



DAMI Corporate Bond Fund

MANAGEMENT REPORT OF FUND PERFORMANCE

DECEMBER 15TH, 2021

This annual management report of fund performance contains financial highlights, however, but does not contain either the interim or annual financial statements of the investment fund. You can obtain a copy of the interim or annual financial statements at your request, and at no cost, by calling us +1 (905) 239-2436 or toll free at +1 833 444 DAMI (3264), by writing to us at Durham Asset Management Inc., 22 Shorten Place, Ajax, Ontario, L1T 0E9 Attention: Investor Services, or by visiting our website at <https://durhamasset.ca> or SEDAR at www.sedar.com.

DAMI Corporate Bond Fund

Annual Management Report of Fund Performance

For the period ended December 15th, 2021

Management Discussion of Fund Performance

The management discussion of the fund performance for DAMI Corporate Bond Fund (the "Fund") represent the views of Durham Asset Management Inc ("DAMI" or the "Manager") of the significant factors and developments affecting the Fund's performance and outlook for the period from February 5th, 2021 to December 15th, 2021 (the "reporting period").

Investment Objective and Strategies

The Fund's investment objective is to generate long-term positive returns exceeding the ICE BofA Canada Corporate Index. The Fund's portfolio will primarily be comprised of Canadian and US securities. The Fund may invest up to 20% of its total NAV in securities with credit ratings below investment grade (BBB- or Baa3). However, the overall credit rating of the Fund's investment portfolio is expected to be investment grade.

DAMI will use multiple strategies to meet funds objectives. The manager will employ a "bottom-up" approach, focusing on security selection and then adjusting the portfolio to remain within the manager's duration or credit targets. The strategies generally fall into these categories; Outright Credit Trading strategies, Relative Value Credit Trading, Duration Neutral Portfolio Construction, and New issue participation. For more information about these strategies, refer to the Fund's simplified prospectus ("Prospectus").

Risk

The risks associated with an investment in the Fund are described in the prospectus. During the period that began February 5th, 2021, and ended December 15th, 2021, there have been no changes to the Fund that materially affected the risk level of the Fund.

Results of Operations

The Fund was launched on February 5th, 2021, and the net asset value of the Fund was \$227,783 as of December 15th, 2021. Investment performance is not provided for a mutual fund that has been available for less than one year.

Recent Developments

During the reporting period, the Fund did not undergo material changes, including but not limited to its investment objectives, risk rating, accounting policies, or composition of its Independent Review Committee.

During the reporting period, inflation consistently rises month over month. The higher inflation resulted in higher yields. This resulted in negative returns from the fixed income index and correspondingly negative returns for the Fund. In the coming months, central banks are expected to hike rates, it could have a material effect on the Fund's returns.

The impact of the coronavirus ("COVID-19") pandemic on the financial markets and the economy has been substantial and is expected to have a material effect on bond portfolios for FY2022. Market direction and future outcomes are highly uncertain and cannot be predicted. DAMI continues to monitor market developments; however, if the negative impacts of COVID-19 on financial markets and the economy, in general, continue for a prolonged period, it could have a material effect on the Fund's returns.

Related Party Transactions

DAMI is the trustee, manager, and portfolio advisor of the Fund.

Management Fee

The Investment Manager receives a monthly management fee for providing its service to the Fund. Service includes but is not limited to determining and implementing investment policies, practices, and strategies, ensuring daily operations and administration of the Fund.

The table below outlines the Fund's annual Management Fee rate. It also states the percentage of the total management fees that were used to pay trailer commissions. The remainder of the management fees were used to pay for investment management services. Durham has decided to cover the costs relating to the inception of the Fund and other ongoing expenses (for a temporary period).

DAMI has decided to cover some costs relating to the inception of the Fund and other ongoing expenses (for a temporary period) to stabilize the NAV. The table below outlines the Fund's annual Management Fee rate. It also states the percentage of the total management fees used to pay trailer commissions. The remainder of the management fees were used to pay for investment management services.

Annual Fee	Class A	Class F	Class I
Management Fees (Annual Rate)	0.64%	0.39%	0.10%
Trailer Fees (as a % of Management Fees)	39.06%	-	-

Past Performance

Since the present Interim Management Report of Fund Performance is the first interim report submitted for this Fund, the NI 81-106 does not require the presentation of past performance. The Fund's units have been available since February 5th, 2021.

Past Performance

The Investment Manager will be responsible for the Fund's operating expenses, other than certain Fund costs (the "Fund Costs") described below, in exchange for the payment by the Fund of a fixed-rate administration fee of 0.25% per annum. Operating expense is accrued daily based on the Fund's net asset value before daily management fee accrual.

The Fund Costs which are payable directly by the Fund are fees, costs and expenses associated with all taxes, brokerage commissions and fees (if applicable), borrowing and interest, security holder meeting fees, the operation of the independent review committee ("IRC") (including the costs of holding meetings, and fees and expenses of any advisers engaged by the IRC) or other advisory committees, compliance with any governmental and regulatory requirements.

The Fund did not rely on any approval, positive recommendation, or standing instruction from its IRC concerning any related party transactions.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help readers understand the Fund's financial performance for the period indicated.

DAMI Corporate Bond Fund - Class F

Financial Highlights

For the period ended	Note	December 15, 2021
Net assets attributable to holders of redeemable units per unit, beginning of the period	1, 2	\$ 10.00
Increase (decrease) in net assets attributable to holders of redeemable units:		
Investment income		0.19
Total expenses		(0.06)
Realized gains (losses) for the period		(0.02)
Unrealized gains (losses) for the period		0.01
Total increase (decrease) in net assets attributable to holders of redeemable units	3	\$ 0.12
Net assets attributable to holders of redeemable units, end of period	2	\$ 10.12

Ratios & Supplemental Data

Net assets attributable to holders of redeemable units, end of period (\$)		\$ 227,783
Number of outstanding redeemable units		22,500
Net Assets attributable to holders of redeemable units per unit (\$)		\$ 10.12
Management expense ratio (%)	4	0.61%
Portfolio turnover rate (%)	5	n/a
Trading expense ratio (%)	6	n/a

[1] The information shown in this column is for the period beginning February 5, 2021 (the Fund's commencement date), and ending December 15, 2021.

[2] The financial highlights are derived from the financial statements prepared in accordance with IFRS. IFRS allows net assets to be calculated based on the last traded market price for financial assets and financial liabilities where the last traded price falls within the day's bid-ask spread.

[3] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The total increase (decrease) in net assets attributable to holders of redeemable units is based on the weighted average number of units outstanding over the financial period.

[4] Management expense ratio ("MER") is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

[5] The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser manages its 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 period. The higher a portfolio's turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

[6] 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.

DAMI Corporate Bond Fund

Summary of Investment Portfolio as at December 15, 2021

Sector Mix	% of Fund's Net Asset Value
Financial	35.3%
Communication	14.4%
Energy	12.4%
Infrastructure	7.8%
Industrial	7.1%
Real Estate	4.5%
Federal	4.3%
Other Assets Less Liabilities	14.3%
	<u>100.0%</u>

Geographic Mix	% of Fund's Net Asset Value
Canada	81.4%
United States of America	4.3%
	<u>81.4%</u>

Rating	% of Total Debt Securities Net Asset Value
AAA	5.0%
AA	25.0%
BBB	70.0%
	<u>100.0%</u>

DAMI Corporate Bond Fund

Top 25 Issuers

#	Issuer	% of Fund's Net Asset Value
1	AER MTL-R C49 3.03%21AP50	3.5
2	ALLIED-D RD 3.394% 15AG29	2.3
3	BELL CDA CB 3.5% 30SP50	3.3
4	BMO NVCC-1 C25FX-FR26NV80	3.6
5	BNS NVCC C24 FIX-FR 3JL29	3.1
6	CANADA (GOVERNMENT) S/A 0.5% 1SEP25	4.3
7	CIBC NVCC C23 FX-FR 4AP28	2.2
8	CIBC NVCC CB FX-FR 21JL30	3.1
9	COGECO CBL-3 4.925%14FB22	2.2
10	ENBRIDGE CANADA 2.99% 10/03/29	4.5
11	EQUITABLE BANK CANADA 1.876 11/26/2025	3.4
12	FIRST CAPITAL CB 3.447% 1MR28	2.2
13	GOLDMAN SACHS 2.013 02/28/29	4.3
14	GTA MTN 4.53% 2DC41	4.3
15	INT PPLN C26 3.484%16DC26	2.3
16	INTACT S1 C26 FX-FR31MR81	3.6
17	LBC DEP NT 3.45% 27JN23	2.3
18	LOBLAW 6.05 06/09/2034	4.5
19	METRO SR-D RED 5.03%1DC44	2.7
20	ONT POWER CB 2.947%21FB51	3.3
21	PEMBINA CB42 4.75% 30AP43	2.3
22	RBC NVCC C28 FX-FR 28JA33	2.9
23	RBC-2 NVCC C26FX-FR24FB81	3.6
24	ROGERS COMM 6.11% 25AG40	4.4
25	SHAW COMMUNICATIONS 2.9% 9DC30	2.2

Total Net Asset Value: \$227,783

Forward-Looking Statements

This Management Report of Fund Performance contains forward-looking information and statements relating, but not limited to, anticipated or prospective financial performance and results of operations of the Fund. Forward-looking information involves known and unknown risks, uncertainties, and other factors that may cause actual results, performance, or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. For this purpose, any statements that are contained herein that are not statements of historical fact may be deemed to be forward-looking information. Without limiting the foregoing, the words "believes", "anticipates", "plans", "intends", "will", "should", "expects", "projects", and similar expressions are intended to identify forward-looking information.

Although the Fund believes it has a reasonable basis for making the forecasts or projections included in this Management Report of Fund Performance, readers are cautioned not to place undue reliance on such forward-looking information. By its nature, the forward-looking information involves numerous assumptions, inherent risks, and uncertainties, both general and specific, which contribute to the possibility that the predictions, forecasts, and other forward-looking statements will not occur. These factors include but are not limited to, those associated with the performance of the equity securities market, expectations about interest rates, and factors incorporated by reference herein as risk factors.

The above list of important factors affecting forward-looking information is not exhaustive, and reference should be made to the other risks discussed in the Fund's filings with Canadian securities regulatory authorities. The forward-looking information is given as of the date of this Management Report of Fund Performance, and the Fund undertakes no obligation to publicly update or revise any forward-looking information, whether as a result of new information, future events, or otherwise.

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