

August 8, 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 3.3% per annum with impressive double-digit trailing 1, 3 and 5-year dividend growth rates (12.5%, 16.5% and 18.9%, respectively).** The 3.3% average dividend yield compares to a portfolio weighted average forward earnings per share yield of 8.4% (**256% dividend coverage**) and forward cashflow yield of 11.2% (**339% 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 10.5x.

As always, the ADGoDIC portfolio is well diversified across sectors and industry groups with **the largest sector allocation (consumer discretionary) currently at 24.4%** (note that we break REITs out of the overall Financial Sector in the sector exposures pie chart, given their unique risk characteristics). In order of size, we have the following exposures to the Bloomberg defined Sectors (plus REITs): 24.4% Consumer Discretionary, 21.7% Financials, 10.4% Technology, 9.0% Health Care, 8.7% Industrials, 5.8% Energy, 5.8% REITs, 5.0% Materials, 4.9% Communications, 2.6% Consumer Staples, and 0% Utilities.

On an individual stock holding basis, we currently hold a **diversified portfolio of 70 equity positions.** During the month of July, we **initiated no new positions.** We did **increase (by more than 0.5%)** our existing positions in J2 Global Inc (JCOM), Lincoln National Corp (LNC), Whirlpool Corp (WHR), and Wyndham Worldwide Corp (WYN). During July, we did some housekeeping and **eliminated positions** in 3M Co (MMM), Altagas Ltd (ALA), Coca-Cola Co (KO), Cogeco Communications Inc. (CCA), General Electric Co (GE), Gibson Energy Inc (GEI), Gilead Sciences Inc (GILD), Pepsico Inc (PEP), Seagate Technology (STX), T Rowe Price Group Inc (TROW), and Union Pacific Corp (UNP). During July we also **decreased (by more than 0.5%)** our positions in Analog Devices Inc. (ADI), Royal Dutch Shell (RDS.B), and Skyworks Solutions Inc (SWKS).

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 mega-capitalization, dividend-paying stocks, especially those with relatively low earnings and stock price volatility, have become quite expensive on a

relative valuation basis (relative to both each stock's own history, as well as in the cross-section of all stocks) and quite expensive on a relative DGARP basis. 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 and REIT sectors also appear excessively expensive. While the valuations of these types of stocks may continue to expand for some time to come (bubbles by their nature do not predictably unwind), we do believe that some form of relative rotation into mid and large capitalization stocks with strong DGARP characteristics should begin soon, and in fact there are some signs that this rotation may have already begun.

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 July 2016 we received six \(6\) declared dividend increases averaging an announced increase of 4.9% quarter-over-quarter \(“QoQ”\) and 6.9% 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	Cummins Inc	CMI	3.2	5.1	5.1	☹️
2	Diageo PLC	DEO	3.3	5.0	5.0	😊
3	Omega Healthcare	OHI	6.7	3.4	9.1	😊😊
4	Principal Financial Group	PFG	3.5	5.1	7.9	😊
5	Simon Property Group	SPG	3.0	3.1	6.5	☹️
6	Skyworks Solutions	SWKS	1.7	7.7	7.7	☹️
Average			3.6	4.9	6.9	

During July we received a disappointing 7.7% year-over-year dividend increase from Skyworks Solutions, the fast growing wireless/mobile semiconductor company. We had been expecting a 15% to 20% dividend increase. While Skyworks is trading a very cheap at 11.2x forward EPS with a long-term expected growth rate of 17.6% p.a., this dividend growth disappointment (weighed against a relatively low current dividend yield of 1.7%) prompted us to reduce our Skyworks position.

We had expected Cummins Inc to deliver 5% to 8% year-over-year dividend growth, in line with recent earnings growth, and Cummins did indeed deliver at the lower end of our expected range. Similarly, Simon Property Group increased its dividend 3.1% this quarter, its first dividend increase in three (3) quarters, resulting in 6.5% year-over-year dividend growth.

Diageo PLC, the large-cap, UK-based, producer of branded alcoholic beverages increased its dividend by 5.0%. Diageo remains one of only a few Consumer Staples stocks left within the portfolio.

We were pleased with the dividend increases of both Omega Healthcare and Principal Financial Group, given both companies relatively poor stock price performance. In particular, Omega Healthcare, a REIT specializing in long-term healthcare facilities, has a terrific yield and a continued record of very strong dividend growth.

During August 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	AmTrust Financial Services	AFSI	2.3	August 2	10-15
2	Brinker International	EAT	2.8	August 25	9-13
3	J2 Global Inc	JCOM	1.9	August 3	2-4
4	Macquarie Infrastructure	MIC	6.1	August 1	1-4
5	Monsanto Co	MON	2.0	August 10	7-11

Of these five (5) expected dividend increase announcements, two – J2 Global and Macquarie Infrastructure – typically increase their dividends every quarter, while the remaining three are annual expected increases.

Of the expected increases, two (2) will be particularly interesting. First, Brinker International’s, the owner of Chili’s Grill & Bar restaurants, stock price has been performing relatively poorly despite a favourable backdrop for restaurant stocks. Brinker has historically delivered strong dividend growth of 17.0% p.a. over the past three (3) years and 18.0% p.a. over the past five (5) years. Earnings growth, however, is expected to slow over the next year. Thus, we would be pleased with a dividend increase in the 10% neighbourhood.

Second, Monsanto Co, the large-cap agricultural chemical company, is expected to deliver a 7% to 11% dividend increase. Monsanto, however, has experienced some earnings contraction the past year and thus a double-digit dividend growth rate this year appears unlikely. Nevertheless, Monsanto is subject to an unsolicited take-over offer from Bayer AG which may influence Monsanto’s dividend increase.

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.

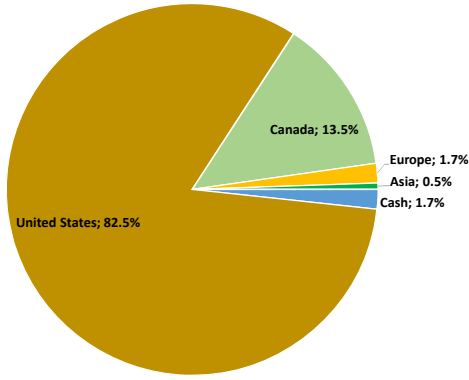
If you would like more information regarding the [AlphaDelta Growth of Dividend Income Class](#) and its current portfolio (including the up-to-date presentation piece), please feel free to contact me directly or alternatively contact AlphaDelta Management Corp. (www.AlphaDelta.com).

Thank you for your continued interest in the Fund,

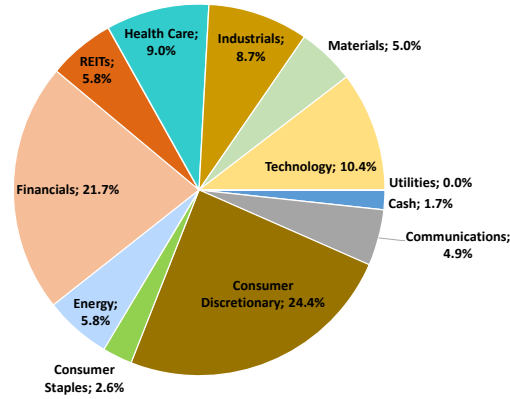
John J. Schmitz, Ph.D., CFA

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 Growth (% p.a.)	Ind Div PS 1 Year Time Series	Ind Div PS 3 Year Growth (% p.a.)	Ind Div PS 3 Year Time Series	Ind Div PS 5 Year Growth (% 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
				98.3%																
1	WHR	US	WHIRLPOOL CORP	2.8%	US	Consumer Discretionary	Home Improvement	19	2.1	11.1		17.0		14.9		30.0	8.6	11.6	11.6	8.6
2	ABBV	US	ABBVIE INC	2.4%	US	Health Care	Large Pharma	140	3.4	11.8		12.5		n/a		26.5	8.0	8.1	12.5	12.3
3	WYN	US	WYNDHAM WORLDWIDE CORP	2.4%	US	Consumer Discretionary	Lodging	10	2.8	19.0		19.9		27.2		30.1	8.8	14.8	11.4	6.8
4	GM	US	GENERAL MOTORS CO	2.4%	US	Consumer Discretionary	Automobiles	64	4.8	5.6		n/a		n/a		8.8	19.5	29.3	5.1	3.4
5	QCOM	US	QUALCOMM INC	2.4%	US	Technology	Semiconductor Devices	120	3.4	10.4		14.8		19.8		38.4	7.6	8.5	13.1	11.8
6	BA	US	BOEING CO/THE	2.4%	US	Industrials	Aircraft & Parts	109	3.3	19.8		31.0		21.0		33.8	6.2	9.9	16.0	10.1
7	JNJ	US	JOHNSON & JOHNSON	2.1%	US	Health Care	Large Pharma	449	2.6	6.7		6.6		7.0		19.1	5.6	6.0	18.0	16.6
8	CSCO	US	CISCO SYSTEMS INC	2.1%	US	Technology	Communications Equipment	200	3.4	23.8		15.2		34.1		31.6	7.9	9.1	12.6	11.0
9	MG	CA	MAGNA INTERNATIONAL INC	2.0%	CA	Consumer Discretionary	Auto Parts	20	2.6	13.6		16.0		14.9		34.6	14.7	22.9	6.8	4.4
10	IP	US	INTERNATIONAL PAPER CO	2.0%	US	Materials	Containers & Packaging	25	3.8	10.0		13.6		10.9		28.7	7.9	13.7	12.7	7.3
11	IVZ	US	INVESCO LTD	2.0%	US	Financials	Investment Management	16	3.8	3.7		7.6		18.0		33.8	8.8	8.8	11.4	11.3
12	CIX	CA	CI FINANCIAL CORP	2.0%	CA	Financials	Investment Management	7	5.2	4.5		8.5		8.9		18.9	7.9	7.8	12.7	12.9
13	LM	US	LEGG MASON INC	2.0%	US	Financials	Investment Management	5	2.6	10.0		19.2		22.4		31.8	10.4	n/a	9.6	n/a
14	HAR	US	HARMAN INTERNATIONAL	2.0%	US	Consumer Discretionary	Auto Parts	8	1.7	0.0		5.3		36.1		25.8	8.6	11.6	11.6	8.6
15	MFC	CA	MANULIFE FINANCIAL CORP	1.9%	CA	Financials	Life Insurance	35	4.2	8.8		12.5		7.3		31.6	11.3	n/a	8.8	n/a
16	JCI	US	JOHNSON CONTROLS INC	1.9%	US	Consumer Discretionary	Auto Parts	38	2.5	11.5		15.1		12.6		30.1	9.2	12.4	10.9	8.1
17	MET	US	METLIFE INC	1.9%	US	Financials	Life Insurance	61	3.7	6.7		13.3		16.7		35.2	13.5	n/a	7.4	n/a
18	RCL	US	ROYAL CARIBBEAN CRUISES LTD	1.9%	US	Consumer Discretionary	Cruise Lines	20	2.1	25.0		46.2		n/a		30.0	10.0	16.5	10.0	6.0
19	PRU	US	PRUDENTIAL FINANCIAL INC	1.8%	US	Financials	Life Insurance	43	3.7	20.7		20.5		19.5		37.8	13.5	n/a	7.4	n/a
20	HON	US	HONEYWELL INTERNATIONAL INC	1.8%	US	Industrials	Comml & Res Bldg Equip & Sys	115	2.0	15.0		13.2		12.3		22.5	6.1	6.9	16.5	14.5
21	PFE	US	PFIZER INC	1.7%	US	Health Care	Large Pharma	292	3.3	7.1		7.7		8.4		23.9	7.0	7.4	14.2	13.4
22	ENB	CA	ENBRIDGE INC	1.7%	CA	Energy	Midstream - Oil & Gas	50	3.9	14.0		18.9		16.7		35.3	4.6	10.1	21.6	9.9
23	MS	US	MORGAN STANLEY	1.7%	US	Financials	Institutional Brokerage	73	2.8	33.3		58.7		32.0		29.9	9.8	10.6	10.2	9.4
24	M	US	MACY'S INC	1.7%	US	Consumer Discretionary	Department Stores	14	4.2	4.9		14.7		30.4		28.5	10.2	22.1	9.8	4.5
25	EAT	US	BRINKER INTERNATIONAL INC	1.7%	US	Consumer Discretionary	Restaurants	3	2.7	14.3		17.0		18.0		33.3	7.7	n/a	12.9	n/a
26	AMP	US	AMERIPRISE FINANCIAL INC	1.6%	US	Financials	Wealth Management	21	3.1	11.9		13.0		26.7		35.5	10.8	n/a	9.2	n/a
27	ENF	CA	ENBRIDGE INCOME FUND HOLDING	1.6%	CA	Energy	Midstream - Oil & Gas	4	5.7	21.0		11.8		10.1		38.1	6.3	7.1	15.9	14.0
28	LNC	US	LINCOLN NATIONAL CORP	1.5%	US	Financials	Life Insurance	14	2.3	25.0		27.7		38.0		27.0	15.3	n/a	6.6	n/a
29	JPM	US	JPMORGAN CHASE & CO	1.5%	US	Financials	Diversified Banks	305	3.0	9.1		8.1		13.9		25.4	9.3	9.5	10.7	10.6
30	BBY	US	BEST BUY CO INC	1.5%	US	Consumer Discretionary	Consumer Elec & Applic Stores	14	3.3	21.7		18.1		11.8		35.1	9.1	17.3	11.0	5.8
31	UPS	US	UNITED PARCEL SERVICE-CL B	1.4%	US	Industrials	Courier Services	124	2.9	6.8		8.0		8.4		22.7	5.6	8.7	17.8	11.5
32	AMGN	US	AMGEN INC	1.4%	US	Health Care	Biotech	168	2.3	26.6		28.6		n/a		22.3	6.9	6.4	14.6	15.5
33	DOW	US	DOW CHEMICAL CO/THE	1.4%	US	Materials	Basic & Diversified Chemicals	79	3.4	9.5		12.9		13.0		28.5	7.2	11.3	13.8	8.9
34	MIC	US	MACQUARIE INFRASTRUCTURE COR	1.4%	US	Industrials	Transport Support Services	8	6.3	12.1		20.4		43.1		38.5	2.0	7.3	49.1	13.7
35	T	CA	TELLUS CORP	1.4%	CA	Communications	Telecom Carriers	26	4.2	9.5		10.6		10.8		36.3	6.3	14.3	16.0	7.0
36	DFT	US	DUPONT FABROS TECHNOLOGY	1.4%	US	Financials	REIT	5	3.9	11.9		23.4		31.4		33.3	3.8	6.9	26.5	14.5
37	FL	US	FOOT LOCKER INC	1.3%	US	Consumer Discretionary	Specialty Apparel Stores	11	1.8	10.0		11.2		10.8		19.8	8.5	10.7	11.8	9.4
38	OHI	US	OMEGA HEALTHCARE INVESTORS	1.3%	US	Financials	REIT	8	7.0	9.1		9.3		9.6		30.3	5.5	9.4	18.3	10.7
39	BG	US	BUNGE LTD	1.3%	US	Consumer Staples	Agricultural Products Whsirs	12	2.6	10.5		11.9		10.9		27.5	9.1	14.9	11.0	6.7
40	LRCX	US	LAM RESEARCH CORP	1.3%	US	Technology	Semiconductor Mfg	19	1.3	0.0		n/a		n/a		5.7	7.8	9.6	12.8	10.5
41	DEO	ADR	DIAGEO PLC-SPONSORED ADR	1.3%	GB	Consumer Staples	Beverages	96	2.7	5.0		9.6		8.7		22.5	4.8	5.3	20.8	19.0
42	VIAB	US	VIACOM INC-CLASS B	1.3%	US	Communications	Entertainment Content	24	3.5	0.0		10.1		9.9		14.2	10.8	12.3	9.3	8.1
43	NHI	US	NATL HEALTH INVESTORS INC	1.2%	US	Financials	REIT	4	4.6	5.9		7.0		7.9		26.1	4.5	5.9	22.3	16.9
44	DFS	US	DISCOVER FINANCIAL SERVICES	1.2%	US	Financials	Consumer Finance	31	2.1	7.1		14.5		38.0		20.8	10.7	n/a	9.4	n/a
45	IPL	CA	INTER PIPELINE LTD	1.2%	CA	Energy	Midstream - Oil & Gas	9	5.7	6.1		11.0		10.2		37.3	5.1	8.3	19.8	12.0
46	TWX	US	TIME WARNER INC	1.2%	US	Communications	Entertainment Content	79	2.1	15.0		11.9		11.4		26.6	7.6	8.8	13.1	11.4
47	MSFT	US	MICROSOFT CORP	1.2%	US	Technology	Infrastructure Software	576	2.5	16.1		16.1		17.6		39.1	5.1	7.1	19.4	14.1
48	JCOM	US	J2 GLOBAL INC	1.1%	US	Technology	Infrastructure Software	4	2.0	11.7		11.8		n/a		16.7	7.7	n/a	13.0	n/a
49	CCI	US	CROWN CASTLE INTL CORP	1.1%	US	Financials	REIT	43	3.6	7.9		n/a		n/a		16.9	1.4	5.1	73.9	19.6
50	SWKS	US	SKYWORX SOLUTIONS INC	1.1%	US	Technology	Semiconductor Devices	16	1.7	7.7		n/a		n/a		12.4	9.3	9.9	10.8	10.1
51	BCE	CA	BCE INC	1.0%	CA	Communications	Telecom Carriers	54	4.4	5.0		5.4		5.7		23.2	5.8	12.6	17.4	7.9
52	AFSI	US	AMTRUST FINANCIAL SERVICES	1.0%	US	Financials	P&C Insurance	5	2.5	20.0		33.1		35.3		29.8	12.9	n/a	7.8	n/a
53	ETN	US	EATON CORP PLC	1.0%	US	Industrials	Electrical Power Equipment	38	3.6	3.6		10.7		10.9		29.7	6.9	10.0	14.4	10.0
54	MON	US	MONSANTO CO	0.9%	US	Materials	Agricultural Chemicals	61	2.0	10.2		12.9		14.0		26.1	4.7	5.2	21.3	19.4

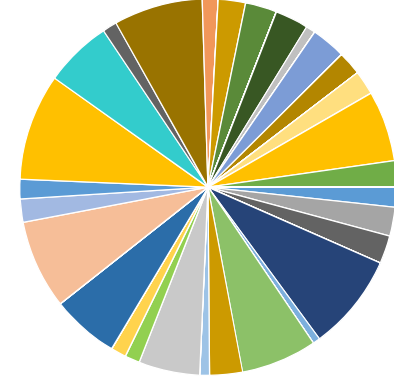
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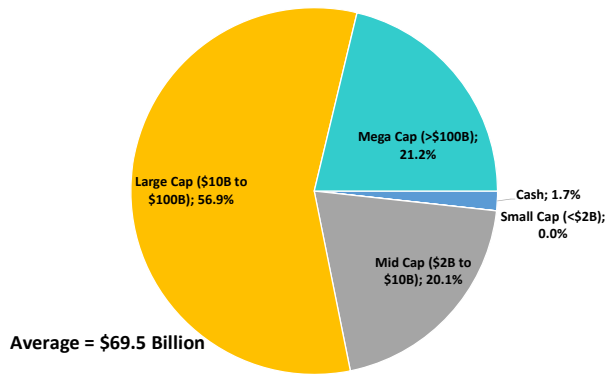
BICS SECTOR



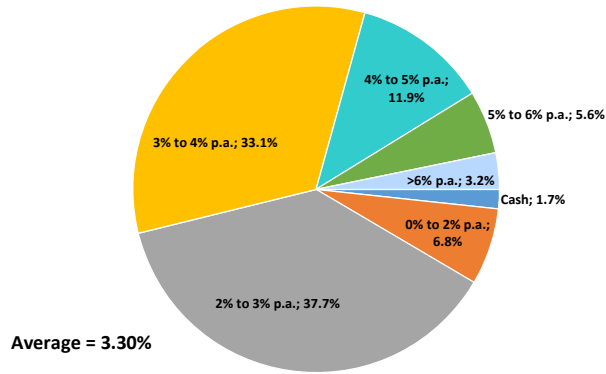
BICS INDUSTRY GROUP



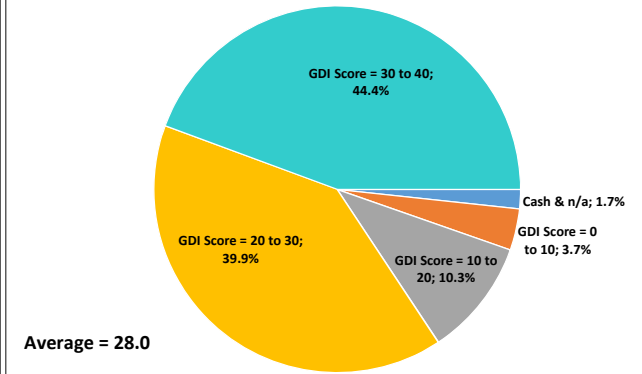
MARKET CAP BUCKETS (CA\$)



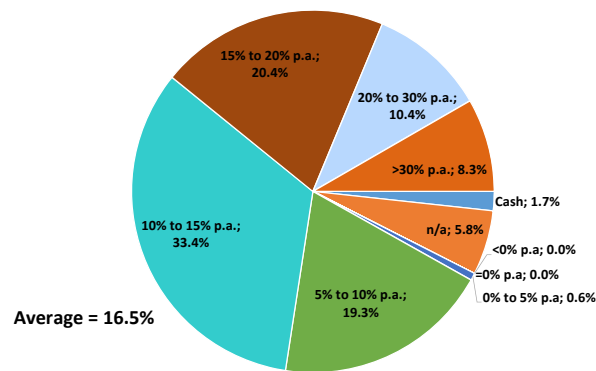
DIVIDEND YIELD BUCKETS



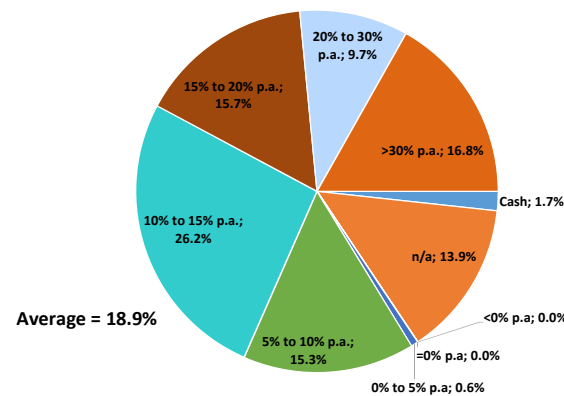
SCIVEST GDI SCORE BUCKETS



3 YEAR DIVIDEND GROWTH BUCKETS



5 YEAR DIVIDEND GROWTH BUCKETS



10 YEAR DIVIDEND GROWTH BUCKETS

