Annual Management Report of Fund Performance as of December 31, 2011

CANADIAN MOMENTUM FUND

This annual management report of fund performance contains financial highlights, but does not contain the complete annual financial statements of the investment fund. You can get a copy of the annual financial statements at your request, and at no cost, by calling 514-985-1138 or 1-866-985-1138, by writing to us at 1010 Sherbrooke West, Suite 2105, Montreal (Qc) H3A 2R7or by visiting our website at www.landrymorin.com or SEDAR at www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

Management Discussion of Fund Performance

Investment Objective and Strategies

The Canadian Momentum Fund seeks accelerated long term growth of capital and a return in excess of the S&PTSX60. It selects 12-20 stocks among the 100 largest capitalizations of the S&PTSX Composite.

Risk

The overall level of risk of investing in the Fund remains as discussed in the Prospectus, and is not expected to have significantly increased or decreased as a result of operations during the period. Accordingly, the Fund also remains suitable for the same investors as discussed in the Prospectus.

The Fund may have a substantial concentration in certain sectors from time to time. That was the case at the start of the year, when the materials sector represented 80% of the Fund. Even though the sector allocation is more diversified than it was at the beginning of the year, it differs considerably from the benchmark index (S&P/TSX 60). The Fund is not designed specifically for diversification. A large concentration in one sector may increase its risk.

During the year, certain positions represented more than 10% of the Fund. That occurs only when a position representing almost 10% of the Fund outperforms the Fund. At no time does a position exceed 10% of the value of the Fund as a result of a purchase of securities. The maximum that any one position represented in the Fund over the year was less than 12%. Risk may increase when securities represent outsized positions in the Fund.

Results of Operations

The Fund started the year with a strong bias toward raw materials, especially precious metals. This sector did not perform well at the start of the year. The Fund reduced its position in precious metals during the first quarter, even though one of the portfolio's largest holdings continued to be Silver Wheaton Corp. The Fund also held two uranium-related securities, Uranium One and Cameco, both of which declined significantly after the nuclear incident at Fukushima, Japan. On the positive side, the Fund benefited from the takeover bid for Lundin Mining, which at that time was one of its largest positions.

In the second quarter, the Fund underwent a trend reversal by extending its sector allocation. It stopped overweighting mines and energy stocks in order to focus more on health care (Valeant Pharmaceuticals, SXC Health Solutions) and information technology (Open Text, CGI). The Fund completely avoided the banking and insurance sectors, which account for 30% of the Canadian index. Its only financial holding was an initial position in Onex Corp.

The fund began the third quarter with two large positions in pharmaceuticals (Valeant and SXC Health) and maintained them during the quarter. The positions in Bombardier and Baytex Energy were eliminated. At the end of the quarter, the fund held seven stocks in the gold sector with a 38% weighting versus a 13% weighting in the index. At the September rebalancing, no stocks from the financial sector were selected.

The fund began the fourth quarter with a strong bias toward gold stocks but reduced its holdings in favour of pipelines, namely two substantial positions in Enbridge Inc. and Pembina Pipeline Corporation. It continues to invest in the oil industry, with a large position in Trilogy Energy Corp. The fund has no position in the financial sector, as was the case during all of last year.

The nuclear incident at Fukushima, which occurred late in the first quarter, had an adverse impact on the fund. Moreover, in the second quarter the markets were strongly influenced by the shilly-shallying of the US Congress over the need to raise the debt ceiling and by the uncertainty surrounding the financing of debt issued by Greece as well as several other European countries. The uncertainty over the euro zone persisted until the end of the year and, to a great extent, explains the disastrous returns that these markets recorded in September.

There were no unusual redemption trends for this fund, nor were there significant changes in income or expenses.

The investment method did not change during the year as we continued to follow our quantitative model.

Recent Developments

The Canadian economy is slowing and is becoming increasingly dependent on crude oil. Canada is the only part of the world where a large volume of oil is produced without direct government involvement. The result is a dynamic exploration and production sector that, year in and year out, generates a balance-of-payments surplus equal to 4% to 5% of GDP. Unfortunately this situation has kept the Canadian dollar at an excessively high level for several years, and the result is a rising trade deficit, when energy is excluded. The deficit has been about 5% of GDP for two or three years.

The fund’s sector diversification is much greater than it was at the start of 2011. At that time, 80% of its assets were in the materials sector as opposed to 23% at present. Even so, the fund’s sector allocation is quite different from that of the market, since 67% of its assets are in energy (44%) and materials (23%) versus 47% for the market. The fund’s performance will depend heavily on these two sectors in the months to come.

Related Party Transactions

In consideration for management services and investment advice provided to the Funds, the Manager is entitled to a management fee.

The management fee with respect to Series A securities is 1/12 of 2%, Series B securities is 1/12 of 2.25%, Series F securities is 1/12 of 1%, and Series G securities is 1/12 of 1.5%, calculated on a daily basis to the net asset value of the Funds and payable monthly. No management fee is charged to Series I and J securities; instead a negotiated fee is paid by these unitholders to the Manager directly.

The Manager receives a performance-based fee for the Funds. The Manager will charge a performance fee of 20% of the return of the Funds in excess of their benchmark return. The performance fee is payable only if the Funds have outperformed their benchmark since the last time a performance fee was paid. Performance fees are calculated daily and crystallized and paid quarterly. No performance fees were paid over the period.

Other Material Information

The Fund was previously a private mutual fund. In accordance with securities legislation, we are not permitted to report the Fund’s performance until it has distributed securities under a simplified prospectus for 12 consecutive months.

Financial Highlights

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past year.

The Fund's Net Assets per Unit

Class B

	2011
Net assets, beginning of year (1)	$ 10.19
Decrease from operations:	
Total revenue	0.08
Total expenses	(0.32)
Realized losses for the year	(1.46)
Unrealized losses for the year	(1.44)
Total decrease from operations (2)	**(3.14)**
Distributions:	
From income (excluding dividends)	-
From dividends	-
From capital gains	-
From return of capital	-
Total annual distributions (3)	**-**
Net assets, end of year (1)	**$ 7.60**

Class F

	2011
Net assets, beginning of year (1)	$ 21.18
Decrease from operations:	
Total revenue	0.16
Total expenses	(0.43)
Realized losses for the year	(3.03)
Unrealized losses for the year	(1.96)
Total decrease from operations (2)	**(5.26)**
Distributions:	
From income (excluding dividends)	-
From dividends	-
From capital gains	-
From return of capital	-
Total annual distributions (3)	-
Net assets, end of year (1)	**$ 16.01**

Class G

	2011
Net assets, beginning of year (1)	$ 14.07
Decrease from operations:	
Total revenue	0.10
Total expenses	(0.33)
Realized losses for the year	(1.91)

Unrealized losses for the year	(1.53)
Total decrease from operations [2]	**(3.67)**
Distributions:	
From income (excluding dividends)	-
From dividends	-
From capital gains	-
From return of capital	-
Total annual distributions [3]	-
Net assets, end of year [1]	**$ 10.59**

Class I

	2011
Net assets, beginning of year [1]	$ 13.66
Decrease from operations:	
Total revenue	0.11
Total expenses	(0.15)
Realized losses for the year	(1.98)
Unrealized losses for the year	(1.27)
Total decrease from operations [2]	**(3.29)**
Distributions:	
From income (excluding dividends)	-
From dividends	-
From capital gains	-
From return of capital	-
Total annual distributions [3]	-
Net assets, end of year [1]	**$ 10.44**

Class J

	2011
Net assets, beginning of year [1]	$ 9.88
Decrease from operations:	
Total revenue	0.08
Total expenses	(0.11)
Realized losses for the year	(1.43)
Unrealized losses for the year	(0.83)
Total decrease from operations [2]	**(2.29)**
Distributions:	
From income (excluding dividends)	-
From dividends	-
From capital gains	-
From return of capital	-
Total annual distributions [3]	-
Net assets, end of year [1]	**$ 7.55**

(1) This information is derived from the Fund's audited annual financial statements. The net assets per security presented in the financial statements differs from the net asset value calculated for fund pricing purposes. An explanation of these differences can be found in the notes to the financial statements.
(2) Net assets and distributions are based on the actual number of [units/shares] outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of [units/shares] outstanding over the financial period.
(3) Distributions were [paid in cash/reinvested in additional [units/shares] of the Fund, or both].

Ratios and Supplemental Data

Class B

Year [(1)]	**2011**
Net asset value[(2)] (000's)	**$** 209
Number of units outstanding	27 458
Management expense ratio [(3)]	3.68%
Management expense ratio before waivers or absorptions [(4)]	3.68%
Trading expense ratio [(5)]	0.21%
Portfolio turnover rate [(6)]	291.33%
Net asset value per unit, end of year [(2)]	$ 7.61

Class F

Year [(1)]	**2011**
Net asset value[(2)] (000's)	**$** 8 277
Number of units outstanding	516 149
Management expense ratio [(3)]	2.41%
Management expense ratio before waivers or absorptions [(4)]	2.41%
Trading expense ratio [(5)]	0.21%
Portfolio turnover rate [(6)]	291.33%
Net asset value per unit, end of year [(2)]	$ 16.04

Class G

Year [(1)]	**2011**
Net asset value[(2)] (000's)	**$** 1 053
Number of units outstanding	99 299
Management expense ratio [(3)]	2.89%
Management expense ratio before waivers or absorptions [(4)]	2.89%
Trading expense ratio [(5)]	0.21%
Portfolio turnover rate [(6)]	291.33%
Net asset value per unit, end of year [(2)]	$ 10.60

Class I

Year [(1)]	**2011**
Net asset value[(2)] (000's)	**$** 2 421
Number of units outstanding	231 450
Management expense ratio [(3)]	1.24%
Management expense ratio before waivers or absorptions [(4)]	1.24%
Trading expense ratio [(5)]	0.21%
Portfolio turnover rate [(6)]	291.33%
Net asset value per unit, end of year [(2)]	$ 10.46

Class J

Year [(1)]	**2011**
Net asset value[(2)] (000's)	**$** 4 923
Number of units outstanding	650 938
Management expense ratio [(3)]	1.32%
Management expense ratio before waivers or absorptions [(4)]	1.32%
Trading expense ratio [(5)]	0.21%
Portfolio turnover rate [(6)]	291.33%
Net asset value per unit, end of year [(2)]	$ 7.56

(1) This information is provided for the year ended December 31, 2011.

(2) The impact of the adoption of the accounting policy Section 3855 on net assets may result in a different valuation of securities held by the Fund, for financial reporting purposes, than the market value used to determine the net asset value of the Fund for the purchase and redemption of the Fund's units.

(3) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated year and is expressed as an annualized percentage of daily average net assets during the year. Out of its management fees, the Manager pays for such services to the Fund as portfolio manager compensation, service fees and marketing. Management expense ratio is inclusive of performance fees.

(4) The Manager, at its discretion, waived and/or absorbed a portion of the fees and/or expenses otherwise payable by the Fund. The waiving and/or absorption of such fees and/or expenses by the Manager may be terminated at any time, or continued indefinitely, at the discretion of the Manager. Management expense ratio is inclusive of performance fees.

(5) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the year.

(6) The Fund's portfolio turnover rate indicates how actively the Sub-Advisor trades the Fund's portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

Management Fees

Management fees are based on the NAV of a series and are paid by the Fund to Landry Morin Inc. They are used to pay for sales and trailing commissions to registered dealers on the distribution of the Class shares, as well as for investment advisory and management services.

Class	B	F	G	I	J
Management fees	2.25%	1%	1.50%	0%	0%
As a % of management fees:					
Dealer Compensation	44.4	0	0	0	0
Investment advisory and management services	55.6	100	100	0	0

Summary of Investment Portfolio

Top Holdings	% of net asset value
1. Enbridge Inc.	10.4%
2. Trilogy Energy Corp.	10.3%
3. Pembina Pipeline Corp.	10.2%
4. Yamana Gold Inc.	7.9%
5. Inter Pipeline Fund, Class 'A'	6.8%
6. Franco-Nevada Corp.	6.3%
7. Tim Hortons Inc.	4.8%
8. Keyera Corp.	3.6%
9. Metro Inc., Class 'A'	3.4%
10. BCE Inc.	3.3%
11. Canadian Pacific Railway Ltd.	3.3%
12. Alimentation Couche-Tard Inc.	3.3%
13. Canadian Utilities Ltd., Class 'A'	3.2%
14. Empire Co. Ltd., Class 'A'	3.1%
15. New Gold Inc.	2.7%
16. iShares S&P/TSX 60 Index Fund	2.0%
17. SXC Health Solutions Corp.	1.7%
18. TELUS Corp.	1.6%
19. Dollarama Inc.	1.6%
20. Inmet Mining Corp.	1.6%
21. Alacer Gold Corp.	1.6%
22. Fairfax Financial Holdings Ltd.	1.6%
23. Centerra Gold Inc.	1.5%
24. Paramount Resources Ltd.	1.4%
25. Tourmaline Oil Corp.	1.4%
	98.7%

Sector Mix	% of net asset value
Energy	44.0%
Materials	23.0%
Consumer Staples	9.8%
Consumer Discretionary	6.4%
Telecommunication Services	5.0%
Industrials	3.3%
Utility	3.2%
Funds	2.0%
Health Care	1.7%
Financials	1.6%

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund. A quarterly update is available.

When the investment fund invests in other investment funds, the prospectus and other information about the underlying investment funds are available on the internet at www.sedar.com