



## **Annual Management Report of Fund Performance as of December 31, 2015**

### **LANDRY U.S. EQUITY 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 1800 McGill College, Suite 1430, Montreal (Qc) H3A 3J6 or by visiting our website at [www.landryinvest.com](http://www.landryinvest.com) or SEDAR at [www.sedar.com](http://www.sedar.com).

Unitholders 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 U.S. Equity Fund seeks to provide long-term growth through capital appreciation by investing primarily in U.S. equity securities.

The strategy involves selecting securities from the U.S. equity universe. The investment process starts with a systematic and unbiased quantitative system that generates lists of stocks with high risk-adjusted return potential. Candidates for final selection usually have "momentum" (stocks that have had the largest price increase in the past months) or strong value characteristics. The Fund has a tendency of allocating more weight towards momentum stocks as compared to the value ones. The portfolio of the Fund is systematically reviewed on a monthly basis.

### Risk

The overall level of risk of investing in the Fund remains as discussed in the Prospectus. During 2012, the Fund started investing a part of its portfolio in "value" stocks. This increased the number of securities in the portfolio and increased sector diversification. Accordingly, the Fund remains suitable for the same investors as discussed in the Prospectus.

Occasionally the Fund is highly concentrated in certain sectors, even though such concentration may not necessarily correspond to the sectors weight of the S&P100 Index. The Fund is not designed specifically for diversification. A large concentration in one sector may increase its risk.

The Fund and its benchmark are in USD. This results in a currency risk for the Canadian investor.

### Results of Operations

In 2015, the fund was up 1.5% in U.S. currency, slightly outperforming the S&P 500 Index.

The momentum factor was very powerful in the United States in 2015 because it was driven by an unusual number of takeovers. In contrast, the value factor, which we also use for portfolio construction, had a poor year. The one factor offset the other, and that is why the portfolio's return is comparable to that of the index. Over four years, the fund has returned 17.5% a year versus 15.0% for the S&P 100 Index.

### Recent Developments

The strong momentum of some large caps toward the end of 2015 prompted us to adjust the portfolio to increase our positions in value securities. Momentum securities had become more expensive, but value securities were trading at attractive valuations that are rarely seen.

The U.S. economy is functioning at almost full employment, and the indicators available at the start of 2016 are pointing to sustained economic growth this year. The U.S. Federal Reserve raised its discount rate in December 2015, indicating a slightly less expansionary monetary policy, but the financial markets were unconcerned; long-term interest rates have fallen since the start of the year, even though the rate of inflation has not declined.

The stock markets are concerned, however, as shown by the U.S. market's 8.9% decline in the first 12 business days alone.

It is unlikely that the global economic slowdown will drag the U.S. economy into a recession. Even so, the slowdown may have an adverse impact on the earnings of large U.S. companies with foreign operations. We think that a more cautious approach to U.S. equities is in order, and that value securities are quite appealing in this environment.

## Related Party Transactions

In consideration for management services and investment advice provided to the Fund, the Manager (Landry Investment Management Inc.) is entitled to a management fee.

The monthly management fee with respect to Class A units is 1/12 of 2.00% and 1/12 of 1.00% for Class F units, calculated on a daily basis to the net asset value of the Fund and payable monthly. No management fee is charged to Class I units; instead a negotiated fee is paid by these unitholders to the Manager directly.

The Manager may receive a performance-based fee for the Fund. The Manager will charge a performance fee of 20% of the return of the Fund in excess of their benchmark return. The performance fee is payable only if the Fund has outperformed its benchmark (S&P100 Total Return Index or S&P100 Total Return Index +2% for Class I) since the last time a performance fee was paid. Performance fees are calculated daily and crystallized and paid monthly. Over the period, a performance fee was paid from Class B and Class G to the Manager.

## Other Material Information

Classes B and G units of the Fund were redesignated as units of Classes A and F respectively as of April 8th, 2013.

## Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help better understand the Fund's financial performance for the past 5 periods.

### The Fund's Net Assets per Unit

#### Class A

	2015	2014	2013	2013*	2012*
Net assets, beginning of period <sup>(1)</sup>	\$ 11.51	\$ 11.32	\$ 10.00	\$ 12.97	\$ 10.06
<b>Increase (decrease) from operations:</b>					
Total revenue	0.26	0.18	0.20	0.05	0.14
Total expenses	(0.43)	(0.46)	(0.40)	(0.27)	(0.52)
Realized gain for the period	0.71	0.81	1.81	0.97	2.95
Unrealized gain (loss) for the period	(0.49)	0.20	0.08	0.43	(0.13)
<b>Total increase (decrease) from operations <sup>(2)</sup></b>	<b>0.05</b>	<b>0.73</b>	<b>1.69</b>	<b>1.18</b>	<b>2.44</b>
<b>Distributions:</b>					
From income (excluding dividends)	-	-	-	-	-
From dividends	-	-	-	-	-
From capital gain	(0.25)	(0.62)	(0.41)	-	-
From return of capital	-	-	-	-	-
<b>Total annual distributions <sup>(3)</sup></b>	<b>(0.25)</b>	<b>(0.62)</b>	<b>(0.41)</b>	-	-
<b>Net assets, end of period <sup>(1)</sup></b>	<b>\$ 11.29</b>	<b>\$ 11.51</b>	<b>\$ 11.32</b>	<b>\$ 0.00</b>	<b>\$ 12.97</b>

\*This information comes from units of Class B, redesignated as units of Class A on April 8, 2013.

**Class F**

	2015	2014	2013	2013*	2012*
Net assets, beginning of period <sup>(1)</sup>	\$ 18.18	\$ 17.78	\$ 13.86	\$ 11.96	\$ 9.27
<b>Increase (decrease) from operations:</b>					
Total revenue	0.41	0.29	0.31	0.05	0.14
Total expenses	(0.47)	(0.51)	(0.42)	(0.21)	(0.56)
Realized gain (loss) for the period	1.14	1.29	3.59	0.89	2.83
Unrealized gain (loss) for the period	(0.86)	0.62	0.99	0.49	(2.04)
<b>Total increase (decrease) from operations <sup>(2)</sup></b>	<b>0.22</b>	<b>1.69</b>	<b>4.47</b>	<b>1.22</b>	<b>0.37</b>
<b>Distributions:</b>					
From income (excluding dividends)	-	-	-	-	-
From dividends	-	-	-	-	-
From capital gain	(0.74)	(1.10)	(0.64)	-	-
From return of capital	-	-	-	-	-
<b>Total annual distributions <sup>(3)</sup></b>	<b>(0.74)</b>	<b>(1.10)</b>	<b>(0.64)</b>	-	-
<b>Net assets, end of period <sup>(1)</sup></b>	<b>\$ 17.69</b>	<b>\$ 18.18</b>	<b>\$ 17.78</b>	<b>\$ 0.00</b>	<b>\$ 11.96</b>

\*This information comes from units of Class G, redesignated as units of Class F on April 8, 2013.

**Class I**

	2015	2014	2013	2012	2011
Net assets, beginning of period <sup>(1)</sup>	\$ 12.77	\$ 12.46	\$ 9.60	\$ 7.27	\$ 8.01
<b>Increase (decrease) from operations:</b>					
Total revenue	0.28	0.20	0.22	0.10	0.06
Total expenses	(0.18)	(0.21)	(0.16)	(0.12)	(0.11)
Realized gain (loss) for the period	0.80	0.90	2.48	2.10	(0.28)
Unrealized gain (loss) for the period	(0.55)	0.23	0.79	0.44	(0.49)
<b>Total increase (decrease) from operations <sup>(2)</sup></b>	<b>0.35</b>	<b>1.12</b>	<b>3.33</b>	<b>2.52</b>	<b>(0.82)</b>
<b>Distributions:</b>					
From income (excluding dividends)	-	-	-	-	-
From dividends	-	-	-	-	-
From capital gain	(0.56)	(0.89)	(0.45)	-	-
From return of capital	-	-	-	-	-
<b>Total annual distributions <sup>(3)</sup></b>	<b>(0.56)</b>	<b>(0.89)</b>	<b>(0.45)</b>	-	-
<b>Net assets, end of period <sup>(1)</sup></b>	<b>\$ 12.53</b>	<b>\$ 12.77</b>	<b>\$ 12.46</b>	<b>\$ 9.59</b>	<b>\$ 7.27</b>

(1) This information is derived from the Fund's audited annual financial statements. The 2015, 2014 and 2013 numbers are determined using International Financial Reporting Standards (IFRS), while the 2012 numbers are determined using previous Canadian Generally Accepted Accounting Principles (CGAAP). Closing amounts for 2012 may therefore vary slightly from opening balances for 2013. The term Net Asset Value per Unit used under CGAAP has been changed under IFRS to Net Assets Attributable to Holders of Redeemable Units per Unit.

(2) Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.

(3) Income, dividend and/or return of capital distributions, if any, are paid in cash or reinvested in additional units.

**Ratios and Supplemental Data****Class A**

<b>Period <sup>(1)</sup></b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012*</b>
Net asset value (000's)	\$ 196	\$ 304	\$ 207	\$ 101
Number of units outstanding	17,330	26,379	18,271	7,770
Management expense ratio <sup>(2)</sup>	3.32%	3.49%	5.09%	4.30%
Management expense ratio before waivers or absorptions <sup>(3)</sup>	3.63%	3.63%	5.09%	4.30%
Trading expense ratio <sup>(4)</sup>	0.17%	0.22%	0.56%	0.66%
Portfolio turnover rate <sup>(5)</sup>	175.44%	176.29%	265.44%	351.03%
Net asset value per unit, end of period	\$ 11.29	\$ 11.51	\$ 11.32	\$ 12.99

\*This information comes from units of Class B, redesignated as units of Class A on April 8, 2013.

**Class F**

<b>Period <sup>(1)</sup></b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012*</b>
Net asset value (000's)	\$ 14,530	\$ 13,194	\$ 7,663	\$ 724
Number of units outstanding	821,604	725,867	430,967	60,425
Management expense ratio <sup>(2)</sup>	2.16%	2.33%	2.58%	4.78%
Management expense ratio before waivers or absorptions <sup>(3)</sup>	2.47%	2.47%	2.58%	4.78%
Trading expense ratio <sup>(4)</sup>	0.17%	0.22%	0.41%	0.66%
Portfolio turnover rate <sup>(5)</sup>	175.44%	176.29%	265.44%	351.03%
Net asset value per unit, end of period	\$ 17.69	\$ 18.18	\$ 17.78	\$ 11.98

\*This information comes from units of Class G, redesignated as units of Class F on April 8, 2013.

**Class I**

<b>Period <sup>(1)</sup></b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
Net asset value (000's)	\$ 302	\$ 300	\$ 308	\$ 256	\$ 570
Number of units outstanding	24,099	23,525	24,702	26,663	78,136
Management expense ratio <sup>(2)</sup>	1.01%	1.19%	1.43%	1.37%	1.42%
Management expense ratio before waivers or absorptions <sup>(3)</sup>	1.32%	1.33%	1.43%	1.37%	1.42%
Trading expense ratio <sup>(4)</sup>	0.17%	0.22%	0.41%	0.66%	0.14%
Portfolio turnover rate <sup>(5)</sup>	175.44%	176.29%	265.44%	351.03%	296.11%
Net asset value per unit, end of period	\$ 12.53	\$ 12.77	\$ 12.46	\$ 9.60	\$ 7.29

(1) This information is provided for years ended December 31.

(2) Management expense ratio is based on total expenses (excluding commissions, withholding taxes and other portfolio transaction costs) for the stated year and is expressed as an annualized percentage of daily average net assets during the period. 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.

(3) 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.

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

(5) The Fund's portfolio turnover rate indicates how actively the Manager 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 period, 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 class and are paid by the Fund to Landry Investment Management Inc. They are used to pay for sales and trailing commissions to registered dealers on the distribution of the Class' units, as well as for investment advisory and management services.

Classes	A	F	I
Management fees	2.00%	1.00%	0%
As a % of management fees:			
Dealer Compensation	50.0	0	0
Investment advisory and management services	50.0	100	0

## Performance fees

The Fund pays Landry Investment Management Inc. a performance fee equal to 20% of the amount by which the return of the Fund exceeds the performance of its benchmark index. The performance fee is payable only if the Fund has outperformed its benchmark since the last time a performance fee was paid (high-water mark). It is calculated and totalled each day, so that the price per unit on a given day reflects the performance fees payable at the end of that day. The performance fee is paid by the Fund on a monthly basis. A performance fee may be paid by a Fund to Landry Investment Management Inc. even if such Fund had a negative performance. No performance fees were paid over the period.

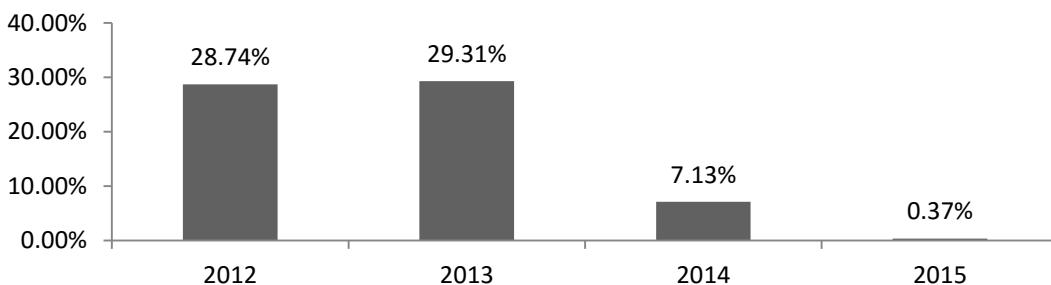
## Past Performance

The performance information shown assumes that all distributions made by the investment fund in the periods shown were reinvested in additional securities of the investment fund. The performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. Also, how the investment fund has performed in the past does not necessarily indicate how it will perform in the future.

## Year-by-Year Returns

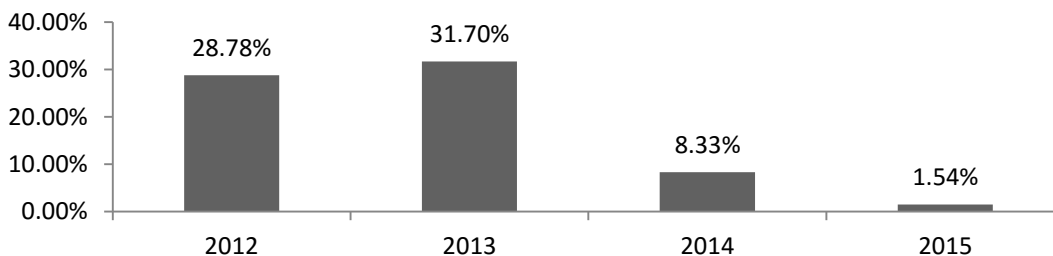
The following bar charts show the performance for each of the years shown, and illustrate how a class' performance has changed from year to year. In percentage terms, the bar chart shows how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year.

### Class A



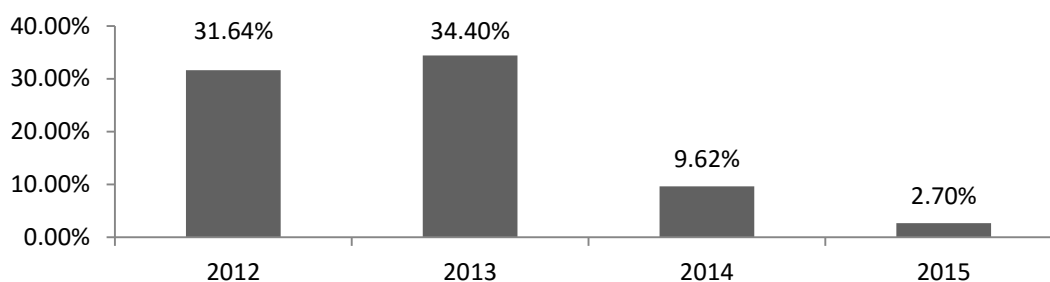
Returns of Class B are used until redesignation on April 8, 2013.

**Class F**



Returns of Class G are used until redesignation on April 8, 2013.

**Class I**



**Annual Compound Returns**

The table below compares the net of fees annualized return of a class to its benchmark index.

	1 year	3 years	Since Inception on April 5, 2011
U.S. Equity Fund Class A*	0.37%	11.62%	13.28%
U.S. Equity Fund Class F**	1.54%	13.17%	12.34%
U.S. Equity Fund Class I	2.70%	14.80%	11.92%
S&P100 Total Return Index	2.65%	14.69%	11.96%

\*Returns of Class B are used until redesignation on April 8, 2013.

\*\* Returns of Class G are used until redesignation on April 8, 2013.

The S&P 100 Index measures the performance of large cap companies in the United States. The index is comprised of 100 major companies across multiple industry groups.

## Summary of Investment Portfolio

Asset Mix	% of net asset value
U.S. Equities	92.8%
Foreign Equities	3.3%
Cash and Cash Equivalents	4.0%
Net Other Assets	-0.1%

Sector Mix	% of net asset value
Consumer Discretionary	24.5%
Information Technology	22.9%
Financials	15.3%
Consumer Staples	9.7%
Health Care	5.9%
Materials	5.3%
Energy	5.0%
Industrials	4.8%
Telecommunications Services	2.0%
Utilities	0.7%
Cash and Cash Equivalents	4.0%
Net Other Assets	-0.1%

Top Holdings	% of net asset value
1. Amazon.com Inc.	3.6%
2. Starbucks Corp.	3.0%
3. O'Reilly Automotive Inc.	3.0%
4. Total System Service Inc.	2.8%
5. Activision Blizzard Inc.	2.4%
6. Nike Inc., Class 'B'	2.4%
7. Apple Inc.	2.3%
8. Reynolds American Inc.	2.3%
9. Electronic Arts Inc.	2.2%
10. Fiserv Inc.	2.1%
11. Equinix Inc.	2.0%
12. Alphabet Inc., Class 'C'	2.0%
13. Avery Dennison Corp.	2.0%
14. Assurant Inc.	2.0%
15. Constellation Brands Inc., Class 'A'	1.9%
16. NVIDIA Corp.	1.8%
17. Priceline Group Inc. (The)	1.7%
18. VeriSign Inc.	1.7%
19. Facebook Inc.	1.7%
20. Molson Coors Brewing Co., Class 'B'	1.6%
21. Valero Energy Corp.	1.5%
22. American International Group Inc.	1.4%
23. Cincinnati Financial Corp.	1.4%
24. Vulcan Materials Co.	1.4%
25. Chevron Corp.	1.4%
	51.6%

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

For information about other funds in which the Fund invests, the prospectus and other materials about those funds are available on the internet at [www.sedar.com](http://www.sedar.com)