

RIDGEWOOD CANADIAN INVESTMENT GRADE BOND FUND – RIB.UN**Quarterly Fund Update at June 28, 2019****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	\$216,033,220
Net Asset Value per unit as at December 18, 2009	\$12.00
Net Asset Value per unit as at June 28, 2019	\$14.99
Closing Trading Price as at June 28, 2019	\$15.90
Issue Price	\$12.00
Eligible For	RRSPs, DPSPs, RRIFs, RESPs
Distribution Policy	5.30% per annum on issue price
Distributions History:	
• 2019	\$0.3180
• 2018	\$0.7535
• 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 second quarter in 2019 as the FTSE Canada Universe Bond Index gained 0.91%.
- Canada bonds gained 0.34% for the quarter; Provincial bonds were strong returning 3.35%.
- Overall corporate bonds returned 2.68%. Infrastructure bonds and energy bonds remained the top performing sectors, up 4.36% and 3.65% respectively.
- Yields globally continue to shift lower. Central banks globally are turning more dovish as the trade wars linger on, growth prospects are reduced and inflation continues to run below targets.
- Unitholders received distributions totaling \$0.159 per unit during the second quarter of 2019.
- 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 June 30, 2019, \$98,481,557 of the Fund was leveraged. During the three months ending June 30, 2019 \$613,458 in net interest charges were incurred. In this period the Fund's maximum leverage outstanding was \$123,538,475 and the minimum leverage outstanding was \$79,891,557.

Top 25 Holdings	
Holding	Percentage of Net Asset Value
1. Government of Canada, 2.75%, 2048/12/01	8.7%
2. Aroundtown SA, 4.625%, 2025/09/18	7.5%
3. Transcanada Trust, 4.65%, 2027/05/18	7.1%
4. Fairfax Financial Holdings Ltd., 4.23%, 2029/06/14	6.1%
5. REALT 2019-HBC, 4.445%, 2024/06/14	5.9%
6. Brookfield Property Finance ULC, 4.346%, 2023/07/03	5.3%
7. AT&T, 5.1%, 2048/11/25	5.1%
8. Cameco Corp., 5.09%, 2042/11/14	5.0%
9. Transalta Corp., 7.30%, 2029/10/22	5.0%
10. Coast Capital Savings, 5.25%, 2030/10/29	4.9%
11. Coast Capital Savings, 5.00%, 2028/05/03	4.8%
12. Laurentian Bank of Canada, 4.25%, 2027/06/22	4.7%
13. Enbridge Inc., 5.375%, 2027/09/27	4.6%
14. REALT, Class 'D', Series '2016-1', 3.64%, 2026/05/12	4.3%
15. George Weston Ltd., 6.69%, 2033/03/01	4.1%
16. Capital Power, 4.986%, 2026/01/23	4.0%
17. Transalta Corp. 6.90%, 2030/11/15	3.6%
18. Institutional Mortgage Securities Canada Inc., 2013-4 C, 4.509%, 2023/11/12	3.6%
19. REALT Class D, 2016-2, 3.6175%, 2026/05/12	3.4%
20. Brookfield Asset Management Inc., 5.95%, 2035/06/14	3.4%
21. Teranet Holdings LP., 6.10%, 2041/06/17	2.9%
22. Institutional Mortgage Securities Canada Inc., 2016-7 D, 3.778%, 2025/03/12	2.9%
23. Fairfax Financial Holdings Ltd., 4.25%, 2027/12/06	2.9%
24. REALT Class C, 2018-1, 4.25%, 2028/05/12	2.8%
25. Institutional Mortgage Securities Canada Inc., 2012-2 D, 4.641%, 2022/07/12	2.7%
Total	115.3%

Asset Mix	
Sector Allocation	Percentage of Net Asset Value
Corporate Bonds	136.6%
Federal Bonds	8.6%
Total	145.2%

Currency Asset Mix	
Currency Allocation	Percentage of Net Asset Value
Canadian Dollar Denominated Bonds	145.2%
Total	145.2%

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.