

INVESTMENT MANAGER COMMENTARY - Q3 2020

Market Capitalization has been a more significant contributor to performance than sector for the first six months of the year. Going forward, we expect that smaller and mid-capitalization companies could have relative outperformance upside. The High Dividend Index's performance is generally supported in low interest rate environments such as the one we are in now as investors seek alternative forms of income. The fact that this Index has underperformed recently in the short-term would also suggest the potential for a relative performance opportunity. Precious metals and gold (Materials) have been particularly strong with low real interest rates and weakening government credit worthiness due to higher projected deficits and debt.

For the first six months of the year Blue Ribbon Income Fund's (the "Fund") performance matched that of the S&P/TSX High Dividend Total Return Index but underperformed the S&P/TSX Composite Total Return index.

The best performing stocks in the Fund for the first half of the year were Boralex Inc., Northland Power Inc. and Canadian Tire Corp. Sectors that contributed the greatest positive performance to the Fund were utilities, consumer staples and health care.

The most recent measure of Active Share for the Fund was a very high 85.1%. Active Share is a measure of the percentage of stock holdings in a manager's portfolio that differs from the benchmark index. We believe this high Active Share gives the Fund a greater ability to take advantage of upside opportunities or protect against downside risk very distinctly in comparison to the great number of less active manager's with performance that closely follows the benchmark.

At present, reactionary and short-term actions continue to guide the investments of many market participants with their investment orientation solely chasing certain recovery stocks or beneficiaries from the current crisis. Though changes must be understood and incorporated and we have taken such actions, we think that most aspects of our approach are enduring and should be adhered to. Considerations like fundamentals, valuation and a history that has shown higher yielding stocks to outperform remain core to our discipline and should not be lost sight of during challenging markets like the ones we are currently navigating on behalf of the Fund.

Bloom Investment Counsel, Inc.

July 2, 2020

Annual Compound Returns ¹	1-Year	3-Year	5-Year	10-Year	Since Inception
Blue Ribbon Income Fund	(16.7%)	(5.7%)	(0.6%)	3.5%	8.2%
S&P/TSX Composite Index	(2.2%)	(3.9%)	4.4%	6.3%	6.2%

⁽¹⁾Returns are for the periods ended June 30, 2020. The table shows the Fund's compound return for each period indicated compared with the S&P/TSX Composite Index ("Composite Index"). The Composite Index tracks the performance, on a market weight basis and a total return basis, of a broad index of large capitalization issuers listed on the TSX. Since the Fund is actively managed, the sector weightings differ from those of the Composite Index. In addition, the Fund's portfolio contains predominantly higher dividend paying securities, whereas the Composite Index does not necessarily focus on this type of investment. For these reasons it is not expected that the Fund's performance will mirror that of the Composite Index. Further, the Composite Index is calculated without the deduction of management fees, fund expenses and trading commissions, whereas the performance of the Fund is calculated after deducting such fees and expenses.

Certain returns for the Fund were calculated based on publicly available information and accounting records in each case prepared by a prior administrator of the Fund.

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You will usually pay brokerage fees to your dealer if you purchase or sell units of the Fund on the Toronto Stock Exchange or other alternative Canadian trading system (an "exchange"). If the units are purchased or sold on an exchange, investors may pay more than the current net asset value when buying units of the investment fund and may receive less than the current net asset value when selling them.

There are ongoing fees and expenses associated with owning units of an investment fund. An investment fund must prepare disclosure documents that contain key information about the Fund. You can find more detailed information about the fund in the public filings available at www.sedar.com. The indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account certain fees such as redemption costs or income taxes payable by any securityholder that would have reduced returns. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated.

Certain statements contained herein constitute forward-looking information within the meaning of Canadian securities laws. Forward-looking information may relate to matters disclosed in this document and to other matters identified in public filings relating to the Fund, to the future outlook of the Fund and anticipated events or results and may include statements regarding the future financial performance of the Fund. In some cases, forward-looking information can be identified by terms such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "predict", "potential", "continue" or other similar expressions concerning matters that are not historical facts. Actual results may vary from such forward-looking information. Investors should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof and we assume no obligation to update or revise them to reflect new events or circumstances.

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