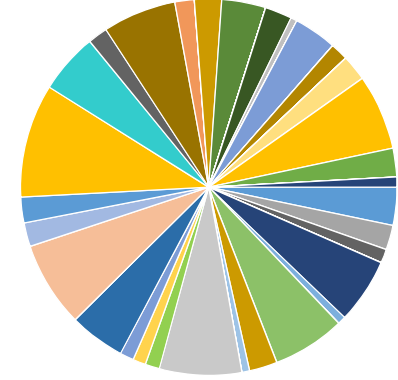
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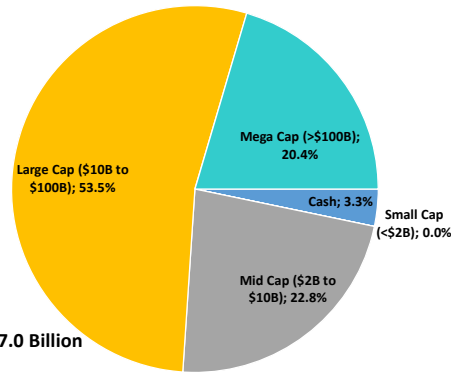
BICS SECTOR



BICS INDUSTRY GROUP

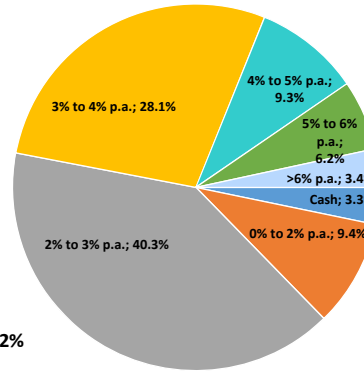


MARKET CAP BUCKETS (CA\$)



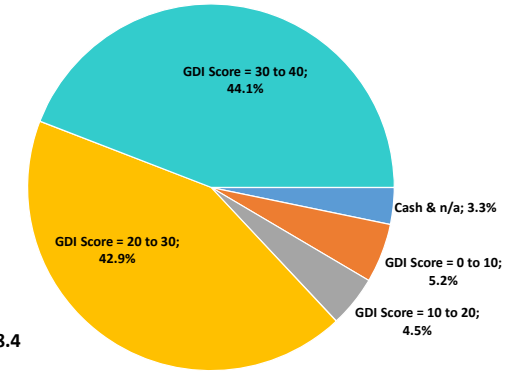
Average = \$67.0 Billion

DIVIDEND YIELD BUCKETS



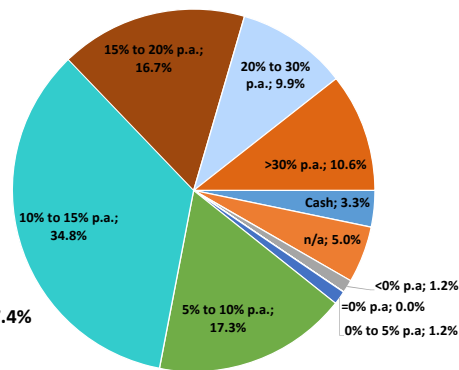
Average = 3.22%

SCIVEST GDI SCORE BUCKETS



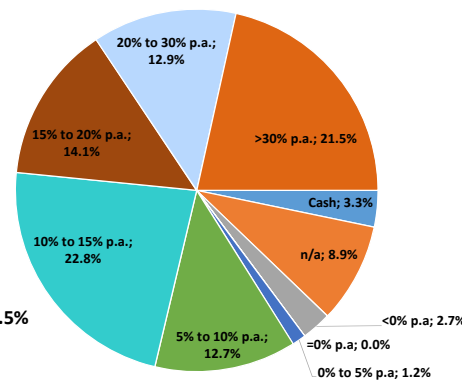
Average = 28.4

3 YEAR DIVIDEND GROWTH BUCKETS



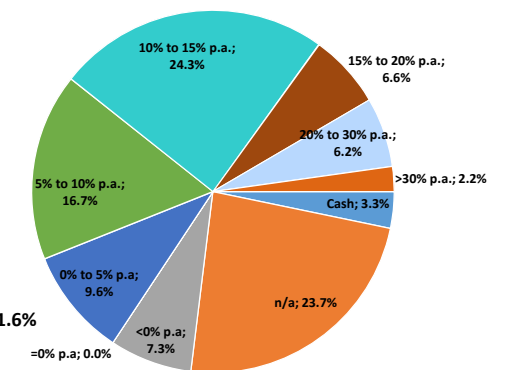
Average = 17.4%

5 YEAR DIVIDEND GROWTH BUCKETS



Average = 20.5%

10 YEAR DIVIDEND GROWTH BUCKETS



Average = 11.6%