

RIDGEWOOD CANADIAN INVESTMENT GRADE BOND FUND – RIB.UN**Quarterly Fund Update at March 29, 2018****Fund Objectives**

The Fund will seek to achieve the following investment objectives:

- to provide unitholders with monthly cash distributions, initially targeted to be 5.25% per annum on the original issue price of \$12.00 per unit; and
- to maximize total returns for unitholders while preserving capital in the long term.

Investment Strategy

The portfolio of the Fund will be invested primarily in investment grade bonds issued by Canadian issuers available to domiciled investors. In addition, the Fund may invest up to 10% of the Portfolio in U.S. investment grade bonds and up to 25% in investment grade bonds issued by non-Canadian issuers (Maples). From time to time, the Fund may hold cash and cash equivalents. The Fund may borrow an amount up to 35% of the total amount of the fund.

Fund Data

Fund Manager	Ridgewood Capital Asset Management Inc. ("Ridgewood")
Inception Date	December 18, 2009
Net Asset Value as at December 18, 2009	\$12.00
Net Asset Value as at March 29, 2018	\$14.08
Closing Trading Price as at March 29, 2018	\$15.00
Issue Price	\$12.00
Eligible For	RRSPs, DPSPs, RRIFs, RESPs
Distribution Policy	5.30% per annum on issue price
Distributions History:	
• 2017	\$1.0202
• 2016	\$0.9520
• 2015	\$1.3593
• 2014	\$1.0393
• 2013	\$0.9360
• 2012	\$0.6300
• 2011	\$0.9300
• 2010	\$0.9000
• 2009	\$0.0000

Commentary

- The bond market experienced a positive first quarter in 2018 as the FTSE/TMX Universal Index gained 0.1%.
- Canada bonds advanced by 0.33% for the quarter.
- With the exception of Provincial bonds, all other sectors had positive returns. Industrial bonds were the top performing sector, up 0.6%; Provincial bonds experienced the lowest return with a loss of 0.27%.
- The demand for corporate bonds remains solid as the global economic outlook continues to show signs of improvement.
- The portfolio is diversified across sectors and terms.
- Unitholders received distributions totaling \$0.159 per unit during the first quarter of 2018.
- Further to the Prospectus, the Fund may utilize various forms of borrowings including a loan facility and margin purchases, up to 35% of the total assets of the Fund at the time of borrowing. As of March 31, 2018, \$97,659,918 of the Fund was leveraged. During the three months ending March 31, 2018 \$371,265 in net interest charges were incurred. In this period the Fund's maximum leverage outstanding was \$997,799,918 and the minimum leverage outstanding was \$72,759,465.

Top 25 Holdings	
Holding	Percentage of Net Asset Value
1. Enbridge, 5.375%, 2027/09/27	7.9%
2. Laurentian Bank of Canada, 4.25%, 2027/06/22	7.0%
3. Shaw, 6.75%, 2039/10/22	6.6%
4. Transalta Corp., 7.30%, 2029/10/22	6.1%
5. First National Financial Corp., 4.01%, 2020/04/09	6.0%
6. MCAP, 5.0%, 2022/12/14	5.8%
7. Fairfax Financial Holdings Ltd., 4.25%, 2027/12/06	5.8%
8. Cameco Corp., 5.09%, 2042/11/14	5.7%
9. Cash	5.6%
10. Granite REIT Holdings LP., 3.873%, 2023/11/30	5.3%
11. Choice Properties, 4.178%, 2028/03/08	5.0%
12. Brookfield Asset Management Inc., 5.95%, 2035/06/14	4.8%
13. Teranet Holdings LP., 6.10%, 2041/06/17	4.6%
14. Transalta Corp. 6.90%, 2030/11/15	4.4%
15. Institutional Mortgage Securities Canada Inc., 2013-4 C, 4.423%, 2023/11/12	4.4%
16. Fairfax Financial Holdings Ltd., 4.70%, 2026/12/16	4.4%
17. Capital Power Corp., 4.284%, 2024/09/18	4.1%
18. REALT 2016-2 D, 3.6175%, 2026/05/12	4.1%
19. Smart REIT, 3.44%, 2026/08/28	3.9%
20. Teranet Holdings LP., 5.754%, 2040/12/17	3.7%
21. Bruce Power LP., 4.01%, 2029/06/21	3.6%
22. Chartwell Retirement Residences, 3.786%, 2023/12/11	3.5%
23. Institutional Mortgage Securities Canada Inc., 2012-2 D (Restricted), 4.65%, 2022/07/12	3.4%
24. Institutional Mortgage Securities Canada Inc., 2016-7 D, 3.77%, 2026/10/12	3.2%
25. Allied Properties REIT, 3.636%, 2025/04/21	3.0%
Total	121.9%

Asset Mix	
Sector Allocation	Percentage of Net Asset Value
Corporate Bonds	95.4%
Cash	4.6%
Total	100.0%

Currency Asset Mix	
Currency Allocation	Percentage of Net Asset Value
Canadian Dollar Denominated Bonds	100.0%
Total	100.0%

The summary of the investment portfolio may change due to the ongoing portfolio transactions of the Fund. A quarterly update will be available on our website.