

**FUND FACTS**

**RIDGEWOOD TACTICAL YIELD FUND**

**MARCH 27, 2013**

***Part I - Information About the Fund***

This document contains key information you should know about Ridgewood Tactical Yield Fund. You can find more detailed information in the fund’s simplified prospectus. Ask your advisor for a copy, contact Ridgewood Capital Asset Management Inc. at 1-888-789-8957 or contact@ridgewoodcapital.ca, or visit www.ridgewoodcapital.ca or [www.sedar.com](http://www.sedar.com).

**Quick Facts**

|   |                      |                           |   |
|---|----------------------|---------------------------|---|
| <b>Date fund created:</b>               | March 31, 2011       | <b>Portfolio Manager:</b> | Ridgewood Capital Asset Management Inc.   |
| <b>Total value on February 28, 2013</b> | \$43,941,389.81      | <b>Distributions:</b>     | The Fund intends to distribute any net income on a monthly basis and any net capital gains annually in December |
| <b>Management expense ratio (MER):</b>  | 1.38% (includes HST) | <b>Minimum Investment</b> | \$100 initial investment; \$50 for each additional investment   |

**What does the fund invest in?**

This fund seeks to achieve a high level of income and capital gains from an actively managed portfolio comprised primarily of securities of Canadian issuers, including preferred shares, investment grade bonds, convertible bonds, real estate investment trusts (“REITs”) and high yield bonds. The fund may also invest in comparable fixed income securities of foreign issuers. The amount of such foreign investments will vary but is not typically expected to exceed 30% of the net assets of the fund.

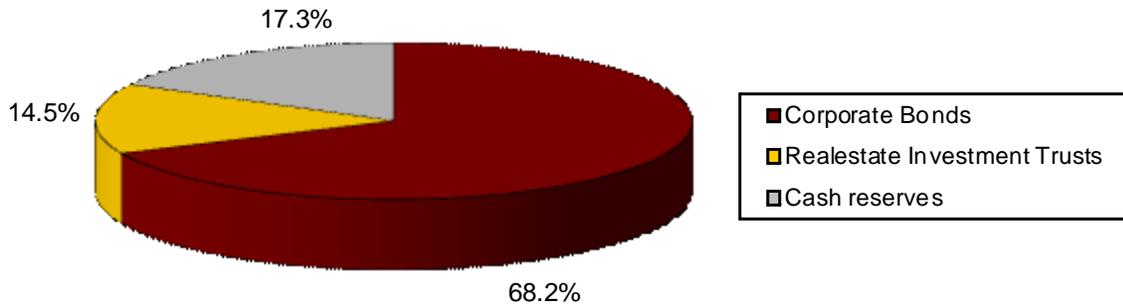
The charts below will give you a snapshot of the fund’s investments on February 28, 2013. The fund’s investments will change.

Top 10 Investments (February 28, 2013)

1. Canada Treasury Bill May 9, 2013
2. Royal Bank of Scotland 10.50% March 16, 2022
3. Mattamy 6.875% November 15, 2020
4. Lloyds TSB Bank PLC 10.125% December 16, 2021
5. Merrill Lynch & Co., Inc. 5.29% May 30, 2017
6. RLT-Western LP 9.50% April 7, 2017
7. Russell Metals 6.0% April 19, 2022
8. Leisure World Sr Care
9. First Capital Realty Inc.
10. Dundee International Reit

The top 10 investments make up 43.06% of the net asset value of the fund.

Investment mix (February 28, 2013)



**How has the fund performed?**

This section tells you how the fund has performed over the past year. Returns are after expenses have been deducted. These expenses reduce the fund's returns.

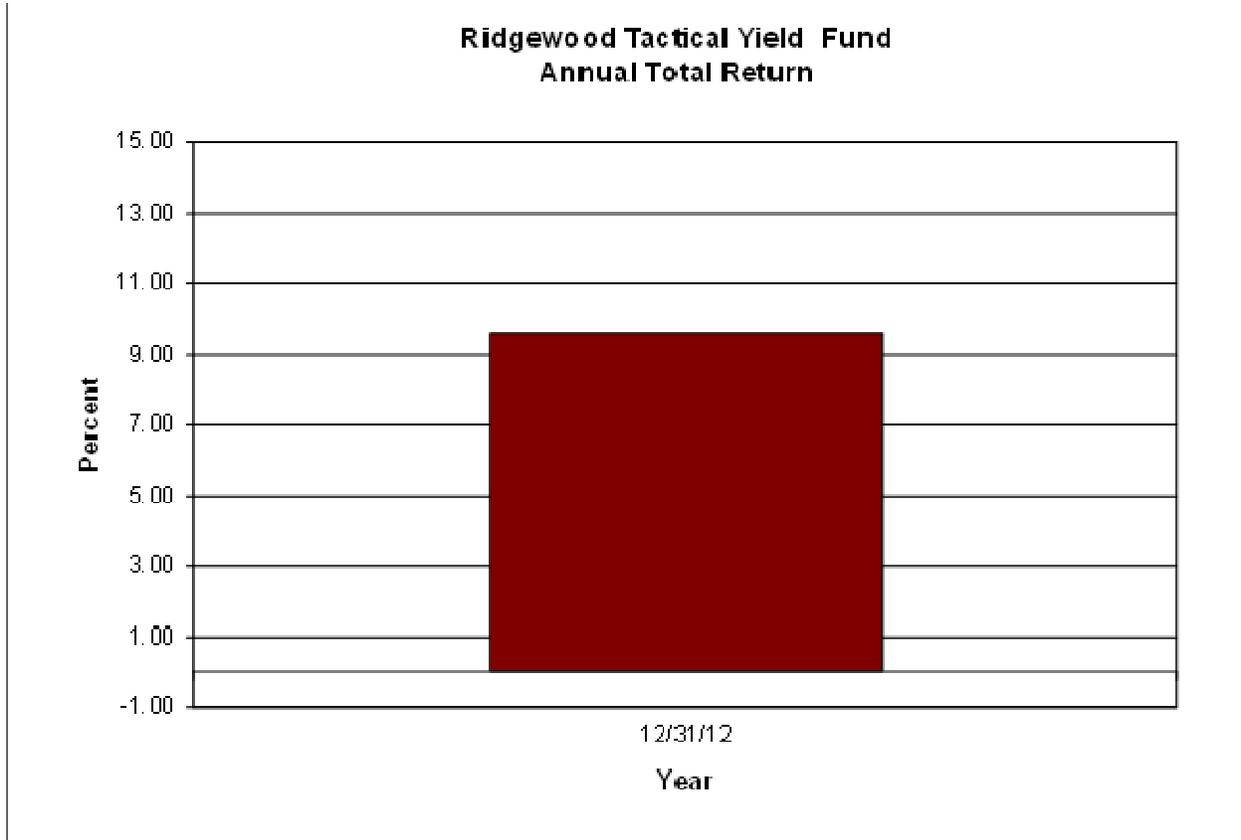
It is important to note this does not tell you how the fund will perform in the future. Also your actual after-tax return will depend on your personal tax situation and any other fees you pay.

Average Return

As at February 28, 2013 a person who invested \$1,000 in the fund on March 31, 2011 now has \$1,048. This works out to be an annual compound rate of 2.53%

Year-by-year returns

This chart shows how the fund has performed in the past full year. The fund's value did not drop in its first year.



**How risky is it?**

When you invest in a fund, the value of your investment can go down as well as up. Ridgewood Capital Asset Management Inc. has rated this fund's risk as low to medium.

For a description of the specific risk of this fund, see the fund's simplified prospectus.



**Are there any guarantees?**

Like most mutual funds, this fund doesn't have any guarantees. You may not get back the money you invest.

**Who is this fund for?**

This fund is suitable for investors seeking to achieve a high level of interest income, the opportunity for growth in value of their investment, the preservation of capital and liquidity. This fund is appropriate for investors with low to medium risk tolerance and a medium term investment horizon.

**Before you invest in any fund, you should consider how it would work with your other investments and your tolerance for risk.**

## **A word about tax**

In general, you'll have to pay income tax on any money you make from the fund. How much you pay depends on the tax laws where you live and whether or not you hold the fund in a registered plan, such as a Registered Retirement Savings Plan or a Tax-Free Savings Account.

Keep in mind that if you hold your fund in a non-registered account, fund distributions are included in your taxable income, whether you get them in cash or have them reinvested.

## ***Part II – Costs, Rights and Other Information***

### **How much does it cost?**

The following tables show the fees and expenses you could pay to buy, own and sell units of the fund.

#### Sales Charges

As the fund is a “no load” fund, there are no sales charges in connection with the purchase, switch or redemption of units of the fund.

#### Fund Expenses

You don't pay these expenses directly. They affect you because they reduce the fund's returns.

As of December 31, 2012 the fund's expenses were 1.38% of its value. This equals \$13.80 for every \$1,000 invested.

|  | <b>Annual rate (as a % of the fund's value)</b> |
|--|---|
| <b>Management Expense Ratio (MER)</b><br>This is the total of the fund's management fee and operating expenses | 1.38%   |
| <b>Trading Expense Ratio (TER)</b><br>These are the fund's trading costs                                       | 0.00%   |
| <b>Fund Expenses</b>   | <b>1.38%</b>                                    |

#### Other Fees

As the fund is a “no load” fund, there is no charge from the fund for switching units of a fund for units of another fund; no charge for redemption of units of a fund; nor a charge for the optional services described in the simplified prospectus, under “Optional Services”.

However, if you redeem units through a third party dealer, such dealer may charge you a redemption or administrative fee.

The Fund does not pay trailing commissions.

### **What if I change my mind?**

Under securities law in some provinces and territories, you have the right to:

withdraw from an agreement to buy mutual fund units within two business days after you receive a simplified prospectus, or

cancel your purchase within 48 hours after you receive confirmation of the purchase.

In some provinces and territories, you also have the right to cancel a purchase, or in some jurisdictions, claim damages, if the simplified prospectus, annual information form or financial statements contain a misrepresentation. You must act within the time limit set by the securities law in your province or territory.

For more information, see the securities law of your province or territory or ask a lawyer.

**For more information**

Contact Ridgewood Capital Asset Management Inc. or your advisor for a copy of the fund's simplified prospectus and other disclosure documents. These documents and the Fund Facts make up the fund's legal documents.

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