

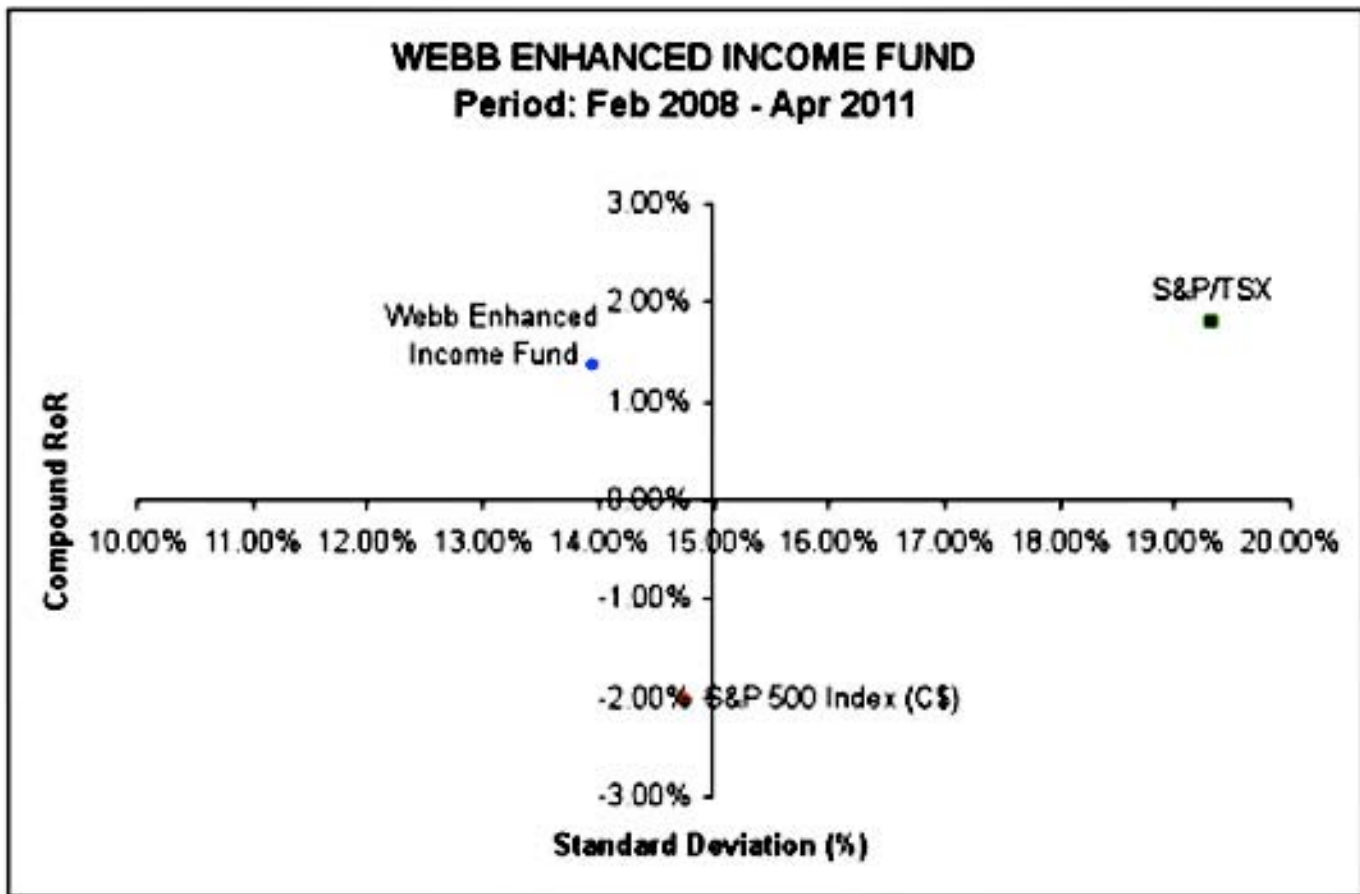


Commentary

Northwest Quadrant

I am pleased to report that the Webb Enhanced Income Fund has been in the Northwest quadrant vs. the TSX and the S&P 500 since inception. Simply stated, the Fund has had equal or greater returns than the indexes while having lower volatility.

Since inception in January, 2008 through April, 2011 the Enhanced Income Fund's compound annual growth rate (CAGR) was +1.4% vs. the TSX at +1.8% and the S&P 500 at -2.0%. Meanwhile, the Fund's standard deviation (volatility) was +14% vs. the TSX at +19.3% and the S&P 500 at +14.8%.



Disclaimer: Commissions, trailing commissions, management fees and expenses all may be associated with the Fund. The investment may not be suitable for all investors. Some conditions apply. Investors should carefully review the Fund's Simplified Prospectus, including the risk factors detailed therein under the heading "Risk Factors", prior to investing in the Fund. The indicated rates of return are the historical annualized compounded total returns (periods less than 1 year are un-annualized simple returns) including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. There can be no assurance that the Fund objectives will be met. The Fund is not guaranteed, its value changes frequently and past performance may not be repeated. The opinions expressed in the commentary are those of the author and do not necessarily reflect the views and opinions of the Manager or any distributor of the Manager Funds. The views expressed are of a general nature should not be interpreted as investment advice to you in any way. Please consult a qualified financial advisor before making an investment decision. The portfolio manager/advisor/sub-advisor has a direct interest in the management and performance fees of the Fund, and may, at any given time, have a direct interest in the Fund itself.



Commentary

Northwest Quadrant, continued

Our expectations are that the Enhanced Income Fund should produce superior returns and lower volatility than the equity indexes over time due to the advantages of option writing. Option overwriting lowers the volatility of a portfolio because monthly gains are capped by the amount of the option premium while the monthly losses are also reduced by the amount of the option premium. Overwriting affords you the certainty of an option premium for the uncertainty of the market's returns.

History has proven that accepting the certainty of an option premium each month vs. the uncertainty of the market's returns is a superior strategy (reference WAM July, 2010 research piece: 'A Summary of Call & Put Writing vs. Owning the S&P 500 Outright').

Given that we currently own few bonds in the fund (reference WAM October 2010 research piece: 'The Risk of Bonds'), the expected returns and volatility of our fund should look more like a stock fund than a bond fund. However, unlike both stock and bond funds the income generation of our fund should be much higher (reference WAM January, 2010 commentary: 'Generating Cash is King').

The best way for investors to think about the Enhance Income Fund is a cross between a stock and a bond fund. The returns should be more correlated with those of equities while the volatility should be below equities but higher than bonds. However, unlike a balanced fund we are invested in high yield stocks vs. bonds which have higher volatility while our overwrite positions vs. stocks should have lower volatility. I would expect our strategy to have higher volatility than a balanced fund but with substantially higher returns.

In conclusion, the Webb Enhanced Income Fund is performing as expected. The returns of the fund have been in line with the equity indexes while the volatility has been lower.

-Derek Webb